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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF HUMAN SERVICES

BUREAU OF HOMELESS AND HOUSING SERVICES

Nicholas A. Toumpas
Commissioner

Mary Ann Cooney
Associate Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
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April 28, 2015

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Homeless and Housing Services to enter into **sole source** agreements with the vendors listed in the table below to provide permanent housing programs to facilitate the movement of homeless individuals to stable housing and maximum self-sufficiency through the Federal Continuum of Care program in an amount not to exceed $932,094, effective the dates indicated in the table below or upon Governor and Executive Council approval, whichever is later, through the completion dates indicated in the table below. 100% Federal Funding.

Vendor	Vendor Number	Location	Effective Date	Completion Date	Amount
Center for Life Management	174116-P001	Derry	07/01/2015	06/30/2016	$268,693
Community Partners of Strafford County	177200-B004	Dover	07/01/2015	06/30/2016	$40,790
Families in Transition	157730-B001	Concord	07/01/2015	06/30/2016	$93,677
Families in Transition	157730-B001	Concord	07/01/2015	06/30/2016	$68,585
Families in Transition	157730-B001	Manchester	09/01/2015	08/31/2016	$71,374
Harbor Homes	155358-B001	Nashua	07/01/2015	06/30/2016	$200,114
Lakes Region Mental Health d/b/a Genesis Behavioral Health	154480-B001	Laconia	07/01/2015	06/30/2016	$94,571
Seacoast Mental Health Center	174089-P001	Portsmouth	07/01/2015	06/30/2016	$14,596
Southwestern Community Services	177511-P001	Cheshire & Sullivan Counties	07/01/2015	06/30/2016	$79,694
				Total	**$932,094**

Funds are anticipated to be available in the following account in State Fiscal Years 2016 and 2017, with the ability to adjust encumbrances between State Fiscal Years through the Budget Office, without further Governor and Executive Council approval, if needed and justified.

05-95-42-423010-7927 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HUMAN SERVICES, HOMELESS & HOUSING, HOUSING- SHELTER PROGRAM

See attachment for Financial Details and Areas Served.

EXPLANATION

This request is **sole source** because federal regulations require the Department to specify the vendor's name during the federal, Continuum of Care application process prior to the grant award being issued. The U.S. Department of Housing and Urban Development scores the applications, then awards funding based on their criteria. The Bureau of Homeless and Housing Services receives notification of the awards from the U.S. Department of Housing and Urban Development several months later. Further, the Department cannot begin new agreements with the community-based agencies prior to their current contract completion dates; therefore, this package contains one contract for Families in Transition with a unique effective date. Some agencies, such as Families in Transition, applied for multiple grants relative to the various locations and services to which award funds will be allocated.

This package includes nine (9) of nine (9) agreements with vendors receiving a competitive award for renewal funding, and represents $932,094 of a total of $932,094 being funded through the Continuum of Care program. Based on the continued receipt and availability of federal funds, and pursuant to these agreements, vendors will utilize Continuum of Care funds to provide and pay for permanent housing supportive services, rental/leasing assistance, and administrative costs associated with providing services to homeless individuals and/or families with disabilities to promote the ability of participants to live more independently.

The U.S. Department of Housing and Urban Development developed the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

1) A strategic planning process for addressing homelessness in the community.
2) A process to engage broad-based, community-wide involvement in addressing homelessness on a year-round basis.
3) An opportunity for communities to submit an application to the U.S. Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families.

The Bureau assures contract compliance and provider performance through the following:

1) Annual compliance reviews are performed that include the collection of data relating to compliance with administrative rules and contractual agreements.
2) Statistical reports are submitted on a semi-annual basis from all funded providers, including various demographic information and income and expense reports including match dollars.
3) All providers funded for transitional housing, permanent housing, or outreach services will be required to maintain timely and accurate data entry on the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate data collection. The NH Homeless Management Information System will be the primary reporting tool for outcomes and activities of shelter and housing programs funded through these contracts.

Should Governor and Executive Council determine not to approve this request, rental assistance and supportive services for homeless individuals with disabilities and their families may not be available in their communities, and there will be an increase in demand for services placed upon the region's local welfare authorities. Further, an ongoing project may not be able to continue, causing many individuals and/or families to become homeless. People who are without housing and resources will resort to seeking shelter in places that are not fit for habitation, or will attempt to travel to shelters in other communities. This will increase the likelihood that people who are homeless will be in danger of injury or death, and will be cut off from basic supports for housing, health, education and treatment. Numerous jobs would also be lost since the shelter and/or resource agency would have to close its doors or drastically reduce staff.

Area served: As listed on Continuum of Care Financial Detail Sheet.

Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, grant numbers as listed on Continuum of Care Financial Detail Sheet, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

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

Respectfully submitted,

Mary Ann Cooney
Associate Commissioner

Approved by:
Nicholas A. Toumpas
Commissioner

Continuum of Care
Financial Detail

Center for Life Management – PH I (Vendor # 174116-P001)
Area Served: Derry, HUD Grant # NH0014L1T001407

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$268,693
		Sub-total	$268,693

Community Partners of Strafford County – Tideview PH for the Disabled (Vendor # 177200-B004)
Area Served: Dover, HUD Grant # NH0022L1T001407

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$40,790
		Sub-total	$40,790

Families in Transition – Concord Community Leasing II (Vendor # 157730-B001)
Area Served: Concord, HUD Grant # NH0060L1T001402

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$93,677
		Sub-total	$93,677

Families in Transition – Concord PH (Vendor # 157730-B001)
Area Served: Concord, HUD Grant # NH0007L1T001407

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$68,585
		Sub-total	$68,585

Families in Transition – PH VI (Vendor # 157730-B001)
Area Served: Manchester, HUD Grant # TBD

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$59,478
102-500731	Contracts for Program Services	2017	$11,896
		Sub-total	$71,374

Harbor Homes PH II (Vendor # 155358-B001)
Area Served: Nashua, HUD Grant # TBD

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$200,114
		Sub-total	$200,114

Lakes Region Mental Health d/b/a Genesis Behavioral Health – McGrath Street PH (Vendor # 154480-B001) Area Served: Laconia, HUD Grant # NH0013L1T001407

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$94,571
		Sub-total	$94,571

Seacoast Mental Health Center Springbrook PH (Vendor # 174089-P001)
Area Served: Portsmouth, HUD Grant # NH0020L1T001407

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$14,596
		Sub-total	$14,596

Southwestern Community Services PH (Vendor # 177511-P001)
Area Served: Cheshire and Sullivan Counties, HUD Grant # NH0019L1T001407

Account	Class Title	State Fiscal Year	Contract Amount
102-500731	Contracts for Program Services	2016	$79,694
		Sub-total	$79,694

Total	**$932,094**

Subject: Continuum of Care Program, Permanent Housing,

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Center For Life Management		**1.4 Contractor Address** 10 Tsienneto Rd Derry, NH 03038	
1.5 Contractor Phone Number (603) 434-1577	**1.6 Account Number** 05-95-42-423010-7927-102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $268,693
1.9 Contracting Officer for State Agency Eric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature		**1.12 Name and Title of Contractor Signatory** Vic Topo	

1.13 Acknowledgement: State of NH, County of Rockingham

On 4/9/15 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] Lynda A. Silegy

1.13.2 Name and Title of Notary or Justice of the Peace

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

1.14 State Agency Signature	**1.15 Name and Title of State Agency Signatory** Mary Ann Cooney Associate Commissioner
1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)* By:	Director, On:
1.17 Approval by the Attorney General (Form, Substance and Execution) By: Megan A. Yoder - Attorney	On: 5/11/15
1.18 Approval by the Governor and Executive Council By:	On:

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials: VT
Date: 4/9/2015

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

Contractor Initials: _____
Date: 4/9/2015

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.

Contractor Initials: VD
Date: 4/9/2015

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve twenty (20) homeless individuals and families with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

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

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016:	not to exceed $268,693

Funds allocation under this agreement for Continuum of Care Program;

Supportive services:	$45,000
Leasing or Rental Assistance:	$217,056
Administrative costs:	$6,637
Total program amount:	$268,693

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $3,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
   1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: Center for Life Management

April 9, 2015
Date

Name: Vic Topo
Title: President/CEO

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Center for Life Management

April 9, 2015
Date

Name: Vic Toto
Title: President/CEO

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Center for Life Management

April 9, 2015
Date

Name: Vic Topo
Title: President/CEO

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.

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: Center for Life Management

April 9, 2015
Date

Name: Vic Topo
Title: President/CEO

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Center for Life Management

April 9, 2015
Date

Vic Topo
Name: Vic Topo
Title: President / CEO

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NH DHHS	Center for Life Management
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Mary Ann Cooney	Vic Topo
Name of Authorized Representative	Name of Authorized Representative
Associate Commissioner	President/CEO
Title of Authorized Representative	Title of Authorized Representative
5/1/15	April 9, 2015
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Center for Life Management

April 9, 2015
Date

Name: Vic Topo
Title: President / CEO

FORM A

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

1. The DUNS number for your entity is: 085573541

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

   ✓ NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CLM CENTER FOR LIFE MANAGEMENT is a New Hampshire trade name registered on June 30, 2003 and that The Mental Health Center for Southern New Hampshire presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.

In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 2nd day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of CLM Center for Life Management.
(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 April 9, 2015:
(Date)

RESOLVED: That the President/CEO
(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 9 day of April, 2015.
(Date Contract Signed)

4. Vic Topo is the duly elected President/CEO
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Judith Ryan
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Rockingham

The forgoing instrument was acknowledged before me this 9 day of April, 2015,

By Judith Ryan.
(Name of Elected Officer of the Agency)

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

(NOTARY SEAL)

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

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/28/2014

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

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

PRODUCER
Fred C. Church, Inc.
41 Wellman Street
Lowell, MA 01851
(800) 225-1865

CONTACT NAME: Sharon Lambert
PHONE (A/C, No, Ext): 978 3227264 **FAX (A/C, No):** (978) 454-1865
E-MAIL ADDRESS: slambert@fredcchurch.com

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A :	ACE, USA	
INSURER B :	Ace American Insurance Company	22667
INSURER C :	LM Insurance Corporation	
INSURER D :		
INSURER E :		
INSURER F :		

INSURED
The Mental Health Center For Southern N. H. DBA CLM Center For Life Management

10 Tsienneto Road
Derry, NH 03038

COVERAGES **CERTIFICATE NUMBER:** 31344 **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	
B	**GENERAL LIABILITY** X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT X LOC			SVRD37797649	10/1/2014	10/1/2015	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 250,000 $ 10,000 $ 1,000,000 $ 3,000,000 $ 3,000,000
A	**AUTOMOBILE LIABILITY** X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS			CALH08613059	10/1/2014	10/1/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
B	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ 10,000			XOOG25499220005	10/1/2014	10/1/2015	EACH OCCURRENCE AGGREGATE	$ 3,000,000 $ 3,000,000
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC531S607601014	10/1/2014	10/1/2015	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 500,000 $ 500,000 $ 500,000
B	Professional Liability			CRLG25499268005	10/1/2014	10/1/2015	$4,000,000 Per Occurrence $6,000,000 General Aggregate Claims Made Retro Date: 7/1/1986	

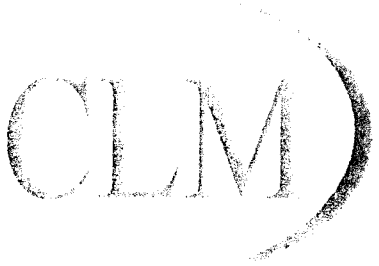
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
2014

CERTIFICATE HOLDER
NH Division of Behavioral Health
Sandy LawrenceContracts Admin.
105 Pleasant St.
Concord, NH 03301-3861

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

AUTHORIZED REPRESENTATIVE
Herman P Lateuman

Client # 799 Mst # 31344 Cert Holder # 8968



Center for Life Management

MISSION STATEMENT

To promote behavioral health and
emotional well-being of individuals,
families and organizations.

We accomplish this through professional,
individualized, comprehensive services
and by partnering with other
organizations that share our philosophy.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE
MANAGEMENT AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

Years ended June 30, 2014 and 2013

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Wisehart, Wimette & Associates PLC
Certified Public Accountants

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Independent Auditor's Report

To the Board of Directors of
The Mental Health Center for Southern New Hampshire
d/b/a/ CLM Center for Life Management and Affiliates

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates (a nonprofit organization), which are comprised of the consolidated statement of financial position as of June 30, 2014, and the related consolidated statements of activities, functional expenses, and cash flows 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.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates as of June 30, 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.

Report on Summarized Comparative Information

The financial statements of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates as of June 30, 2013, were audited by other auditors whose report dated October 1, 2013, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived. Refer to Note for additional information regarding comparative information.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16-22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2014, on our consideration of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates internal control over financial reporting and compliance.

Essex Junction, Vermont
Registration number VT092.0000684
October 10, 2014

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Financial Position
June 30, 2014 and 2013

ASSETS

	2014	2013
Current assets:		
Cash and cash equivalents	$ 684,160	$ 429,199
Restricted cash	126,842	124,439
Accounts receivable, net	1,174,229	907,893
Other receivables	161,077	141,960
Prepaid expenses	94,950	62,886
Total current assets	2,241,258	1,666,377
Property and equipment, net	4,169,523	4,416,653
Finance costs, net	344,696	362,964
Total assets	$ 6,755,477	$ 6,445,994

LIABILITIES AND NET ASSETS

Current liabilities:		
Line of credit	$ 125,000	$ -
Current portion of long-term debt	80,000	108,809
Accounts payable	58,476	76,018
Accrued payroll and payroll liabilities	184,022	153,878
Accrued vacation	272,871	274,697
Accrued interest	46,830	49,000
Accrued expenses	44,317	39,532
Total current liabilities	811,516	701,934
Long-term-debt less current portion	3,265,000	3,368,380
Total liabilities	4,076,516	4,070,314
Net assets - unrestricted	2,678,961	2,375,680
Total liabilities and unrestricted net assets	$ 6,755,477	$ 6,445,994

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Activities
Years ended June 30, 2014 and 2013

	2014	2013
Public support and revenues:		
Public support:		
Federal	$ 1,053,327	$ 970,014
State of New Hampshire - BBH	222,954	222,955
State and local funding	48,295	47,400
Other public support	31,262	38,322
Total public support	1,355,838	1,278,691
Revenues:		
Program service fees, net	10,429,373	9,964,952
Other service income	464,564	365,753
Rental income	81,374	83,794
Other	51,237	19,140
Gain on sale of building	80,182	-
Total revenues	11,106,730	10,433,639
Total public support and revenues	12,462,568	11,712,330
Expenses:		
BBH funded programs:		
Children	3,361,775	3,182,135
Elders	272,311	287,693
Vocational	234,468	285,723
Beaver Lake Lodge	874,974	828,851
Multi-Service	1,550,062	1,458,738
Acute Care	708,911	662,924
Independent Living	1,747,909	1,746,387
Assertive Community Treatment	459,474	409,008
Non-Specialized Outpatient	1,353,207	1,338,833
Non-BBH funded program services	595,134	535,639
Total program expenses	11,158,225	10,735,931
Administrative expenses	1,001,062	889,225
Total expenses	12,159,287	11,625,156
Change in net assets	303,281	87,174
Net assets, beginning of year	2,375,680	2,288,506
Net assets, end of year	$ 2,678,961	$ 2,375,680

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Functional Expenses
Years ended June 30, 2014 and 2013

	2014			2013		
	Program Services	Administrative	Total	Program Services	Administrative	Total
Personnel costs:						
Salaries and wages	$ 6,994,837	$ 644,395	$ 7,639,232	$ 6,748,947	$ 575,861	$ 7,324,808
Employee benefits	1,299,328	98,688	1,398,016	1,245,700	81,380	1,327,080
Payroll taxes	510,573	46,574	557,147	484,773	43,799	528,572
Accounting/audit fees	48,292	4,087	52,379	49,088	5,994	55,082
Advertising	11,521	1,359	12,880	6,273	855	7,128
Conferences, conventions and meetings	23,008	13,290	36,298	12,327	10,736	23,063
Depreciation/amortization	214,599	17,433	232,032	209,083	16,607	225,690
Equipment maintenance	21,042	1,441	22,483	17,532	1,152	18,684
Equipment rental	23,209	2,978	26,187	21,561	2,826	24,387
Insurance	72,097	6,366	78,463	72,224	6,602	78,826
Interest expense	111,920	16,349	128,269	117,323	19,424	136,747
Legal fees	63,172	5,344	68,516	26,383	2,711	29,094
Membership dues	54,898	7,181	62,079	45,927	4,048	49,975
Occupancy expenses	748,987	25,811	774,798	727,627	22,392	750,019
Office expenses	182,965	34,102	217,067	154,375	28,779	183,154
Other expenses	41,427	21,771	63,198	24,308	6,379	30,687
Other professional fees	394,431	44,813	439,244	410,638	50,854	461,492
Program supplies	157,842	7,205	165,047	173,515	7,339	180,854
Travel	184,077	1,875	185,952	188,327	1,487	189,814
	11,158,225	1,001,062	12,159,287	10,735,931	889,225	11,625,156
Administrative allocation	1,001,062	(1,001,062)	-	889,225	(889,225)	-
Total expenses	$ 12,159,287	$ -	$ 12,159,287	$ 11,625,156	$ -	$ 11,625,156

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Cash Flows
Years ended June 30, 2014 and 2013

	2014	2013
Cash flows from operating activities:		
Increase in net assets	$ 303,281	$ 87,174
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	232,032	225,690
Gain on sale of building	(80,182)	-
(Increase) decrease in:		
Restricted cash	(2,403)	(35,569)
Accounts receivable, net	(266,336)	(65,395)
Other receivables	(19,117)	31,991
Prepaid expenses	(32,064)	(8,555)
Increase (decrease) in:		
Accounts payable and accrued expenses	13,391	5,536
Deferred revenue	-	(12,000)
Net cash provided by operating activities	148,602	228,872
Cash flows from investing activities:		
Proceeds from sale of property	200,335	-
Purchases of property and equipment	(80,833)	(38,789)
Finance costs	(5,954)	-
Net cash provided (used) by investing activities	113,548	(38,789)
Cash flows from financing activities:		
Net borrowing (payments) on line of credit	125,000	(200,000)
Principal payments on long term debt	(132,189)	(72,330)
Net cash used in financing activities	(7,189)	(272,330)
Net increase (decrease) in cash and cash equivalents	254,961	(82,247)
Cash and cash equivalents, beginning of year	429,199	511,446
Cash and cash equivalents, end of year	$ 684,160	$ 429,199
Supplemental cash flow disclosures:		
Cash paid during the year for interest	$ 130,439	$ 125,299

See notes to financial statements

Note 1. Nature of organization

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management (the "Agency") is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health and related non-mental health programs.

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

During 2006, the Center for Life Management Foundation (the "Foundation") was established to act for the benefit of, to carry out the functions of, and to assist the Agency. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Agency is the sole member.

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management, West Rock Endowment Association, Inc., and the Center for Life Management Foundation are collectively referred to the "Organization".

Basis of consolidation
The consolidated financial statements include the accounts of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and its Affiliates, West Rock Endowment Association, Inc. and the Center for Life Management Foundation. All intercompany transactions have been eliminated in consolidation.

Note 2. Basis of accounting and summary of significant accounting policies

Basis of accounting
The financial statements are prepared on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to date of receipt or payment of cash. Contributions are reported in accordance with FASB Accounting Standards Codification ("ASC") *Accounting for Contributions Received and Contributions Made.*

Basis of presentation
The Organization's financial statement presentation is required by the Not-for-Profit *Presentation of Financial Statements* topic of the FASB ASC. The Organization is required to report information regarding its financial position and activities according to the following three classifications of net assets based on the existence or absence of donor-imposed restrictions.

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

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

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

At June 30, 2014 and 2013, the Organization had no temporarily or permanently restricted net assets.

General
The significant accounting policies of the Organization are presented to assist in understanding the Organization's financial statements. The financial statements and the notes are representations of the Organization's management. The Organization is responsible for the integrity and objectivity of the financial statements.

Use of estimates
Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and cash equivalents
The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents include savings, money market accounts, and certificates of deposits.

Accounts receivable
Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management writes off accounts when they are deemed uncollectible and establishes an allowance for doubtful accounts for estimated uncollectible amounts. The Organization had an allowance for doubtful accounts of $371,644 and $371,480 as of June 30, 2014 and 2013, respectively. Refer to Note 4 for additional discussion of accounts receivable.

Property
Property is recorded at cost, except for donated assets which are recorded at estimated fair value at the date of donation. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	15 – 40 years
Automobiles	3 – 15 years
Equipment	5 – 7 years

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

All equipment valued at $500 or more is capitalized. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense was $207,809 and $208,043 for the years ended June 30, 2014 and 2013, respectively.

Finance costs
Financing costs are recorded on the statement of position net of accumulated amortization. The costs are amortized over the term of the respective financing arrangement. Amortization expense was $24,223 and $17,647 for the years ended June 30, 2014 and 2013, respectively.

Vacation pay and fringe benefits
Vacation pay is accrued and charged to programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on programs.

Fair value measurements and financial instruments
The Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Organization's financial instruments consist primarily of cash, accounts receivables, accounts payable and accrued expenses. The carrying amount of the Organization's financial instruments approximates their fair value due to the short-term nature of such instruments. The carrying value of long-term debt approximates fair value due to their bearing interest at rates that approximate current market rates for notes with similar maturities and credit quality.

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

Contributions
Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

All donor-restricted contributions received are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of support, revenues, and expenses as net assets released from restrictions.

Restricted contributions that meet the restriction in the same reporting period are reported as increases in unrestricted net assets.

Third-party contractual arrangements
A significant portion of revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and other commercial payers are at defined service rates for services rendered to patients covered by these programs are received. The difference between the established billing rates and the actual rate of reimbursement is recorded as an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

Advertising expenses
The Organization expenses advertising costs as they are incurred.

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

Income taxes
The Agency is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Agency has also been classified as an entity that is not a private foundation within the meaning of 509(a) and qualifies for deductible contributions.

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

The Foundation is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is an organization that is organized and operated exclusively for the benefit of the Agency.

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

These financial statements follow FASB ASC, *Accounting for Uncertain Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. *Accounting for Uncertain Income Taxes* did not have a material impact on these financial statements as the Organization believes it has taken no uncertain tax positions that could have an effect on its financial statements.

Federal Form 990 (Return of an Organization Exempt from Income Tax) for fiscal years 2011, 2012 and 2013 are subject to examination by the IRS, generally for three years after filing.

Comparative financial statements
The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ending June 30, 2013, from which the summarized information was derived.

Subsequent events
The Organization has evaluated all subsequent events through October 10, 2014, the date the financial statements were available to be issued.

Note 3. Restricted cash

As of June 30, 2014 and 2013, the Organization had restricted cash of $126,842 and $124,439, respectively. The amounts represent cash which is restricted for debt service requirements, as designated by the Series 2006 bonds.

Note 4. Accounts receivable, net

Accounts receivable consist of the following at June 30,:

	2014			2013		
Accounts receivable	Receivable	Receivable Allowance	Net	Receivable	Receivable Allowance	Net
Clients	$ 534,588	$ (313,184)	$ 221,404	$ 540,356	$ (344,265)	$ 196,091
Insurance companies	131,465	(4,734)	126,731	151,163	(6,873)	144,290
Medicaid	602,084	(17,788)	584,296	455,647	(9,697)	445,950
Medicare	277,736	(35,938)	241,798	132,207	(10,645)	121,562
	$1,545,873	$ (371,644)	$ 1,174,229	$1,279,373	$ (371,480)	$ 907,893

Other receivables	2014	2013
Towns	$ 19,500	$ 21,500
NH Division of Mental Health	68,582	72,025
Miscellaneous	72,995	48,435
	$ 161,077	$ 141,960

Note 5. Concentrations of credit risk

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

	2014	2013
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	$ 1,174,229	$ 907,893
Other receivables due from entities located in New Hampshire	$ 161,077	$ 141,960

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2014 and 2013, the Organization had approximately $96,000 and $0 in uninsured cash balances.

Note 6. Property

Property and equipment consists of the following at June 30:

	2014	2013
Land	$ 632,418	$ 687,307
Buildings and improvements	4,175,624	4,475,044
Automobiles	93,388	89,335
Equipment	1,401,055	1,613,141
	6,302,485	6,864,827
Less: accumulated depreciation	(2,169,493)	(2,489,568)
	4,132,992	4,375,259
Construction in progress	36,531	41,394
Property and equipment, net	$ 4,169,523	$ 4,416,653

Note 7. Line of credit

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

As of June 30, 2013, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of $750,000. Interest accrued on the outstanding principal balance is payable monthly at prime plus 0.25%; provided, however, at no time shall the interest rate be less than 5.00%. The outstanding balance on the line at June 30, 2013 was $0. The line of credit is secured by all business assets and real estate.

Note 8. Long term debt

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

	2014	2013
People's United Bank - Mortgage payable in monthly principal and interest installments of $2,489, with interest fixed at 5.823%, secured by certain real estate. Mortgage was paid off in 2014.	$ -	$ 57,189
Series 2006 New Hampshire Health and Education Facilities Bond- Payable through 2036, original principal of $3,700,000, remarketed and sold to Centrix Bank December 2011 at 2.80% per annum.	3,345,000	3,420,000
Total long term debt	3,345,000	3,477,189
Less: current portion of long term debt	(80,000)	(108,809)
Long term debt, less current portion	$ 3,265,000	$ 3,368,380

Future maturities of long term debt are as follows:

Year ending June 30,	
2015	$ 80,000
2016	85,000
2017	90,000
2018	95,000
2019	100,000
Thereafter	2,895,000
Total	$ 3,345,000

In accordance with the Series 2006 bond issuance, there is a ten-year letter of credit commitment (currently with People's United Bank) to support the tax-exempt bonds issue. An 0.85% fee on the outstanding letter of credit balance is required. During the years ending June 30, 2014 and 2013, fees were incurred on the outstanding letter of credit, which are included in interest expense.

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

Note 9. Employee benefit plan

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Employer contributions totaled $61,383 and $0 for the years ending June 30, 2014 and 2013, respectively.

Note 10. Commitments and contingencies

The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management, has entered into an agreement with Parkland Medical Center ("PMC") of Derry, New Hampshire, effective June 1, 2013, and will expire on December 31, 2014, whereby CLM provides psychiatric services and consultations to inpatients of PMC for the hospital medical and nursing staff. The consultations are requested by the hospital and responded to by CLM medical staff on an on-call basis. In addition to the psychiatric services, CLM provides emergency mental health assessments, evaluations, and referral services to the emergency department ("ED") of the hospital. CLM emergency service clinicians are available on a twenty-four hour, seven days a week basis to see patients entering the ED who are experiencing a mental health crisis or psychiatric emergency.

For the years ending June 30, 2014 and 2013, the Agency received approximately 58% and 57%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Community Mental Health Center affords the Agency Medicaid provider status. Annual contracting with New Hampshire Department of health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds that can be taken as a grant or pledged in full or in part for leveraging matching federal Medicaid dollars.

Note 11. Lease commitments

The Agency leases facilities under various operating leases. Rent expense recorded under these arrangements was approximately $63,000 and $85,000 for the years ended June 30, 2014 and 2013, respectively.

The following details the future minimum lease payments on leases with an initial or remaining term of greater than one year as of June 30, 2014:

Year ending June 30,	
2015	$ 105,954
2016	109,947
2017	109,947
2018	117,773
2019	117,773
Total	$ 561,394

Note 12. Dissolution

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

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

Note 10. Dissolution (continued)

The transfer resulted in cash of $205,123 being transferred from the Association to CLM and $32,027 being transferred to CLM as a payoff on the People's United mortgage payble discussed in Note 8. The resulting transfers of $237,150 are reported as gain on transfer of assets for CLM and loss from transfer of assets for the Association. The amounts are appropriately eliminated in consolidation.

SUPPLEMENTARY INFORMATION

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Position
June 30, 2014

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
ASSETS						
Current assets:						
Cash and cash equivalents	$ 559,850	$ -	$ 124,310	$ 684,160	$ -	$ 684,160
Restricted cash	126,842	-	-	126,842	-	126,842
Accounts receivable, net	1,174,229	-	-	1,174,229	-	1,174,229
Other receivables	161,077	-	-	161,077	-	161,077
Prepaid expenses	94,950	-	-	94,950	-	94,950
Total current assets	2,116,948	-	124,310	2,241,258	-	2,241,258
Property and equipment, net	4,169,523	-	-	4,169,523	-	4,169,523
Finance costs, net	344,696	-	-	344,696	-	344,696
Total assets	$ 6,631,167	$ -	$ 124,310	$ 6,755,477	$ -	$ 6,755,477
LIABILITIES AND NET ASSETS						
Current liabilities:						
Line of credit	$ 125,000	$ -	$ -	$ 125,000	$ -	$ 125,000
Current portion of long-term debt	80,000	-	-	80,000	-	80,000
Accounts payable	58,476	-	-	58,476	-	58,476
Accrued payroll and payroll liabilities	184,022	-	-	184,022	-	184,022
Accrued vacation	272,871	-	-	272,871	-	272,871
Accrued interest	46,830	-	-	46,830	-	46,830
Accrued expenses	44,317	-	-	44,317	-	44,317
Total current liabilities	811,516	-	-	811,516	-	811,516
Long-term-debt less current portion	3,265,000	-	-	3,265,000	-	3,265,000
Total liabilities	4,076,516	-	-	4,076,516	-	4,076,516
Net assets - unrestricted	2,554,651	-	124,310	2,678,961	-	2,678,961
Total liabilities and unrestricted net assets	$ 6,631,167	$ -	$ 124,310	$ 6,755,477	$ -	$ 6,755,477

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Position
June 30, 2013

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
ASSETS						
Current assets:						
Cash and cash equivalents	$ 286,174	$ 17,268	$ 125,757	$ 429,199	$ -	$ 429,199
Restricted cash	124,439	-	-	124,439	-	124,439
Accounts receivable, net	907,893	-	-	907,893	-	907,893
Other receivables	141,960	-	-	141,960	-	141,960
Prepaid expenses	62,886	-	-	62,886	-	62,886
Total current assets	1,523,352	17,268	125,757	1,666,377	-	1,666,377
Property and equipment, net	4,287,980	128,673	-	4,416,653	-	4,416,653
Finance costs, net	362,964	-	-	362,964	-	362,964
Total assets	$ 6,174,296	$ 145,941	$ 125,757	$ 6,445,994	$ -	$ 6,445,994
LIABILITIES AND NET ASSETS						
Current liabilities:						
Current portion of long-term debt	$ 108,809	$ -	$ -	$ 108,809	$ -	$ 108,809
Accounts payable	76,018	-	-	76,018	-	76,018
Accrued payroll and payroll liabilities	153,878	-	-	153,878	-	153,878
Accrued vacation	274,697	-	-	274,697	-	274,697
Accrued interest	49,000	-	-	49,000	-	49,000
Accrued expenses	39,532	-	-	39,532	-	39,532
Total current liabilities	701,934	-	-	701,934	-	701,934
Long-term-debt less current portion	3,368,380	-	-	3,368,380	-	3,368,380
Total liabilities	4,070,314	-	-	4,070,314	-	4,070,314
Net assets - unrestricted	2,103,982	145,941	125,757	2,375,680	-	2,375,680
Total liabilities and unrestricted net assets	$ 6,174,296	$ 145,941	$ 125,757	$ 6,445,994	$ -	$ 6,445,994

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Activities
For the Year Ended June 30, 2014

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
Public support and revenues:						
Public support:						
Federal	$ 1,053,327	$ -	$ -	$ 1,053,327	$ -	$ 1,053,327
State of New Hampshire - BBH	222,954	-	-	222,954	-	222,954
State and local funding	48,295	-	-	48,295	-	48,295
Other public support	31,262	-	-	31,262	-	31,262
Total public support	1,355,838	-	-	1,355,838	-	1,355,838
Revenues:						
Program service fees, net	10,429,373	-	-	10,429,373	-	10,429,373
Other service income	464,564	-	-	464,564	-	464,564
Rental income	81,374	22,500	-	103,874	(22,500)	81,374
Other	16,268	83	34,886	51,237	-	51,237
Gain on sale of building	-	80,182	-	80,182	-	80,182
Gain from transfer of assets	237,150	-	-	237,150	(237,150)	-
Total revenues	11,228,729	102,765	34,886	11,366,380	(259,650)	11,106,730
Total public support and revenues	12,584,567	102,765	34,886	12,722,218	(259,650)	12,462,568
Expenses:						
BBH funded programs:						
Children	3,361,775	-	-	3,361,775	-	3,361,775
Elders	272,311	-	-	272,311	-	272,311
Vocational	234,468	-	-	234,468	-	234,468
Beaver Lake Lodge	874,974	-	-	874,974	-	874,974
Multi-Service	1,550,062	-	-	1,550,062	-	1,550,062
Acute Care	708,911	-	-	708,911	-	708,911
Independent Living	1,747,909	-	-	1,747,909	-	1,747,909
Assertive Community Treatment	459,474	-	-	459,474	-	459,474
Non-Specialized Outpatient	1,353,207	-	-	1,353,207	-	1,353,207
Non-BBH funded program services	569,745	11,556	36,333	617,634	(22,500)	595,134
Total program expenses	11,132,836	11,556	36,333	11,180,725	(22,500)	11,158,225
Administrative expenses	1,001,062	-	-	1,001,062	-	1,001,062
Total expenses	12,133,898	11,556	36,333	12,181,787	(22,500)	12,159,287
Loss from transfer of assets	-	237,150	-	237,150	(237,150)	-
Total expenses and losses	12,133,898	248,706	36,333	12,418,937	(259,650)	12,159,287
Change in net assets	450,669	(145,941)	(1,447)	303,281	-	303,281
Net assets, beginning of year	2,103,982	145,941	125,757	2,375,680	-	2,375,680
Net assets, end of year	$ 2,554,651	$ -	$ 124,310	$ 2,678,961	$ -	$ 2,678,961

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Activities
For the Year Ended June 30, 2013

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
Public support and revenues:						
Public support:						
Federal	$ 970,014	$ -	$ -	$ 970,014	$ -	$ 970,014
State of New Hampshire - BBH	222,955	-	-	222,955	-	222,955
State and local funding	47,400	-	-	47,400	-	47,400
Other public support	7,235	-	31,087	38,322	-	38,322
Total public support	1,247,604	-	31,087	1,278,691	-	1,278,691
Revenues:						
Program service fees, net	9,964,952	-	-	9,964,952	-	9,964,952
Other service income	365,753	-	-	365,753	-	365,753
Rental income	83,794	15,930	-	99,724	(15,930)	83,794
Other	19,140	3	-	19,143	(3)	19,140
Total revenues	10,433,639	15,933	-	10,449,572	(15,933)	10,433,639
Total public support and revenues	11,681,243	15,933	31,087	11,728,263	(15,933)	11,712,330
Expenses:						
BBH funded programs:						
Children	3,182,135	-	-	3,182,135	-	3,182,135
Elders	287,693	-	-	287,693	-	287,693
Vocational	285,723	-	-	285,723	-	285,723
Beaver Lake Lodge	828,851	-	-	828,851	-	828,851
Multi-Service	1,458,738	-	-	1,458,738	-	1,458,738
Acute Care	662,924	-	-	662,924	-	662,924
Independent Living	1,746,387	-	-	1,746,387	-	1,746,387
Assertive Community Treatment	409,008	-	-	409,008	-	409,008
Non-Specialized Outpatient	1,338,833	-	-	1,338,833	-	1,338,833
Non-BBH funded program services	521,693	15,933	13,946	551,572	(15,933)	535,639
Total program expenses	10,721,985	15,933	13,946	10,751,864	(15,933)	10,735,931
Administrative expenses	889,225	-	-	889,225	-	889,225
Total expenses	11,611,210	15,933	13,946	11,641,089	(15,933)	11,625,156
Change in net assets	70,033	-	17,141	87,174	-	87,174
Net assets, beginning of year	2,033,949	145,941	108,616	2,288,506	-	2,288,506
Net assets, end of year	$ 2,103,982	$ 145,941	$ 125,757	$ 2,375,680	$ -	$ 2,375,680

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Analysis of Accounts Receivable
For the Year Ended June 30, 2014

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Change in Allowance	Accounts Receivable End of Year
Clients	$ 540,356	$ 1,569,584	$ (395,901)	$ (1,179,451)	$ -	$ 534,588
Insurance companies	151,163	2,003,954	(425,890)	(1,597,762)	-	131,465
Medicaid	455,647	8,876,332	(1,672,500)	(7,057,395)	-	602,084
Medicare	132,207	735,530	(261,736)	(328,265)	-	277,736
Allowance	(371,480)	-	-	-	(164)	(371,644)
Total	$ 907,893	$ 13,185,400	$ (2,756,027)	$(10,162,873)	$ (164)	$ 1,174,229

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Revenues and Expenses
For the Year Ended June 30, 2014

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Admin-istrative	Total Agency
Public support and revenues:													
Public support:													
Federal	$ 22,498	$ -	$ 2,522	$ 252,352	$ 40,153	$ 10,081	$ 687,971	$ 5,776	$ 19,428	$ 12,546	$ 1,053,327	$ -	$ 1,053,327
State of New Hampshire - BBH	1,770	-	-	-	-	141,185	-	79,999	-	-	222,954	-	222,954
State and local funding	30,428	-	-	-	-	-	-	-	3,267	14,600	48,295	-	48,295
Other public support	1,973	-	-	28,500	-	-	-	-	-	789	31,262	-	31,262
Total public support	56,669	-	2,522	280,852	40,153	151,266	687,971	85,775	22,695	27,935	1,355,838	-	1,355,838
Revenues:													
Program service fees, net	3,934,058	498,879	214,029	580,586	1,948,611	249,650	1,279,167	378,123	969,810	376,460	10,429,373	-	10,429,373
Other service income	73,592	7,783	-	-	-	284,923	-	-	42,649	55,617	464,564	-	464,564
Rental income	833	-	-	77,982	833	833	-	-	893	-	81,374	-	81,374
Other	(2,621)	14	-	148	(2,277)	73	3,415	(268)	13,871	87	12,442	3,826	16,268
Gain from transfer of assets	57,933	5,375	5,231	15,489	27,387	11,673	27,387	11,283	25,953	1,435	189,146	48,004	237,150
Total revenues	4,005,862	506,676	214,029	658,716	1,947,167	535,479	1,282,582	377,855	1,027,223	432,164	10,987,753	3,826	11,228,729
Total public support and revenues	4,062,531	506,676	216,551	939,568	1,987,320	686,745	1,970,553	463,630	1,049,918	460,099	12,343,591	3,826	12,584,567
Total program expenses	3,664,073	296,798	255,551	953,653	1,689,446	772,657	1,905,084	500,791	1,474,890	620,955	12,133,898	-	12,133,898
Net	$ 398,458	$ 209,878	$ (39,000)	$ (14,085)	$ 297,874	$ (85,912)	$ 65,469	$ (37,161)	$ (424,972)	$ (160,856)	$ 209,693	$ 3,826	$ 450,669

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Expenses
For the Year Ended June 30, 2014

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Admin-istrative	Total Agency
Personnel costs:													
Salaries and wages	$ 2,268,090	$ 187,294	$ 147,349	$ 473,327	$ 1,021,561	$ 510,571	$ 799,211	$ 286,061	$ 946,983	$ 354,390	$ 6,994,837	$ 644,395	$ 7,639,232
Employee benefits	401,898	31,677	35,362	109,471	243,783	63,787	168,298	65,538	135,851	43,663	1,299,328	98,688	1,398,016
Payroll taxes	167,323	13,765	10,480	34,586	72,865	38,125	58,303	20,057	69,733	25,336	510,573	46,574	557,147
Accounting/audit fees	14,635	1,357	1,321	3,913	6,921	2,950	6,921	2,853	6,555	365	47,791	4,087	51,878
Advertising	3,007	234	280	821	1,410	1,147	1,439	487	2,407	289	11,521	1,359	12,880
Conferences, conventions and meetings	4,803	291	672	1,757	1,530	1,074	5,009	4,110	1,241	2,521	23,008	13,290	36,298
Depreciation/amortization	63,120	5,856	5,700	16,875	29,839	12,718	29,839	12,293	28,274	1,565	206,079	17,433	223,512
Equipment maintenance	5,215	484	471	4,483	2,928	1,051	2,928	1,016	2,336	130	21,042	1,441	22,483
Equipment rental	11,059	302	5	695	2,914	3,147	1,164	11	3,340	572	23,209	2,978	26,187
Insurance	20,998	1,948	1,896	7,386	11,698	4,231	9,926	4,089	9,406	519	72,097	6,366	78,463
Interest expense	34,309	3,178	3,094	9,164	16,202	6,902	16,195	6,672	15,355	849	111,920	16,349	128,269
Legal fees	19,349	1,795	1,747	5,173	9,147	3,899	9,147	3,768	8,667	480	63,172	5,344	68,516
Membership dues	7,435	871	699	2,308	4,476	1,538	20,590	1,455	3,340	12,186	54,898	7,181	62,079
Occupancy expenses	57,024	9,802	580	83,382	37,091	13,972	491,402	4,323	44,600	25,461	767,637	25,811	793,448
Office expenses	53,400	2,980	3,333	22,582	24,363	14,436	21,549	6,531	24,627	9,164	182,965	34,102	217,067
Other expenses	3,278	281	97	481	2,246	1,018	1,287	1,224	2,124	1,372	13,408	21,771	35,179
Other professional fees	144,986	8,601	12,395	36,355	45,430	18,763	48,668	18,790	42,089	11,355	387,432	44,813	432,245
Program supplies	8,279	911	352	52,524	5,866	2,269	2,938	1,202	4,010	79,491	157,842	7,205	165,047
Travel	73,567	684	8,635	9,691	9,792	7,313	53,095	18,994	2,269	37	184,077	1,875	185,952
	3,361,775	272,311	234,468	874,974	1,550,062	708,911	1,747,909	459,474	1,353,207	569,745	11,132,836	1,001,062	12,133,898
Administrative allocation	302,298	24,487	21,083	78,679	139,384	63,746	157,175	41,317	121,683	51,210	1,001,062	(1,001,062)	-
Total program expenses	$ 3,664,073	$ 296,798	$ 255,551	$ 953,653	$ 1,689,446	$ 772,657	$ 1,905,084	$ 500,791	$ 1,474,890	$ 620,955	$ 12,133,898	$ -	$ 12,133,898

Policy No. CS100.00
Reviewed: 6-2010

CLM Center for Life Management

TITLE:	**Client Rights**
EFFECTIVE DATE:	**June 1999** **April 2003** **January 2006** **Revised Feb 2008**
APPROVED BY:	**Senior Management Team Date 6-28-2010** **Chief Executive Officer Date 6-28-2010**
APPLIES TO:	**All programs and departments**
CONTACT PERSON:	**V.P. of Quality & Compliance**

POLICY:

1. All services rendered by Center for Life Management (CLM) will be rendered on a non-discriminatory basis as required by federal and state laws.
2. All services will be rendered in a manner that is respectful of each person's age, gender, social supports, cultural orientation, psychological characteristics, sexual orientation, physical situation, and spiritual beliefs.
3. CLM shall ensure that all clients will be involved in all aspects of their treatment.
4. No applicant for service or client receiving service will be denied any right as set forth and protected by the New Hampshire Bureau of Behavioral Health in He-M 309. All clients of CLM shall be covered by this policy.
5. CLM will have an established mechanism for the notification of client rights and HIPAA privacy practices to all applicants for service.
6. CLM will have an established mechanism for the investigation and resolution of complaints regarding client rights. Investigations are part of CLM's Quality Improvement Program and, as such, are afforded certain protections from discovery.
7. CLM will have an established mechanism for the documentation of complaints regarding client rights.
8. All employees of CLM will be trained annually on client rights and will review CLM's Code of Ethics annually.
9. Employees of CLM shall make a complaint to the CLM Client Rights Investigator on behalf of an individual whenever they have reason to believe that a client rights violation has occurred.
10. Complaints determined by the Client Rights Investigator customer service in nature shall be referred to the appropriate department/program manager for resolution.

PROCEDURE

1. At Intake, and annually thereafter, in clearly understandable language, all applicants for service will be informed, orally and in writing of their rights as defined by He-M 309 and of the complaint process.
2. At Intake, all clients will receive a copy of CLM's Notice of Privacy Practices.
3. All applicants for services shall be informed of their right to an evaluation and access to treatment.
4. Notification of client rights will be documented in the client record.

5. An outline of client rights and HIPAA privacy practices will be conspicuously posted at each service delivery site.
6. Each program secretary, who will make them available to any client who asks to see an d/or read the entirety of their client rights, will keep complete copies of He-M 309 and 202.
7. CLM will have at all times, a designated Clients Rights Investigator and a Privacy Officer. Designation or changes in designation of the Client Rights Investigator shall be reported to the Office of Client Legal Services at the Bureau of Behavioral Health.
8. The Client Rights Investigator will investigate each complaint in an objective manner. The resolution process and notification process outlined in He-M 202 will be followed.
9. At the option of the individual or guardian and, except in cases of abuse, neglect, or exploitation, concerns may be addressed informally as defined in He-M 303.
10. There will be no limit to the number of complaints by any complainant.
11. Complaints will be resolved within fifteen working days after receipt of the complaint, except for complaints requiring emergency actions, which shall require a decision no later than four working days after receipt of the complaint.
12. A client, an applicant for service, an employee of a program or family members of clients may make complaints. No complaint shall fail to be investigated due to the source of the compliant.
13. Instances of abuse, neglect or exploitation shall also be reported to the Division of Elderly and Ault Services (DEAS) or Division for Children, Youth and Families (DCYF), as appropriate.
14. An employee making a compliant on behalf of a client in good faith shall not be subject to formal or informal disciplinary actions, harassment or any form of retribution.
15. Employees are required to fully cooperate in any compliant investigation.
16. Clients will be informed of the appeals process for all complaints investigated.
17. The HIPAA Privacy Officer will handle all federal HIPAA Privacy issues as defined by those regulations.
18. All complaints summaries will be reviewed brought CLM's quality Improvement process and incorporated into the Quality Improvement Plan.

CENTER FOR LIFE MANAGEMENT
CLIENT RIGHTS INVESTIGATION TRACKING FORM

Date of Complaint: _____

Consumer Name: _____ Age: _____ Sex: _____

Consumer Phone: _____

Consumer's Program: _____

Consumer's Treatment Provider(s): _____

Complainant Name: _____ Phone: _____

Relationship to Consumer: _____

Complaint/incident:

_____

_____

_____

_____

_____

_____

Complaint/Incident Reported to:

DCYF _____ DEAS _____ Police _____ Guardian _____

Other (specify): _____

CENTER FOR LIFE MANAGEMENT
CLIENT RIGHTS INVESTIGATION REPORT

Initial Complaint:

Client Rights Alleged to Have Been Violated:

Interviews:

Discovery:

Finding:

Recommendations:

Actions Taken by Investigator:

Client Rights Investigator **Date**

CENTER FOR LIFE MANAGEMENT CLIENT RIGHTS STATEMENT

As a client of Center for Life Management, you have rights that will be respected and maintained. Your most important right is the right to know what your rights are and the right to complain when you believe that your rights have been violated. No client shall be deprived of any legal right to which all citizens are entitled solely by reason of their admission to the mental health services system. Some of these rights are outlined below. If you would like a complete copy of the State regulation that governs these rights, please ask a staff member for a copy of He-M 309: Rights of Persons Receiving Mental Health Services in the Community.

PERSONAL RIGHTS

- to not be discriminated against
- to be treated with dignity and respect
- to be free from abuse, neglect, and exploitation
- to confidentiality: some exceptions are outlined below
- to complain about a violation of rights

SOME EXCEPTIONS TO CONFIDENTIALITY

- to secure payment
- when reporting abuse, neglect or exploitation of disabled adults or of children to the Division of Behavioral Health
- in cases of an Involuntary Emergency Admission or Guardianship proceedings
- when you are a danger to yourself or others
- to family members or other person who lives with you or provides direct care to you (under certain circumstances)

TREATMENT RIGHTS

- to adequate and humane treatment
- to make decisions about your services
- to treatment based on generally accepted clinical and professional standards
- to a mutually agreed upon treatment plan
- to services in the least restrictive setting
- to be informed of all significant risks, benefits, side affects, and alternative treatment and services
- to be fully informed of your diagnosis and prognosis
- to seek changes in services or treatment
- to refuse medication and treatment (except in Involuntary Emergency Admissions)
- to consultation and second opinions
- to have someone with you at treatment meetings where informed decision-making is required
- to freedom from restraint and seclusion except for personal safety
- to receive adequate written notice prior to suspension or termination of treatment with explanations as to the reason, and for the right to appeal the action
- if you are determined eligible to receive state funded services, to have your clinician explain:
  - the purpose of the Individual Service Planning (ISP) treatment planning process including goals, objectives, timelines, reviews, and crisis plans
  - that you have the power to choose either of the following methods by which my ISP is developed
    - through a formal client centered conference that is a meeting at a mutually convenient time and place with the psychiatrist and other involved persons approved by me, such as family members, CLM staff, representatives of other agencies providing services to me such as vocational rehabilitation, friends, an attorney, legal representative, a peer advocate and/or others with relevant knowledge or expertise
    - through a less formal method that shall include one or more one-on-one or small group meetings with the psychiatrist and/or others by phone, in person and/or through other effective means.
- to have ten days to make a decision after receiving the written explanation regarding he methods to develop the ISP
- to consult with family, friends, therapists, advocates and others before making the decision regarding the method to develop my ISP

These treatment rights do not require CLM to provide services or administer treatment that it considers unreasonable, unnecessary and/or against the clinical judgment of its professional staff. To assure a safe environment for all persons I understand that no firearms or other weapons are allowed on CLM premises except by law enforcement personnel. **If you feel that your rights have been violated, we urge you to contact us at any of the CLM sites or offices. You may do so by phone or in writing. Address your concerns to The Client Rights Investigator at Center for Life Management, 10 Tsienneto Road, or call 603-434-1577.**

Client Signature	Date	Guardian or DPOA	Date

WHITE COPY TO CLIENT AND YELLOW COPY FOR RECORD

CLM Center for Life Management

BOARD OF DIRECTORS* FY2015

July 1, 2012 to June 30, 2015

Elizabeth Roth
Chairperson

Ron Lague
Vice President

Judi Ryan
Secretary

Philip Plante

Jeffrey Rind, MD

Gail Corcoran

Vic Topo
President & CEO

Vernon Thomas

Susan Davis

Laura Nelson

July 1, 2014 – June 30, 2017

Kurt Simione

Roger Konstant

VICTOR TOPO

Home.
Mobile:

President/Chief Executive Officer

Successful 28-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and Reinvention
- Team building and leadership
- Strategic planning
- Board Collaboration
- Joint ventures and strategic partnerships
- Strong relationship with funders
- Community building

Professional Experience

Center for Life Management – Derry, NH **1999 – Present**
President/Chief Executive Officer

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association. Began with revenues of 6.5 million and increased to 9 million. Restructured senior management increasing direct reports from three to six.

Key results:

- Established closer connection with surrounding community utilizing aggressive public relations strategy while also rebranding CLM in 2004.
- Guided Board of Directors towards more accountability including higher expectation from management and individual board members.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer
- Increased year after year number of persons served starting with 3,400 to nearly 6,000.
- Created and implemented strategy to integrate mental health care with physician healthcare. Integrated behavioral health services into 2 Primary Care/Pediatric Practices and one Specialty (GYN) Practice in Southern New Hampshire.
- Consolidated outpatient offices toward design and construction of new state of the art 26,000 square foot facility. Received national awards for design and use of new facility.
- Provided leadership and vision to oversee the development of a Electronic Health Record (EHR) called webAISCE. Software now includes e-prescribing and has begun acquiring Meaningful Use dollars.
- Adopted Transcranial Magnetic Stimulation (TMS) as newest neurotech treatment for Major Depressive Disorder. First free standing community mental health center in the U.S. to offer it.

Pathways, Inc. – Mentor, OH **1988 - 1999**
Chief Executive Officer/Executive Director

Started with managing a small single purpose case management agency with revenues of $486,000 and over 11 years grew revenues to 4 million by expanding services to chronically mentally ill consumers. Created senior management team and strengthened Board of Directors utilizing shared vision approach.

Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to our community.
- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from $38,000 in 1989 to $431,210 in 1997.

Community Counseling Center – Ashtabula, OH **1983-1988**
Case Management Supervisor/Case Manager

Provided direct services and supervision for services to severely mentally disabled persons in the community. Partnered with local private hospital as well as state hospital.

Key results:

- Transitioned consumers back into supervised and independent living.
- Recruited, trained and managed staff of five case managers.
- Designed and implemented agency's first case management program.

EDUCATION

Master of Social Work (MSW)
West Virginia University, Morgantown, WV

Bachelor of Arts (BA)
Siena College, Londonville, NY

Associate of Applied Science (AAS)
Fulton-Montgomery Community College, Johnstown, NY

BOARD/LEADERSHIP POSITIONS

Heritage United Way – Board of Directors

Mental Health Commission – Co-Chair
Consumers and Families Work Group

Statewide Evidenced Based Practice Committee – Co-Chair

Greater Salem Chamber of Commerce – Board of Directors

Greater Derry/Londonderry Chamber of Commerce – Board of Directors

Greater Derry/Salem Regional Transportation Council (RTC) -
Chairman, Board of Directors, Derry, NH

Greater Salem Leadership Program – Graduate, Class of 2001

Michael J. Bergeron

:0B

PROFESSIONAL PROFILE:

- Thirty-five plus years of extensive clinical background and skills combined with proven administrative and financial management experience. Reputation for high integrity, loyalty, dependability, hard work, dedication, attention to detail, and goal achievement. Proven history of successful program development.

EXPERIENCE:

CLM Center for Life Management, Salem, NH **9/99--Present**
Vice President, Chief Financial Officer

- Executive/administrative responsibility for Finance, Accounting, Accounts Receivable, Accounts Payable, and Payroll. Primary responsibilities for fiscal management and reporting and regulatory compliance, budget development, monitoring, and management, state & vendor contracting, employee benefits negotiations, board reporting, and lender relations.

CLM Center for Life Management, Salem, NH **11/87--9/99**
Director, Case Management Services

- Complete administrative, operational, and supervisory responsibility for the initial development and ongoing management of discrete case management services within the context of a multi-disciplinary treatment team model of community support programs. Led the expansion of this service to all populations, and guided transformation from a fully funded to a revenue generating service with $1.4 million of annual billing and significant budget surpluses. Assisted with the design and development of customized network database system for case management and clinical desk top applications. Responsible for State audits resulting in ninety-five plus percent contract compliancy ratings. Member of management council, budget committee, strategic planning group, mission statement work group, communication committee, TBS TQM initiative, and invited by the Board to the CEO search committee.

Hampstead Hospital,, Hampstead, NH **10/76--10/87**
Senior Psychiatric Counselor

- Provided individual, group, and family counseling as well as milieu management services and staff training. Instrumental in the expansion of the counseling role and responsibility. Appointed senior counselor by the Medical Director in recognition of this initiative and overall performance.

Prudential Insurance Company, Lawrence, MA **9/75—10/76**
Special Agent

- Sales and marketing of complete insurance portfolio including life, health, property-casualty, and retirement.

Raytheon Company, Andover, MA **5/73—3/75**
Government Property Coordinator

- Management of utilization and disposition of government property, facilities, tooling, and test equipment in accordance with contract stipulations.

Holy Family Hospital, Methuen, MA **6/70—6/72**
Psychiatric Counselor

- Provided individual, group, and family counseling. Assisted with other indicated medical procedures such as electroconvulsive therapy, and participated in milieu management and activities.

EDUCATION:

- New Hampshire College, Graduate School of Business, Manchester, NH
  M.B.A. Degree 1987
- Fitchburg State College, Graduate School of Guidance and Counseling, Fitchburg, MA
  18 Graduate Hours in Counseling 1973
- Nathaniel Hawthorne College, Antrim, NH
  B.A. Degree 1971

LICENSES AND PROFESSIONAL AFFILIATIONS:

- Licensed Certified Social Worker, Massachusetts License #3028-2-051-181
- Member in Good Standing National Association of Social Workers

PROFESSIONAL EXPERIENCE

Vice President and Chief Operating Officer, 6/05 – present
Center for Life Management, Derry, NH
Responsible for the overseeing the efficient operations of outpatient clinical systems of care in accordance with all federal and state requirements.

- Established and maintain an accountability process which establishes a high standard of care and measures the provision of services against the established standards.
- Established and maintain clinical service goals and incentive pay for performance system within a financially self-sustaining model of care.
- Provide direct supervision of operations and facilities. Oversee the selection, orientation, training, counsel, discipline and direction of all program staff.
- Responsible for monitoring clinical and administrative costs and revenue generation as well as the submission of the annual program budgets to the President and CEO.
- Collaborate with the Vice President of Quality and Compliance to determine the training needs for clinical and clinical administrative staff.
- Assist the President and CEO in developing short and long range strategic plans including program expansions, business development, facilities and capital usage and/or improvements, etc.
- Responsible for the implementation and expansion in of new or existing programs in response to community needs.
- Responsible for the establishment and maintenance of an integrated care model which allows for seamless access to services within the agency and coordination of services with area healthcare providers, hospitals and primary care physicians. Supervise the Director of Integrated Care and assist with the implementation of the model.
- Assisted CLM in the process of consolidating three sites into one new state of the art facility in July 2007.

Consultant, 6/04 – 6/05
Lisa K. Madden, LICSW, LLC
Independent contractor providing consultation services to a community counseling center and a specialized foster care organization.

Interim Clinic Director, 8/04 – 5/05
Wayside Youth and Family Support, Framingham, MA
Responsible for the turnaround management of a large community counseling center in Framingham. Accomplishments include:

- Reorganized clinical team, supervisory structure and support staff functions
- Implemented necessary performance improvement plans
- Hired staff with significantly increased productivity expectations

- Assisted in the implementation of a new Performance Management and Billing System
- Worked diligently to foster a positive work environment through extensive verbal and written communication; staff involvement in decisions when appropriate; providing direct feedback when necessary; and by providing support. The goal was to foster a positive and cooperative "culture" in the clinic.
- Provided senior management with budget reforecast for FY '05 and will assist with the development of program budget for FY '06.

Clinical Supervisor, 7/04 – 6/05
The Mentor Network, Lawrence MA

- Provide clinical supervision to MSW's seeking independent licensure.
- Provide training and consultation to the staff on such topics as diagnostic evaluations, treatment plans and case presentations.
- Provide group support and trauma debriefing after a critical incident.

Northeast Regional Clinic Director, The Family Counseling Center, 12/99 – 9/03
The Massachusetts Society for the Prevention of Cruelty to Children (MSPCC), Lawrence, MA

Responsible for turn around management of the clinics in the Northeast Region of MSPCC, specifically the cities of Lawrence, Lynn and Lowell. The clinics had been struggling with increased turnover of staff, reduced revenue, poor management of contracts, as well as significant problems in the medical records department. Responsibilities included budget development, implementation and accountability. Accomplishments include:

- Grew clinical team from 15 to 32 clinicians in three years.
- Developed Multi-Cultural Treatment Team.
- Increased annual third party revenue by 70%.
- Increased annual contract revenue by 65%.
- Contracts with the Department of Social Services; the Department of Mental Health in conjunction with the Professional Parent Advocacy League; the Department of Education and the Community Partnerships for Children and HeadStart.
- Organized a successful site visit and program review for re-licensure from the Department of Public Health (DPH).
- Successful site visit by the Council on Accreditation (COA).
- Reorganized Medical Records to meet DPH and COA standards; reorganize claims support resulting in increased revenue received for services rendered and significantly reduced write-offs.
- Participated on the HIPAA Task force—assisted in the development and implementation of the federally mandated Health Information Portability and Accountability Act policies and procedures for MSPCC.

Clinic Director, The Family Counseling Center, 9/95-12/99
MSPCC, Hyannis, MA

Responsible for the turn around management of a regional clinic serving children and families on Cape Cod. The clinic had recently experienced over 70% turnover, significant reduction in revenue, and a series of very negative stories in the local media because of the agency's response to the implementation of managed care. Responsible for marketing and public relations, redevelopment of a high quality clinical treatment team, increasing revenue and program development. Accomplishments include:

- Grew clinical team from 12 to 37 in three years.
- Streamlined intake procedures to increase access to services and reduce wait times.
- Increased annual third party revenue by 80%.

- Developed consultative relationships with two of Cape Cod's most well respected children's services providers.
- Developed first private/public partnership between MSPCC and a private practice to increase the availability of specialty clinical services.
- Developed internship program for Master's level clinician candidates.

Employee Assistance Professional, Clinical Social Worker, 9/93-7/95
North Essex Community Mental Health Center, (NECMHC, Inc.), Newburyport/Haverhill, MA

Clinical Social Worker – Intern, 5/93-9/93
NECMHC, Inc., Newburyport/Haverhill, MA

Clinical Social Worker – Intern, 9/92-4/93
Worcester Children's Friend Society, Worcester, MA

EAP Case Management Supervisor, 4/90-4/93
The Jernberg Corporation, Worcester, MA

EAP Case Manager, 2/89-4/90
The Jernberg Corporation, Worcester, MA

Clinical Counselor I & II
The Carol Schmidt Diagnostic Center and Emergency Shelter, YOU, Inc., Worcester, MA, 10/85-2/89

EDUCATION

University of Connecticut, School of Social Work, West Hartford, CT
Masters in Social Work, Casework/Administration, August 1993

Clark University, Worcester, MA
Bachelor of Arts, Government/Human Services, May 1985

PROFESSIONAL LICENSE

Licensed Independent Clinical Social Worker, MA # 1026094

References available upon request.

Heather M. Crowell, LCMHC, MLADC

EMPLOYMENT HISTORY

Center for Life Management, Derry, NH
Lead Clinician for Substance Use Disorders, August 2007-Present
Provided individual psychotherapy services to adult outpatient clients as well as clients in the Community Support Program. Other program responsibilities include: weekly psychotherapy group focused on co-occurring disorders, training and supervision to LADC's in the agency in regards to WITS computer system, mentoring to clinicians in regards to substance abuse and co-occurring disorders, training and mentoring to clinicians around co-occurring issues, training and mentoring of new clinicians around paperwork within the agency, supervision to candidates for licensure in the State of New Hampshire for the Licensed Clinical Mental Health Counselor license, and assessment of clients for eligibility for Community Support Program.

Three Rivers School, Pembroke NH
Interim School Counselor, 2007
School Counselor for approximately 400 students in grades 5-8. Provided individual and group counseling to students. Provided classroom guidance lessons to 5th and 6th grade in personal development.

East Rochester School, Rochester, NH
School Counselor, 2004 - 2006
School Counselor for approximately 250 students in grades K-5. Provided both individual and group counseling to students. Implemented a classroom guidance program that included topics such as: friendships, bullying, anger management, and diversity. Other responsibilities include 504 management, co-facilitator of standardized computer testing for students in grades 2-5, and facilitator of Child Study Team.

EDUCATION

Rivier College, Nashua, NH
Certificate of Advanced Graduate Studies
Mental Health Counseling, 2008
GPA: 3.89
Certificate, School Counseling, 2003
GPA: 4.0, Major GPA: 4.0

Plymouth State College, Plymouth, NH
M.Ed., Counselor Education, 2002
GPA: 3.58, Member of Phi Delta Kappa

Saint Joseph's College, Standish, Maine

B.A., Sociology, Minor: Psychology, 1999

PROFESSIONAL LICENSES

- **New Hampshire Board of Mental Health Practice**
  - *Licensed Clinical Mental Health Counselor 2010- Present*

- **New Hampshire Bureau of Drug and Alcohol Services**
  - *Master's Level Licensed Alcohol and Drug Counselor 2011-Present*

PROFESSIONAL MEMBERSHIPS

- NAADC- The Association of Addiction Professionals
- NHADACA- NH Alcohol and Drug Abuse Counselors Association

Barry C. Quimby

BARRY C. QUIMBY

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Summary: Over 18 years experience in community mental health and substance abuse treatment
Vast experience in client advocacy to access mainstream benefits/gainful employment
Knowledge of state/federal regulations and policies governing grant operations
Knowledge of HUD housing/PATH outreach and program operations

Experience:

Center for Life Management- Derry, New Hampshire *June 2000-Present*

- **Program Manager for Housing Development**: Responsible for overseeing all HUD funding including the Shelter Plus Care housing assistance program. Foster relations with local landlords, Arrange for apartment inspections to meet HUD Quality Standards, Process and complete necessary file documentation, Advocate for clients within the program to obtain affordable housing, Serve as liaison to the local Housing Authority. Responsible for HMIS data entry, Annual renewals, APR submission, and Quarterly reports for all HUD contracts including Beaver Lake Lodge (A HUD funded residential program). Co-Chair to the New Hampshire Balance of State Continuum of Care (BOSCOC) (Nominated November 2007) Active participant of NH-HMIS Advisory Committee and NH HMIS Data Quality Committee. Successful recipient of a second Shelter Plus Care Good Samaritan grant involving three agencies participating in the NH BOSCOC in 2009. Successful recipient of NHH Transitional Housing funds for a Permanent Housing Program 2010.

- **PATH Homeless Outreach Supervisor:** Successful recipient of PATH funding to CLM. Responsible for overseeing all aspects of program funding for outreach to homeless individuals in Western Rockingham County. Provide outreach to identify homeless individuals suffering from mental illness and homelessness, link to community services for which said individuals are eligible and assist individuals engaged in obtaining mainstream benefits, housing, legal advocacy, and community Mental Health / Substance Abuse services. Assisted in the development of Bi-State Technical Assistance grant from SAMHSA to provide training for PATH providers on legal issues, advocacy, program improvement, and interstate collaboration to improve services provided to homeless individuals in New Hampshire and Vermont. Successfully initiated CLM as a pilot program in New Hampshire for PATH data entry into NH-HMIS.

- **Case Manager**: Responsible for the direct service planning as part of a multidisciplinary community support team. Provide Case Management and Functional Support Services to adult clients with mental illness. Consult with medical / clinical staff; Assist clients with identifying options for employment and assist with job placement and maintaining employment, Refer clients to community resources; Provide representative payee services; Promote independent functioning in the community to clients served; Provide staff training and orientation. Served as Dialectical Behavioral Therapy (DBT) skills group leader. Trained in DBT Therapy and active member of DBT consultation team. Serve on CLM's Safety Committee as well as CLM's Medicare Part D Committee. NH Hospital Liaison.

Barry C. Quimby

Harbor Homes, Inc., Nashua, New Hampshire *November 1993-June 2000*

- **Program Manager / Residential Coordinator**: Involved in all aspects of operating a housing and treatment program for 43 clients living in supported housing in the greater Nashua area, including policy and regulation adherence for a 14-bed HUD-funded program. Managed 6 full-time and 21 fee-for-service staff; Fostered relations with local affiliates; Improved the clinical sophistication of program. Implemented training programs, assisted with grant writing, and reduced staff turnover. *HUD certified.*

- **Fee-for-Service Counselor**: Worked 1:1 with clients to assist in overall treatment goals. Worked with administration and management to develop policies and procedures to enhance the day to day operations of the program. Created training packages to ensure the overall Counselor/Client relationship is more productive and measurable for both billing and therapeutic productivity.

American Training, Lowell, Massachusetts *April 1998-December 1998*

- **Program Director**: Directed all aspects of operating a supported housing program for 27 individuals in the greater Lowell area, including supervision of middle management and direct-care staff, policy and regulation adherence, and fostering program relations with local affiliates.

South Middlesex Opportunity Council, Framingham, Massachusetts *April 1992-April 1998*

- **Program Manager / Site Coordinator**: Managed all aspects of operating a group home and supported housing program for chronic mentally ill adults. Improved program by ensuring licensure and regulation adherence from Department of Mental Health; Created a results-oriented team atmosphere for program efficiency; Reduced the program budget deficit during 1996 fiscal year; Reduced the staff turnover ratio within component; Worked with local and area DMH agencies and affiliates to improve program relations and reputation.

- **Supported Housing Coordinator**: Coordinated all aspects of a supported housing program for four mentally ill individuals. Managed staff overseeing clients while increasing program client turnover to more independent living status; Improved client charting and documentation to ensure DMH licensure; Improved inter-staff communication to improve efficiency of treatment.

- **Residential Counselor**: Worked in a program that involved transitioning mentally ill individuals from a hospital setting into community living. Assisted in moving 25 clients from state hospital setting into group homes located in Metro-west area; Assisted two clients in gaining skills needed to move from group home into independent living within the community.

Education:

Keene State College, Keene, New Hampshire *Graduated May 1991*

- **Bachelor of Arts in Industrial / Social / Counseling Psychology**

Gained Independent Study laboratory experience as a **Research Assistant** organizing and administrating semantic-priming research studies at Keene State College. Responsibilities included designing experiments, testing subjects, collecting and analyzing data.

CLM Center For Life Management
Permanent Housing I

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Vic Topo	President & CEO	$140,660	0	
Michael Bergeron	Vice President & CFO	$109,701	0	
Lisa Madden	Vice President & COO	$108,478	0.05%	$544
Isabel Norian, MD	Medical Director	$189,625	0	
Barry Quimby	HUD Coordinator/Program Manager	$46,359	15%	$6,954

Subject: Continuum of Care Program, Permanent Housing for Persons with Disabilities

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Community Partners of Stafford County		**1.4 Contractor Address** 113 Crosby Road, Suite 1 Dover, NH 03820	
1.5 Contractor Phone Number (603) 749-4015	**1.6 Account Number** 05-95-42-423010-7927-102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $40,790
1.9 Contracting Officer for State Agency Eric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature Brian Collins		**1.12 Name and Title of Contractor Signatory** Brian Collins - Executive Director	

1.13 Acknowledgement: State of NH, County of Strafford

On April 7, 2015 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

Mildred G. Niles, Notary Public

1.14 State Agency Signature	**1.15 Name and Title of State Agency Signatory** MARY ANN COOLEY Associate Commissioner
1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)* By:	Director, On:
1.17 Approval by the Attorney General (Form, Substance and Execution) By: MGM A. Yoder - Attorney	On: 5/11/15
1.18 Approval by the Governor and Executive Council By:	On:

BK 4-7-15

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials: 
Date: 4-1-17

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

Contractor Initials: BJC
Date: 4-1-15

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.

Contractor Initials: RK
Date: 1-7-15

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve six (6) homeless individuals and families with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

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

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016: not to exceed $40,790

Funds allocation under this agreement for Continuum of Care Program;

Operating Cost:	$5,513
Supportive Services:	$34,238
Administrative Costs:	$1,039
Total program amount:	$40,790

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $2,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

Contractor Initials RJC
Date 4-7-15

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
   1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: COMMUNITY PARTNERS OF STRAFFORD COUNTY

4-7-15
Date

Name: BRIAN COLLINS
Title: EXECUTIVE DIRECTOR

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Community Partners of Strafford County

4-7-15
Date

Name: Brian Collins
Title: Executive Director

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Community Partners of Strafford County

4-7-15
Date

Name: Brian Collins
Title: Executive Director

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

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

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

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;

- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;

- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);

- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;

- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;

- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;

- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;

- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;

- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

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

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

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

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

Contractor Name: Community Partners of Strafford County

4-7-15
Date

Name: Brian Collins
Title: Executive Director

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: COMMUNITY PARTNERS OF STRAFFORD COUNTY

4-1-15
Date

Brian Collins
Name: Brian Collins
Title: Executive Director

BJC DATE 4-7-15
Contractor Initials
BJC Initials Date BJC

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NH DHHS	Behavioral Health + Developmental Services of Strafford County Inc. DBA Community Partners of Strafford County
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Mary Ann Cooney	Brian Collins
Name of Authorized Representative	Name of Authorized Representative
Associate Commissioner	Executive Director
Title of Authorized Representative	Title of Authorized Representative
5/1/15	4-7-15
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: COMMUNITY PARTNERS OF STAFFORD COUNTY

4-7-15
Date

Name: Brian Collins
Title: Executive Director

FORM A

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

1. The DUNS number for your entity is: 149406691

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

   X NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

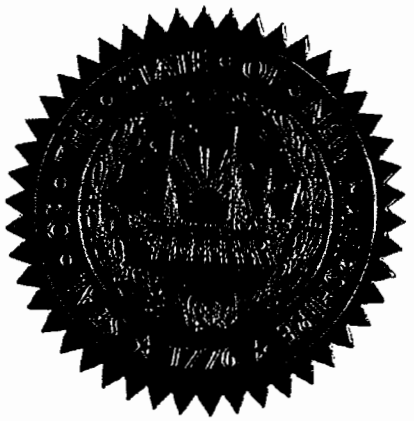
   Name: _____ Amount: _____

   Name: _____ Amount: _____

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY PARTNERS OF STRAFFORD COUNTY is a New Hampshire nonprofit corporation filed October 27, 2003. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 8th day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Behavioral Health + Developmental Services of Strafford County, Inc. DBA Community Partners of Strafford County.
(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 April 7, 2015.
(Date)

RESOLVED: That the Brian Collins
(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 7th day of April, 2015.
(Date Contract Signed)

4. Brian Collins is the duly elected Executive Director
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Strafford

The forgoing instrument was acknowledged before me this 7th day of April, 2015,

By CHRISTOPHER ROONEY.
(Name of Elected Officer of the Agency)

(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 5/13/18

Client#: 950869 BEHAVHEA7

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 6/30/2014

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

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

PRODUCER USI Insurance Services LLC PO Box 406 Portland, ME 04112-0406	CONTACT NAME: PHONE (A/C, No, Ext): 207-239-3500 FAX (A/C, No): 781-376-5035 E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Philadelphia Indemnity Insuranc	18058
INSURER B : NH Employers Insurance Company	13083
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Behavioral Health & Developmental Svcs
dba Community Partners
113 Crosby Road Suite 1
Dover, NH 03820

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC			PHPK1196170	07/01/2014	07/01/2015	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$1,000,000 $100,000 $10,000 $1,000,000 $3,000,000 $3,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS X HIRED AUTOS SCHEDULED AUTOS X NON-OWNED AUTOS			PHPK1196170	07/01/2014	07/01/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$1,000,000 $ $ $
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $10,000			PHUB464639	07/01/2014	07/01/2015	EACH OCCURRENCE AGGREGATE	$3,000,000 $3,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		ECC6004000067	07/01/2014	07/01/2015	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$500,000 $500,000 $500,000
A	Property			PHPK1196170	07/01/2014	07/01/2015	See Below*	
A	Director&Officer			PHSD955105	07/01/2014	07/01/2015	$5,000,000	
A	Professional			PHPK1196170	07/01/2014	07/01/2015	$1MM Ea Claim/$3MM Agg	

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

Property*

Blanket Building: $1,793,248
Blanket Contents: $1,282,500
Blanket Computers: $700,000
(See Attached Descriptions)

CERTIFICATE HOLDER

State of NH Dept of Human Svcs
Bureau of Homeless & Housing
Attn: Anne Pocock
105 Pleasant Street
Concord, NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

WP Cottrell

SAWCX

DESCRIPTIONS (Continued from Page 1)

Employee Theft: $500,000
This Evidence of Insurance is issued as a matter of information only and confers no rights upon the holder and does not amend, extend or alter the coverage afforded by policies designated on the Evidence.

113 Crosby Road
Suite 1
Dover, NH 03820
(603) 516-9300
Fax: (603) 743-3244

50 Chestnut Street
Dover, NH 03820
(603) 516-9300
Fax: (603) 743-1850

25 Old Dover Road
Rochester, NH 03867
(603) 516-9300
Fax: (603) 335-9278

A United Way
Partner Agency

Mission: Community Partners connects our clients and their families to the opportunities and possibilities for full participation in their communities.

Vision: We serve those who experience emotional distress, mental illnesses, substance use disorders, developmental disabilities, chronic health needs, acquired brain disorder, as well as those who are in need of information and referral to access long-term supports and services.

We strive to be an organization that consistently delivers outstanding services and supports that are person-focused and dedicated to full participation in communities.

We will take leadership roles in educating our community network, families, and the public to reduce stigma and to increase self-determination and personal empowerment.

We are committed to evidence-based and outcome-driven practices.

We will invest in our staff to further professional development and foster an environment of innovation.

BerryDunn

[redacted]

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

June 30, 2014 and 2013

With Independent Auditor's Report

[redacted]

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Behavioral Health & Developmental Services of Strafford County, Inc.
d/b/a Community Partners and Subsidiaries

We have audited the accompanying consolidated financial statements of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of June 30, 2014 and 2013, and the related consolidated statements of activities, functional revenue and expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization, as of June 30, 2014 and 2013, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matter

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and consolidating statements of activities are presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
November 4, 2014

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A COMMUNITY PARTNERS AND SUBSIDIARIES

Consolidated Statements of Financial Position

June 30, 2014 and 2013

	2014	2013
ASSETS		
Cash and cash equivalents	**$ 1,688,233**	$ 3,713,671
Restricted cash	**161,186**	238,344
Accounts receivable, net of allowance for doubtful accounts	**2,994,797**	2,353,472
Grants receivable	**106,509**	106,526
Prepaid expenses	**233,647**	278,875
Property and equipment, net	**2,441,022**	2,153,082
Total assets	**$ 7,625,394**	$ 8,843,970
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	**$ 2,160,347**	$ 2,001,550
Refundable advances	**787,904**	962,155
Due to the State	**-**	1,340,088
Loan fund	**88,996**	88,818
Notes payable	**842,784**	714,337
Total liabilities	**3,880,031**	5,106,948
Commitments and contingencies (Note 8)		
Net assets		
Unrestricted	**3,701,263**	3,666,713
Temporarily restricted	**44,100**	70,309
Total net assets	**3,745,363**	3,737,022
Total liabilities and net assets	**$ 7,625,394**	$ 8,843,970

The accompanying notes are an integral part of these consolidated financial statements.

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A COMMUNITY PARTNERS AND SUBSIDIARIES

Consolidated Statements of Activities

Years Ended June 30, 2014 and 2013

	2014	2013
Changes in unrestricted net assets		
Public support and revenue		
Medicaid revenue	$ 23,304,027	$ 22,742,375
Medicare revenue	229,854	147,225
Client resources	1,490,712	1,382,369
Contract revenue	1,182,715	853,503
Grant income	465,425	441,454
Interest income	522	1,377
Other program revenue	62,145	88,399
Public support	73,291	106,850
Other revenue	489,791	269,129
Total public support and revenue	27,298,482	26,032,681
Net assets released from restrictions	27,933	31,073
Total public support, revenue, and reclassifications	27,326,415	26,063,754
Expenses		
Program services		
Case management	1,896,638	1,932,330
Day programs and community support	6,639,532	6,523,328
Early support services and youth and family	3,321,818	3,369,271
Family support	600,208	599,153
Residential services	4,737,494	4,908,651
Combined residential, day and consolidated services	6,150,215	5,344,857
Medical services	104,930	102,565
Adult services	475,395	444,541
Emergency services	597,080	579,318
Other	689,634	426,787
Total program expenses	25,212,944	24,230,801
Supporting services		
General management	2,078,921	1,763,333
Total expenses	27,291,865	25,994,134
Total change in unrestricted net assets	34,550	69,620
Changes in temporarily restricted net assets		
United Way allocation	1,724	4,864
Net assets released from restrictions	(27,933)	(31,073)
Total change in temporarily restricted net assets	(26,209)	(26,209)
Total change in net assets	8,341	43,411
Net assets, beginning of year	3,737,022	3,693,611
Net assets, end of year	$ 3,745,363	$ 3,737,022

The accompanying notes are an integral part of these consolidated financial statements.

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A COMMUNITY PARTNERS AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years Ended June 30, 2014 and 2013

	2014	2013
Cash flows from operating activities		
Change in net assets	$ 8,341	$ 43,411
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities		
Depreciation	259,773	338,065
Change in allowance for doubtful accounts	(117,412)	24,699
Decrease (increase) in		
Restricted cash	77,158	(81,825)
Accounts receivable, trade	(523,913)	(290,580)
Grants receivable	17	(86,237)
Prepaid expenses	45,228	132,573
Increase (decrease) in		
Accounts payable and accrued expenses	158,797	529,158
Refundable advances	(174,251)	(34,594)
Due to the State	(1,340,088)	1,340,088
Loan fund	178	222
Net cash (used) provided by operating activities	(1,606,172)	1,914,980
Cash flows from investing activities		
Acquisition of equipment	(372,713)	(260,050)
Cash flows from financing activities		
Principal payments on long-term borrowings	(46,553)	(47,570)
Net (decrease) increase in cash and cash equivalents	(2,025,438)	1,607,360
Cash and cash equivalents, beginning of year	3,713,671	2,106,311
Cash and cash equivalents, end of year	$ 1,688,233	$ 3,713,671
Supplemental disclosures		
Noncash transaction - Acquisition of equipment in exchange for note payable	$ 175,000	$ -

The accompanying notes are an integral part of these consolidated financial statements.

Nature of Activities

Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners (Community Partners) is a New Hampshire nonprofit corporation providing a wide range of community based services (see consolidated statement of functional revenue and expenses for various programs offered) for individuals, and their families, with developmental disabilities and/or mental illness. Community Partners also supports families with children who have chronic health needs. Community Partners is currently operating as two divisions: Developmental Services and Behavioral Health Services.

Community Partners is the sole shareholder of Lighthouse Management Services, Inc. which was organized to perform accounting and management functions for other not-for-profit entities.

Community Partners is the sole beneficiary of the Community Partners Foundation (the Foundation) which was established exclusively for the benefit and support of Community Partners. To that end, the Foundation receives and accepts gifts and funds.

The Foundation received and disbursed the following funds:

	2014	2013
Funds received	$ 29,546	$ 24,627
Funds disbursed	27,315	23,587
	$ 2,231	$ 1,040

The Foundation has received and disbursed the following funds since its inception in 2007:

Funds received	$ 255,164
Funds disbursed	185,350
	$ 69,814

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Community Partners, Lighthouse Management Services, Inc., and Community Partners Foundation (collectively, the Organization). All material intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation 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 disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on existence or absence of donor-imposed restrictions:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may be or will be met by actions of the Organization and/or the passage of time. When a donor 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 consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. As of June 30, 2014 and 2013, the Organization had no permanently restricted net assets.

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purpose are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. 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 restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code to operate as a not-for-profit organization.

Financial Accounting Standards Board *Accounting Standards Codification* (FASB ASC) Topic 740, *Income Taxes*, establishes financial accounting and disclosure requirements for recognition and measurement of tax positions taken or expected to be taken. Management has reviewed the tax provisions for the Organization under FASB ASC Topic 740 and determined it did not have a material impact on the Organization's consolidated financial statements.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity date of less than three months to be cash equivalents. The cash equivalents represent repurchase agreements as of June 30, 2014 and 2013.

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Management provides for probable uncollectible accounts after considering each category of receivable individually, and estimates an allowance according to the nature of the receivable. Allowances are estimated from historical performance and projected trends. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. As of June 30, 2014 and 2013, allowances were recorded in the amount of $153,112 and $270,524, respectively.

Property and Equipment

Property and equipment are recorded at cost, while donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Expenditures for repairs and maintenance are charged against operations. Renewals and betterments which materially extend the life of the assets are capitalized. 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 contributions. 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. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is provided on the straight-line method in amounts designed to amortize the costs of the assets over their estimated lives as follows:

Buildings and improvements	15-39 years
Equipment and furniture	3-7 years
Vehicles	5 years

Refundable Advances

The Organization's refundable advances consist of funds received in advance for services to be performed at a later date, amounts due to Medicaid and estimated Medicaid recoupment settlement reserves for Medicaid eligibility audits, and certain pass through funds (Note 2).

Functional Allocation of Expenses

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

Reclassification

Certain amounts in the 2013 consolidated financial statements have been reclassified to conform to the current year's presentation.

2. Restricted Cash

The Organization is currently serving as a pass-through entity for the Council for Children and Adolescents with Chronic Health Conditions Loan Guaranty Program. This program is operated and administered by a New Hampshire bank. Accordingly, as of June 30, 2014 and 2013, the Organization held cash totaling $88,996 and $88,818, respectively, which was restricted for this program. A corresponding amount has been recorded as a liability.

Additionally, the Organization is administering the Council for Children and Adolescents with Chronic Health Conditions Program. The total cash restricted for this program as of June 30, 2014 and 2013 was $43,258 and $53,238, respectively. A corresponding amount has been recorded as a liability and is classified within refundable advances.

During 2013, the Organization established a self funded insurance policy. As part of this transition, the Organization also established a health reimbursement account to pay for a portion of employee's medical expenses. The total cash restricted for this use as of June 30, 2014 and 2013, was $28,932 and $96,288.

3. Property and Equipment

Property and equipment consisted of the following:

	2014	2013
Land and buildings	$ 1,859,893	$ 1,859,893
Building improvements	1,562,119	1,554,720
Vehicles	763,129	749,459
Equipment and furniture	2,630,981	2,112,061
	6,816,122	6,276,133
Less accumulated depreciation	4,375,100	4,123,051
	$ 2,441,022	$ 2,153,082

4. Due to the State

Effective March 2013, the New Hampshire Department of Health and Human Services (DHHS) implemented a new Medicaid Management Information System (MMIS) for administering and managing costs for the New Hampshire Medicaid Program. During the implementation period, Medicaid claims were not accepted by DHHS. DHHS anticipated this transition difficulty and issued the Organization transition payments, based on past claim history, to cover the three-week transition period. As actual claims were processed by DHHS in the MMIS system, Medicaid recoupments were reduced by related payments. As of June 30, 2013, a liability representing $1,340,088 of cash advances received by the Organization and not yet applied against remittances had been reported on the consolidated statement of financial position. As of June 30, 2014, all cash advances had been recouped by the State.

5. Line of Credit

At June 30, 2014 and 2013, the Organization has a revolving line of credit agreement with a bank amounting to $1,500,000. The line requires monthly interest payments on the unpaid principal balance at the rate of 1% over the bank's stated index, which was 4.25% during the years ended June 30, 2014 and 2013. The line of credit is collateralized by a security interest in all business assets. The Organization is required to annually observe 30 consecutive days without an outstanding balance. At June 30, 2014 and 2013, there was no outstanding balance on the line.

6. Notes Payable

Notes payable consisted of the following:

	2014	2013
Developmental Services		
Note payable to a bank, payable in monthly installments of $1,117, including interest at 4.15%, through April 2016 with one final payment of all unpaid principal and interest due at maturity; collateralized by certain real estate. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	**$ 124,857**	$ 132,822
Note payable to a bank, modified on October 17, 2012. At the time of modification, the interest rate changed from 4.55% to 4.15%. Monthly principal and interest installments due changed from $2,326 to $2,272, through July 2017 with one payment of all unpaid principal and interest due at maturity; collateralized by certain real estate. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	**272,871**	288,512
Note payable to a bank, payable in monthly installments of $3,167, including interest at 3.24%, through April 2019; collateralized by certain equipment.	**169,619**	-
Total Developmental Services	**567,347**	421,334
Behavioral Health Services		
Note payable to a bank, payable in monthly installments of $2,464, including interest at 4.15%, through April 2016 with one final payment of all unpaid principal and interest due at maturity; collateralized by certain real estate and an assignment of certain leases and rents. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	**275,437**	293,003
	$ 842,784	$ 714,337

The scheduled maturities of long term debt are as follows:

2015	$ 76,000
2016	425,000
2017	53,000
2018	256,000
2019	32,784
	$ 842,784

Cash paid for interest approximates interest expense for the years ended June 30, 2014 and 2013.

7. Temporarily Restricted Net Assets

At June 30, 2014 and 2013, temporarily restricted net assets were $44,100 and $70,309, respectively. The Organization's restricted assets consist of vehicles contributed to the Organization from the State of New Hampshire under grant programs. These contributed vehicles are to be used for the transportation of the Organization's clients.

8. Commitments and Contingencies

Operating Leases

The Organization leases various office facilities and equipment under operating lease agreements. Expiration dates range from September 2012 through August 2018. Total rent expense charged to operations was $250,960 in 2014 and $228,780 in 2013.

Minimum operating lease payments for subsequent years ending after June 30, 2014 are as follows:

	Total
2015	$ 321,402
2016	320,353
2017	289,810
2018	181,309
2019	778
	$ 1,113,652

Self-Insurance

The Organization has a self-insured health care plan for substantially all of its employees. The Organization has obtained reinsurance coverage to limit its exposure associated with this plan individually of $30,000 with an aggregate limit of 125% of the expected claims. At June 30, 2014 and 2013, the Organization has accrued $164,737 and $300,082, respectively, under the self-insurance contract.

Litigation

The Organization is involved in litigation arising in the normal course of business. After consultation with legal counsel, management estimates these matters will be resolved without a material adverse effect on the Organization's future financial position or results of operations.

9. Concentrations

For the years ended June 30, 2014 and 2013, approximately 85% and 87%, respectively, of the support and revenue of the Organization was derived from Medicaid. The future existence of the Organization is dependent upon continued support from Medicaid.

The accounts receivable due from Medicaid were:

	2014	2013
Developmental Services	$ 1,685,928	$ 1,933,245
Behavioral Health Services	874,971	457,397
	$ 2,560,899	$ 2,390,642

In order for the Developmental Services division of the Organization to receive this support, it must be formally approved by the State of New Hampshire, Bureau of Developmental Service, as the provider of services for developmentally disabled individuals for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expires in September 2015.

In order for the Behavioral Health Services division of the Organization to receive this support, it must be formally approved by the State of New Hampshire, Bureau of Behavioral Health, as the community mental health provider for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expires in August 2016.

10. Retirement Plan

The Organization maintains a tax sheltered annuity plan that is offered to all eligible employees. The plan includes an employer contribution equal to 3% of each eligible employee's salary. Total costs incurred for the plan during the years ended June 30, 2014 and 2013 were $233,038 and $231,559, respectively. The total expense for the years ended June 30, 2014 and 2013 for the Developmental Services division was $109,548 and $113,628, respectively, and for the Behavioral Health Services division was $123,490 and $117,931, respectively.

11. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. generally accepted accounting principles, management has considered transactions or events occurring through November 4, 2014, which is the date that the consolidated financial statements were available to be issued.

Board of Directors Roster - 2015

Name	Title	Position
Chris Roundy	Board of Directors	President
Kathleen Boisclair	Board of Directors	Vice President
Matthew Sylvia	Board of Directors	Treasurer
Ann Landry	Board of Directors	Secretary
David Andre	Board of Directors	
Kristine Baber	Board of Directors	
Greg Betts	Board of Directors	
Judge Daniel Cappiello	Board of Directors	
Anthony Demers	Board of Directors	
Rev. Sue Frost	Board of Directors	
Wayne Goss	Board of Directors	
John Guy	Board of Directors	
Bryant Hardwick	Board of Directors	
Kerri Larkin	Board of Directors	
John Lowy	Board of Directors	
Ken Muske	Board of Directors	

BRIAN J. COLLINS

Summary:
A seasoned Executive Director with broad experience in managing complex nonprofit organizations; manages with a hands-on, approachable style and a strong, mission-driven value system.

Experience:

1995 - Present **Executive Director**
Behavioral Health & Developmental Services of Strafford County, Inc., D/B/A Community Partners of Strafford County, Dover, NH

CEO of a designated regional Area Agency for Developmental Disabilities and Community Mental Health Center serving over 3200 people with 350 staff and $25 million budget; implemented needed programmatic changes stemming from long-term financial losses, including negative fund balances; vastly improved quality outcomes after assuming the position in 1995; report to a 15 member Board of Directors.

- Turned around agency's $324K negative total net assets upon arrival to $3.6 million positive total net assets today.
- Successfully implemented corrective administrative measures, resulting in removal of conditions imposed by the State of NH as a result of the impeding bankruptcy coupled with unsatisfactory programming through FY95.
- Provided 150 new services to waitlist consumers during the first 4 years with no additional resources.
- Merged a bankrupt mental health center into organization in 2001, creating one of only two organizational models in New Hampshire.
- Expanded agency mission, including becoming a Partners in Health site serving children with chronic illness and their families, running State-wide loan program for families with chronically ill members and expanded business office operations through contractual means with other not for profit organizations.
- Statewide Leadership role as a founder of both the Community Support Network Inc., a trade organization for the Area Agency system, and the NH Community Behavioral Health Association, a trade organization for the mental health system.
- Regional leader in a variety of social service organizations and associations that advance human service causes including chronic illness, elder services, supporting families of children with chronic illness, mental health court, sexual assault victims, employment for people with disabilities and work with schools and pre-schools.

Area Agency responsibilities include Early Supports and Services for children birth-three, Family Support Services for all families of children with disabilities (including respite,

parent to parent, transition supports, benefits application assistance, support groups, clinical education), Adult Services including Service Coordination, employment and day habilitation, residential, community and in-home supports, contract administration of provider organizations, consumer directed programs.

Community Mental Health Centers serve individuals with severe and persistent mental illness including psychiatry, case management, community functional supports, therapy, and medication management. For children and families this includes an at risk category, but the same types of intervention as for adults, providing 24 hour/7 day emergency services, working in local hospitals assessing at risk to the individual or the community.

1989 - 1995 **Executive Director**
The Plus Company, Nashua, NH

Chief Executive Officer of a non-profit human service agency serving over 150 people with disabilities in New Hampshire and Massachusetts. Agency provides residential, vocational, and medical supports in over 50 locations. Agency employs 125 staff with a total budget of $4.5 million. Report to a 15 member Board of Directors.

- Eliminated debt service after Agency had lost $500,000 over a prior five-year period. Agency's surplus exceeded $600,000 over five year tenure.
- Increased operational budget over $1 million. Contract with 25 funding streams, which include three states, numerous non-profit agencies, school systems, and private companies.
- Eliminated the need for a sheltered workshop by developing community jobs and individualized day options for over 75 consumers. Negotiated the sale of the sheltered workshop building and relocated the agency headquarters. The move retired all debt service.
- Downsized all group home populations by developing individualized and small group options. Grew the number of consumers living in small group settings from 45 to 70 people during a five-year period.
- Increased fund raising and public relation, including a high profile annual breakfast with over 400 people in attendance.

1985 - 1989 **Program Planning and Review Specialist**
New Hampshire DMHDS, Concord, NH

Responsible for managing $13 million of State and Federal funds, covering one-quarter of the service system; areas of responsibilities include case management, housing, vocational programming, respite care, early childhood intervention and family support services. Reported to the Assistant Director of Developmental Services.

- Monitor contract compliance to ensure cost effective service delivery system. Oversee implementation of Supported Employment Initiative to establish program models, funding stream, staff re-education and training, and business and industry liaisons.
- Analyze budgets to determine maximum revenue sources and maintain controls over expenditures.
- Ensure that the Board of Directors policies and staff procedures enhance community presence of people with severe disabilities.
- Liaison for regional area agencies and State agencies to Division of Vocational Rehabilitation.
- Ensure compliance with $2 million federal grant, to fund a five-year plan to create employment opportunities.
- Member of Governor's Task Force on Employment.

1982 - 1985 **Quality Assurance Administrator,**
Training Coordinator, New Hampshire DMHDS

Quality: Responsible for quality assurance function statewide for Community Service Delivery System. Led seven-person team in annual reviews of each regional area agency. Reported to the Director of Quality Assurance.

Training: Responsible for the coordination of statewide and regional training for Community Service Deliver System; designed Training Needs Inventory using regional priorities to establish training needs; procured funding to provide consultants for specific regional training and technical assistance; originated special projects, including training annual, audio visual training packages and leisure skills handbook.

Education:

Masters in Public Administration, University of New Hampshire
BA, Communications, Boston College Evening School

Advisory Boards:

Advisory Board, University of New Hampshire Institute on Disability (UAP)
University of Hartford Rehabilitation Training Program
Virginia Commonwealth University Rehabilitation Research and Training Center.
New Hampshire Governor's Appointment to Inter-Agency Coordinating Council.
Overseeing services to children with disabilities from birth to age three.
HHS Commissioner Stephen's Advisory Council focused on increasing employment for people with disabilities

Memberships:

The Association for Persons with Severe Handicaps (TASH)
American Association on Mental Retardation (AAMR)
National Rehabilitation Association (NRA)
New Hampshire Rehabilitation Association (NHRA)
American Network of Community Options and Resources

Christopher D. Kozak

[redacted]

SENIOR MANAGEMENT

Profile

High-performance executive providing leadership, innovation and direction to support infrastructure change and development to maximize profitability. Proven ability to develop and implement strategic approaches and methodologies to create a highly effective organization that operates at or below budgetary requirements. Excel in understanding the insurance industry and the challenges faced by insurers and providers. Skilled in identifying and capitalizing on technology to solve business problems. Demonstrate broad-based strengths and accomplishments in:

- Leadership & Accountability
- P & L Responsibility
- Strategic Planning
- Staff Development and Team Building
- MCO Contracting
- Rate Negotiation
- Process and Quality Improvement
- Corporate Presentations & Marketing

Professional Experience

Community Partners
Dover, NH October 2010 – Present

A State designated Community Mental Health Program providing services to individuals

Chief Operating Officer (4/12 – present)
Director of Quality Improvement (10/10 – 4/12)

Senior member of the management team with responsibility for oversight of the Behavioral Health Services Division.

Accomplishments

- Successfully navigated the organization through the State's re-designation process. Preliminary feedback indicated that the State will award the organization with another full 5-year designation as a community mental health program.
- Developed and implemented several new reports, forms and other management tools that created efficiencies in daily paper work as well as providing mangers with a dashboard-like view of data about their specific staff/program simply by opening a Microsoft Excel file.
- Engaged in a major change management process that has challenged veteran staff to rethink and analyze nearly every facet of their program operation.

Dynamic Solutions NE, LLC
Portsmouth, NH September 2008 – Present

Independent consulting company specializing in revenue enhancement strategies, operational automation and small application development for behavioral health practices and small health plans.

Consultant

Founded Dynamic Solutions NE, LLC after spending nearly two decades in leadership positions in the insurance, case management and technology fields.

Accomplishments

- Developed proposal for a custom web-based outcome measurement application to be used by 14 psychiatric treatment centers spanning six states.
- Provided expert witness consultation in a case related to software pirating.
- Provide ad hoc consultation to information technology firms relative to healthcare informatics.

Casenet Inc.
Bedford, MA August 2006 – July 2008

A startup software company offering a platform care management solution for commercial insurance carriers as well as Medicaid / Medicare care management programs.

Vice President of Product Management

Key member of the management team with responsibility for developing client specific solutions as well as creating the vision driving overall product direction.

Accomplishments

- Visionary behind the base business solution platform for the care management marketplace.
- Developed messaging that was instrumental in landing first commercial payer accounts (>$9 million).
- Member of the Senior Management Team that successfully secured $7.5 million of B-round

financing.

Landmark Solutions, LLC (A.K.A. BHN) Concord, NH September 1998 – September 2006
A regional managed behavioral healthcare company, national employee assistance program, and IT consulting group.

Vice President of Managed Care Services (7/03 – 8/06)
Director of Behavioral Health Services (8/98 – 7/03)

Complete responsibility for the managed care product including $3.5 million operating budget, $18 million clinical capitation, strategic planning, vision, provider contracting, and oversight of five departments. Worked closely with IT to develop and implement innovative and efficient processes and systems to support process improvement, operational compliance, reporting and analysis, and workflow integration.

Accomplishments

- Re-contracted provider network to simplify contracts and maximize flexibility in bringing on new business lines.
- Initiated and implemented on-line patient registration process and automated attendant resulting in net operational savings of 3.5%.
- Implemented a new Outpatient Treatment Report to reign in escalating outpatient claims costs resulting in clinical savings of 4.5%.
- Met aggressive budget requirements by implementing tighter monitors on inpatient utilization resulting in a net savings of 10.6%.
- Brought credentialing process in-house resulting in a 66% reduction in operating costs.
- Initiated and successfully implemented a complete overhaul of the utilization management program resulting in improved NCQA delegation scoring from the low 60's to 100 percent.
- Collaborated with the director of information and technology to develop and implement a provider Web portal allowing providers to submit updated clinical information directly to BHN/Landmark Solutions'.

CNR Health, Inc. Milwaukee, WI August 1991 – September 1998
A national company offering medical, behavioral health, disability, and worker's compensation management services, employee assistance programs, and software development.

Director of Case Management

Directly responsible for the care management business unit including medical and behavioral health utilization management, case management, disability management and workers compensation management.

Accomplishments

- Numerous positions of increasing responsibility during seven-year tenure: Behavioral Health Case Manager, Clinical Operations Manager, Director of Behavioral Health, Director of Case Management.
- Directly responsible for a $2.5 million dollar operating budget.

Education

North Dakota State University, Fargo, ND
Bachelor of Science in Psychology, 5/87
Minor: Statistics

Marquette University, Milwaukee, WI
Master of Science in Clinical Psychology, 8/89
Thesis: Self-control deficits in depression: The contingent relationship between expectancies, evaluations and reinforcements.

References

Available upon request

David W. Haskell, L.M.H.C.

EXPERIENCE **Lahey Health Behavioral Services** **May 2001 – present**
(formerly known as Northeast Behavioral Health and H.E.S.)
Multiple positions within the agency listed below

In-Home Therapy and Therapeutic Mentoring
DIRECTOR **Dec 2011 - present**
Lawrence, MA
Massachusetts state-wide Children's Behavioral Health Initiative (CBHI); a short-term intensive program to stabilize at-risk children and their families

- Expansion of the Lawrence *In-Home Therapy and Therapeutic Mentoring* programs into the Lowell area
- Currently overseeing a staff of 100 professionals who support 400 children and their families
- Providing fiscal oversight and supervision of a $3 million budget, resulting in a $300,000 profit for FY 2013
- Partnering with schools, healthcare systems, state agencies and third-party payers

In-Home Therapy and Therapeutic Mentoring
DIRECTOR **July 2010 – Dec 2011**
Haverhill, MA

- Implementation of *In-Home Therapy and Therapeutic Mentoring* program at a new location
- Expansion from 2 to 30 employees who supported 200 children and their families
- 24 hour emergency on-call supervisor
- Responsible for recruitment, training, and supervision; providing clinical oversight and direction as needed
- Supervision of Master's level clinicians seeking licensure

Emergency Services
CRISIS CONSULTANT **Aug 2003 – present**

- Evaluate patients within the community and in emergency rooms who present with mental health, substance abuse, and safety issues to determine if hospitalization or other placement is necessary
- Consult with family, friends, police, therapists, physicians, nurses and psychiatrists if necessary to locate appropriate placement and obtain insurance approval

Shortridge Academy
Milton, NH
DIRECTOR OF STUDENT LIFE **Oct 2008 – July 2010**
Co-ed adolescent therapeutic boarding school

- Managed the Counseling Director and Milieu Coordinator
- Liaison for Educational Consultants and parents
- Responsible for training and emergency protocols
- Implemented Positive Youth Development into school community

Cornerstones
CLINICAL DIRECTOR **Mar 2007 – Oct 2008**
Latency age residential program and therapeutic day school

- Supervised clinicians who provided individual and group therapy
- Provided clinical oversight to a therapeutic day school
- Collaborated with Department of Social Services and Department of Mental Health
- Aligned and inspired collaboration and consistency between direct care staff, school staff, and clinicians with regard to core values and mission as a member of the administrative team

EDUCATION

Boston University **April 2014**
School of Management - Executive Education
Institute for Non-profit Management and Leadership
Boston, MA
Nonprofit Management and Leadership Certificate

Salem State College **July 2001**
Salem, MA
M.S. Counseling and Psychological Services
3.94 G.P.A. with Honors

Colorado College **May 1983**
Colorado Springs, CO
B.A., dual major: Political Science and Economics

OTHER EXPERIENCES

- Board member of Haverhill/Lawrence DCF Area Board
- Member of the Trauma Informed Leadership Teams in both the Lawrence and Lowell DCF offices
- Trauma Focused Cognitive Behavioral Therapy Supervisor (Massachusetts Child Trauma Project)
- Member of Lawrence Mayor's Behavioral Health Task Force
- Chosen by H.E.S. for Ross Greene's year-long training in Collaborative Problem Solving -Train the Trainer

Contractor Name: Behavioral Health and Developmental Services of Strafford County Inc., DBA Community Partners

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Brian Collins	Executive Director	$184,996	0%	0%
Chris Kozak	COO	$82,399	0%	0%
David Haskell	Director Adult Services BH	$74,000	5%	$3,700

Subject: Continuum of Care, Concord Community Leasing II

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant St. Concord, NH 03301	
1.3 Contractor Name Families In Transition		**1.4 Contractor Address** 122 Market St. Manchester, NH 03101	
1.5 Contractor Phone Number (603) 641-9441	**1.6 Account Number** 05-95-42-423010-7927 102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $93,677
1.9 Contracting Officer for State Agency Eric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature Maureen Beauregard		**1.12 Name and Title of Contractor Signatory** Maureen Beauregard, President	

1.13 Acknowledgement: State of NH, County of Hillsborough

On 4/6/15, 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] Ruth Syrek

RUTH A. SYREK, Notary Public
My Commission Expires October 16, 2018

1.13.2 Name and Title of Notary or Justice of the Peace

Ruth Syrek, Administrative Assistant, Notary Public

1.14 State Agency Signature Mary Ann Cooney	**1.15 Name and Title of State Agency Signatory** Mary Ann Cooney Associate Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution)

By: Megan A. Yost, Attorney On: 5/11/15

1.18 Approval by the Governor and Executive Council

By: On:

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials AMB
Date: 4/6/15

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

Contractor Initials: MD
Date: 4/6/15

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.

Contractor Initials: MB
Date: 4/6/15

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

   1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

   2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve twelve (12) homeless individuals and families with disabilities.

   2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

   2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

   2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

   2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

   3.1. The Contractor shall submit the following reports:

      3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

      3.1.2. Other Reports as requested by the State.

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

   3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.1.5. Leasing: Leasing may include leasing one structure or leasing units scattered throughout a community.

5.1.5.1. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.

5.1.5.2. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.

5.1.5.3. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.

5.1.5.4. The Contractor may pay the landlord up to one month's rent for any damages to the units by participants.

5.1.5.5. The Contractor cannot lease a building that it already owns to itself.

5.1.5.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016: not to exceed $93,677

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services:	$15,956
Leasing or Rental Assistance:	$75,411
Administrative costs:	$2,310
Total program amount:	$93,677

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
    When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    - 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    - 19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $5,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted

1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: Families in Transition

April 6, 2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Families in Transition

April 6, 2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Families in Transition

April 6, 2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

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.

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: Families in Transition

April 6, 2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Families in Transition

April 6,2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NHDHHS	Families in Transition
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
MaryAnn Coorey	Maureen Beauregard
Name of Authorized Representative	Name of Authorized Representative
Associate Commissioner	President
Title of Authorized Representative	Title of Authorized Representative
5/1/15	April 6, 2015
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Families in Transition

April 6, 2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

FORM A

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

1. The DUNS number for your entity is: 825360399

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

   X NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

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 FAMILIES IN TRANSITION is a New Hampshire nonprofit corporation formed May 13, 1994. 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 10th day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Families in Transition.
(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 April 6, 2015:
(Date)

RESOLVED: That the President
(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 6 day of April, 2015.
(Date Contract Signed)

4. Maureen Beauregard is the duly elected President
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 6 day of April, 2015,

By Dick Anagnost.
(Name of Elected Officer of the Agency)

(Notary Public/Justice of the Peace)

(NOTARY SEAL)

RUTH A. SYREK, Notary Public
My Commission Expires October 16, 2018

Commission Expires: _____

Client#: 53565 FAMIL6

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/16/2015

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).

PRODUCER	CONTACT NAME:	
Davis Towle Morrill & Everett 115 Airport Road P O Box 1260 Concord, NH 03302-1260	PHONE (A/C, No, Ext): 603 225-6611	FAX (A/C, No): 603-225-7935
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Philadelphia Insurance Co.	
INSURED Families in Transition, Inc 122 Market St Manchester, NH 03101	INSURER B : AmTrust North America, Inc.	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			PHPK1272568	01/01/2015	01/01/2016	EACH OCCURRENCE	$1,000,000
	[X] COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
	[ ] CLAIMS-MADE [X] OCCUR						MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$3,000,000
	[ ] POLICY [ ] PRO-JECT [ ] LOC						PRODUCTS - COMP/OP AGG	$3,000,000
								$
A	AUTOMOBILE LIABILITY			PHPK1272568	01/01/2015	01/01/2016	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	[X] ANY AUTO						BODILY INJURY (Per person)	$
	[ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	[X] HIRED AUTOS [X] NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	[X] UMBRELLA LIAB [X] OCCUR			PHUB484416	01/01/2015	01/01/2016	EACH OCCURRENCE	$5,000,000
	[ ] EXCESS LIAB [ ] CLAIMS-MADE						AGGREGATE	$5,000,000
	[ ] DED [X] RETENTION $10000							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			WWC3115830	01/01/2015	01/01/2016	[X] WC STATU-TORY LIMITS [ ] OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [N]	N/A					E.L. EACH ACCIDENT	$1,000,000
	(Mandatory in NH)						E.L. DISEASE - EA EMPLOYEE	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	$1,000,000

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

Workers Compensation

3A State: NH

CERTIFICATE HOLDER

State of New Hampshire,
Department of Health and Human Services
Bureau of Homeless and Housing
129 Pleasant St
Concord, NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

SML

Our Mission
President's Message
Board of Directors
Leadership
Employment
Contact Us

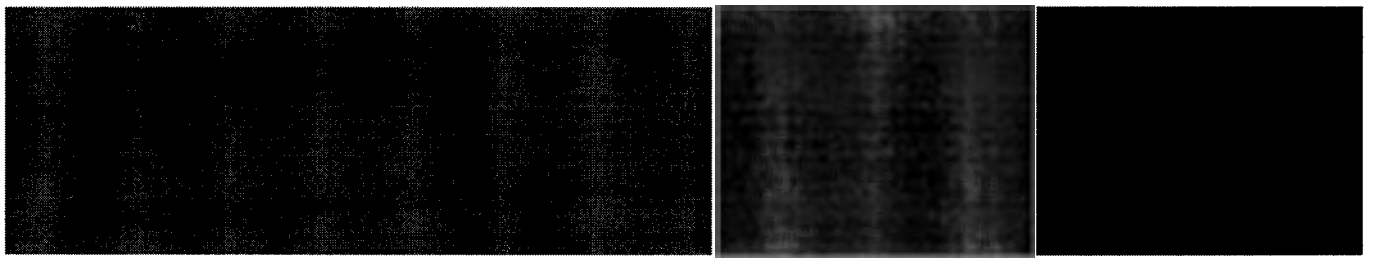
Our Mission

To provide safe, affordable housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless, enabling them to gain self-sufficiency and respect.

Founded as a nonprofit organization in 1991, Families in Transition was formed as response to the growing number of homeless individuals and families in Manchester and throughout the state of New Hampshire. Since its inception, FIT has been committed to providing only the most innovative, comprehensive, and effective programming to help homeless individuals and families reach beyond the cycle of homelessness and lead healthy and successful lives. We believe that having a home is a basic human right and a fundamental component of becoming an engaged and contributing member of the community.

FIT's unique combination of quality, affordable housing, and comprehensive services has been recognized statewide and nationally as one of the most effective ways to end homelessness. Remaining on the forefront of research and innovation in homeless services, the Families in Transition model empowers homeless individuals and families to lead healthy, happy, and productive lives.

BerryDunn



Families in Transition

Providing a Home, Building Hope

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2014

(With Comparative Totals for 2013)

With Independent Auditor's Report

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Families in Transition, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Families in Transition, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2014 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2014, and the consolidated changes in its net assets and its consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Organization's 2013 consolidated financial statements and, in our report dated March 28, 2014, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived, adjusted as described in the following paragraph.

Adjustment to Prior Period Summarized Comparative Information

As disclosed in Note 11, the Organization has restated its beginning 2013 consolidated net assets to include a previously unrecognized contribution of property to Housing Benefits, Inc.'s Dover Housing Project.

As part of our audit of the 2014 consolidated financial statements, we audited the adjustment described in Note 11 that was applied to restate beginning 2013 consolidated net assets. In our opinion, such adjustment is appropriate and has been properly applied.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2014, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
March 30, 2015

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2014
(With Comparative Totals for December 31, 2013)

ASSETS

	2014	Restated 2013
Current assets		
Cash and cash equivalents	$ 996,035	$ 732,210
Funds held as fiscal agent	75,737	96,380
Accounts receivable	39,983	43,901
Grants receivable	282,810	235,517
Prepaid expenses	54,587	65,440
Reserve cash designated for properties	662,613	646,522
Due from related parties	8,210	9,735
Other current assets	43,779	40,058
Total current assets	2,163,754	1,869,763
Replacement reserves	338,563	299,029
Investments	10,661	8,537
Investment in related entity	1,000	1,000
Property and equipment, net	26,111,906	24,356,363
Development in process	260,947	1,130,431
Other assets, net	145,356	158,624
Total assets	$ 29,032,187	$ 27,823,747

LIABILITIES AND NET ASSETS

Current liabilities		
Current portion of long-term debt	$ 187,323	$ 258,051
Accounts payable	183,579	136,696
Accrued expenses	159,806	102,519
Funds held as fiscal agent	75,737	96,380
Deferred revenue	32,581	6,825
Due to related entity	2,371	-
Security deposits	43,784	40,138
Total current liabilities	685,181	640,609
Long-term debt, less current portion	9,938,952	9,681,352
Total liabilities	10,624,133	10,321,961
Net assets		
Unrestricted - controlling interest	12,197,286	11,014,933
Unrestricted - noncontrolling interest	5,691,054	6,114,912
Total unrestricted	17,888,340	17,129,845
Temporarily restricted	519,714	371,941
Total net assets	18,408,054	17,501,786
Total liabilities and net assets	$ 29,032,187	$ 27,823,747

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	Unrestricted - Controlling Interest	Unrestricted - Noncontrolling Interest	Total Unrestricted	Temporarily Restricted	2014	Restated 2013
Revenue and support						
Federal, state and other grant support	$ 2,585,540	$ -	$ 2,585,540	$ 283,408	**$ 2,868,948**	$ 3,699,199
Rental income, net of vacancies	1,674,741	-	1,674,741	-	**1,674,741**	1,493,303
Thrift store sales	724,911	-	724,911	-	**724,911**	700,667
Public support	116,666	-	116,666	-	**116,666**	90,985
Tax credit revenue	129,067	-	129,067	-	**129,067**	68,400
Special events	134,954	-	134,954	-	**134,954**	176,062
Developer fees	72,000	-	72,000	-	**72,000**	54,000
VISTA program revenue	93,474	-	93,474	-	**93,474**	104,523
Unrealized gains on investments	1,064	-	1,064	-	**1,064**	3,882
Loss on disposal of assets	(3,653)	-	(3,653)	-	**(3,653)**	(24,296)
Interest income	29,536	-	29,536	-	**29,536**	29,263
In-kind donations	25,890	-	25,890	-	**25,890**	25,397
Other income	547,357	-	547,357	-	**547,357**	289,132
Net assets released from restrictions	135,635	-	135,635	(135,635)	-	-
Total revenue and support	6,267,182	-	6,267,182	147,773	**6,414,955**	6,710,517
Expenses						
Program activities						
Housing	4,898,273	-	4,898,273	-	**4,898,273**	4,615,512
Thrift store	576,520	-	576,520	-	**576,520**	570,957
Total program activities	5,474,793	-	5,474,793	-	**5,474,793**	5,186,469
Fundraising	432,998	-	432,998	-	**432,998**	387,803
Management and general	288,623	-	288,623	-	**288,623**	337,187
Total expenses	6,196,414	-	6,196,414	-	**6,196,414**	5,911,459
Contribution of property for long-term purposes	687,760	-	687,760	-	**687,760**	-
Change in net assets	758,528	-	758,528	147,773	**906,301**	799,058
Distributions	-	(33)	(33)	-	**(33)**	-
Change in net assets attributable to noncontrolling interest in subsidiaries	423,825	(423,825)	-	-	**-**	-
Change in net assets attributable to controlling interest	1,182,353	(423,858)	758,495	147,773	**906,268**	799,058
Net assets, beginning of year, as restated	11,014,933	6,114,912	17,129,845	371,941	**17,501,786**	16,702,728
Net assets, end of year	$ 12,197,286	$ 5,691,054	$ 17,888,340	$ 519,714	**$ 18,408,054**	$ 17,501,786

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	Program Activities	Fundraising	Management and General	**2014 Total**	2013 Total
Salaries and benefits					
Salaries and wages	$ 1,743,218	$ 233,064	$ 170,914	**$ 2,147,196**	$ 2,004,885
Temporary labor	7,202	-	-	**7,202**	38,656
Employee benefits	239,196	28,093	20,602	**287,891**	225,247
Payroll taxes	138,280	18,922	13,876	**171,078**	174,159
Total salaries and benefits	2,127,896	280,079	205,392	**2,613,367**	2,442,947
Expenses					
Advertising	29,308	-	332	**29,640**	26,407
Amortization	13,268	-	-	**13,268**	13,769
Application and permit fees	2,400	-	-	**2,400**	2,850
Bad debts	15,341	-	-	**15,341**	10,131
Bank charges	10,878	-	3,739	**14,617**	16,723
Consultants	30,333	2,250	-	**32,583**	41,606
Depreciation	849,077	21,192	15,541	**885,810**	849,064
Events	4,194	42,725	-	**46,919**	35,345
General insurance	119,390	8,043	5,899	**133,332**	120,529
Interest expense	179,152	-	-	**179,152**	177,265
Management fees	35,189	-	-	**35,189**	4,511
Meals and entertainment	2,968	590	432	**3,990**	3,973
Membership dues	5,172	932	683	**6,787**	7,324
Office supplies	100,961	16,447	12,061	**129,469**	117,049
Participant expenses	43,958	-	-	**43,958**	44,929
Postage	6,073	1,112	816	**8,001**	11,547
Printing	12,913	2,365	1,735	**17,013**	30,484
Professional fees	108,923	8,520	6,248	**123,691**	96,608
Rental subsidies	251,347	-	-	**251,347**	261,606
Repairs and maintenance	385,885	10,674	7,828	**404,387**	382,228
Staff development	8,792	1,782	1,307	**11,881**	11,776
Taxes	263,719	-	-	**263,719**	245,422
Technology support	44,546	8,617	6,319	**59,482**	58,676
Telephone	52,510	7,817	5,732	**66,059**	64,532
Travel	43,862	7,450	5,463	**56,775**	52,358
Utilities	403,942	4,462	3,272	**411,676**	374,781
VISTA program	264,623	-	-	**264,623**	345,979
Workers' compensation	58,173	7,941	5,824	**71,938**	61,040
Total expenses	$ 5,474,793	$ 432,998	$ 288,623	**$ 6,196,414**	$ 5,911,459

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	2014	2013
Cash flows from operating activities		
Change in net assets	$ 906,301	$ 799,058
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	899,078	862,833
Contribution of property for long-term purposes	(687,760)	-
Grants revenue for long-term purposes	-	(1,184,206)
Forgiveness of debt	(131,267)	(131,267)
Unrealized gains on investments	(1,064)	(3,882)
Loss on asset disposal	3,653	24,296
Decrease (increase) in:		
Accounts receivable	3,918	(21,025)
Grants receivable	(53,293)	(115,204)
Prepaid expenses	10,853	9,620
Due from related parties	1,525	(1,623)
Other current assets	(3,721)	(11,801)
Increase (decrease) in:		
Accounts payable	46,883	44,764
Accrued expenses	57,287	(1,573)
Deferred revenue	25,756	3,158
Due to related party	2,371	-
Security deposits	3,646	11,888
Net cash provided by operating activities	1,084,166	285,036
Cash flows from investing activities		
Net withdrawals from (deposits to) reserve accounts	14,242	(11,387)
Purchases of investments	(1,060)	-
Investment in development in process	(550,717)	(1,104,891)
Acquisition of property and equipment	(113,629)	(132,294)
Net cash used by investing activities	(651,164)	(1,248,572)
Cash flows from financing activities		
Grants received for long-term purposes	-	1,184,206
Partner distributions	(33)	-
Proceeds from borrowing long-term debt	-	45,701
Payments of long-term debt	(169,144)	(164,230)
Net cash (used) provided by financing activities	(169,177)	1,065,677
Increase in cash and cash equivalents	263,825	102,141
Cash and cash equivalents, beginning of year	732,210	630,069
Cash and cash equivalents, end of year	$ 996,035	$ 732,210
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings	$ 430,000	$ -
Acquisition of development in process through long-term borrowings	$ 63,283	$ -
Property and equipment transferred from development in process	$ 1,483,484	$ -

The accompanying notes are an integral part of these consolidated financial statements.

Organization

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Millyard Families II Limited Partnership (Millyard II), located on Market Street in Manchester, New Hampshire; Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Streets, Lowell Street, Belmont Street, and Market Street (Millyard Families I), in Manchester, New Hampshire as well as an additional housing unit located on Central Avenue in Dover, New Hampshire. An additional housing unit became operational in 2014, located on Hayward Street in Manchester, New Hampshire.

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family OutFITters, LLC (OutFITters), a limited liability corporation. OutFITters operates independent thrift stores in Concord and Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization.

The Limited Partnerships, Housing Benefits, MEH and OutFITters constitute the subsidiaries of the Organization.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness, a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy". The activity of this entity is not deemed material and has not been included in the consolidated financial statements.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The Organization has several wholly-owned corporations which include Brick Mill House Families II, Inc. (Brick Mill), Bicentennial Families Concord, Inc. (Bicentennial Families), Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Brick Mill is general partner of Millyard II, Bicentennial Families is general partner of Bicentennial, Family Mill is general partner of Family Bridge and Big Shady Tree is general partner of Family Willows.

Since the General Partners have control in the Limited Partnerships, in accordance with Financial Accounting Standards Board *Accounting Standards Codification* Topic 810-20-25, *Consolidation*, each of the Limited Partnerships' financial statements are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statements of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH and OutFITters. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

Comparative Information

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2013 consolidated financial statements, from which the summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on the existence or absence of donor imposed restrictions.

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. When a donor 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.

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. The donors of these assets permit the Organization to use all or part of the income earned on related contributions for general or specific purposes. The Organization had no permanently restricted net assets as of December 31, 2014 and 2013.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor 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. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

The Organization reports contributions of land, buildings or equipment as unrestricted support, unless a donor places explicit restriction on their use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support and reclassified to unrestricted net assets when the assets are acquired and placed in service.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Restricted deposits are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than $1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

Volunteer Services (unaudited)

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2014 and 2013, is approximately $810,000 and $780,000, respectively.

Functional Expense Allocation

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

Income Taxes

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2014 and 2013, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as a partnership, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

Reclassification

Certain amounts in the 2013 financial statements have been reclassified to conform to the current year's presentation.

2. Property and Equipment

Property and equipment consisted of the following:

	2014	2013
Land	$ 3,112,699	$ 2,304,135
Land improvements	595,300	502,948
Buildings and improvements	27,743,643	26,035,016
Furniture and fixtures	496,456	503,087
Equipment	336,464	372,668
Vehicles	214,065	214,065
	32,498,627	29,931,919
Less: accumulated depreciation	6,386,721	5,575,556
Property and equipment, net	$ 26,111,906	$ 24,356,363

During 2012, the Organization began the development of the Hayward Street Permanent Supportive Housing Program (Hayward St. Program) through funding received by Housing Benefits from the U.S. Department of Housing and Urban Development, passed through the City of Manchester, New Hampshire, known as Neighborhood Stabilization Program grants. The funds were used to purchase a vacant lot in Manchester, New Hampshire and to construct a building used to provide housing and supportive services to individuals and families who are homeless. The facility contains four 2-bedroom apartments and two 1-bedroom apartments. In addition, tenants receive comprehensive supportive services designed to ensure long-term stability and wellness. At December 31, 2013, the Organization had incurred costs of approximately $1.1 million presented in the Organization's consolidated statement of financial position as development in process.

At December 31, 2014, the Organization had invested approximately $1.5 million in the Hayward St. Program. On March 1, 2014, the Hayward St. Program was placed into service and the assets were transferred from development in process and at December 31, 2014 are presented in the Organization's consolidated statement of financial position in property and equipment, net.

In June 2014, land located at Spruce Street and Massabesic Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. This land will be used to be developed into the Hollow's Community Garden and Learning Center. The project is intended to improve the quality of life of at-risk children and families by providing immediate hunger relief, expanding food access and delivering hands-on educational experiences.

In September 2014, a three-family building and land located on Spruce Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. The property was transferred from FIT to Housing Benefits. Housing Benefits intends to rehabilitate the project into rental housing for low-income households. All construction will incorporate energy efficiencies to the maximum extent possible to reduce operating costs and ensure long-term affordability.

3. Development in Process

In 2014, the Organization began the pre-construction phase on its Family Place Resource Center and Shelter through funding received from New Hampshire Housing Finance Authority (NHHFA), Community Development Finance Authority funds and donations. The facility will house a new and expanded family shelter as well as a comprehensive resource center designed to meet the needs of homeless families and children. The shelter will consist of 12 emergency housing units for families in immediate need of shelter. The services include, but are not limited to, centralized assessment and referral, hot meals, access to an onsite food pantry, onsite medical care and therapeutic preschool programming for children. The project is expected to cost approximately $1.8 million and is expected to be completed in 2015. At December 31, 2014, the Organization had invested approximately $200,000 in the facility.

4. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of $100,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4%. There was no outstanding balance or activity as of and for the years ended December 31, 2014 and 2013.

5. Long-term Debt

Long-term debt consisted of the following:

	2014	2013
A mortgage loan payable to NHHFA in monthly payments of $680, including interest at 1% and an escrow of $289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	**$ 67,613**	$ 71,011
A note payable to NHHFA. The note is non-interest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	**157,283**	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of $990, including interest at 6.25%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019.	**132,207**	136,628
A vehicle loan on an activity bus payable to New Hampshire Health and Education Facilities Authority in monthly payments of $525 at 1% annual interest rate. The loan is due and payable in February 2017.	**13,492**	19,621

A mortgage loan payable to TD Bank, N.A. in monthly payments of $1,359, including interest at 7.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	**100,050**	108,818
A mortgage loan payable to RBS Citizens Bank in monthly payments of $2,126, including interest at 4.93%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	**250,676**	258,443
Non-interest bearing note payable to the City of Manchester, New Hampshire, payable in annual installments of $1,977. The loan was paid in October 2014.	-	1,977
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal property. Monthly payments of $1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	**164,904**	170,083
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 27, 2033. This is non-recourse.	**102,647**	102,647
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 27, 2033. This note is non-recourse and is subordinate to the $102,647 note payable.	**337,720**	337,720
A non-interest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full May 27, 2033.	**260,000**	260,000
A non-interest bearing note payable by Millyard II to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is non-recourse.	**461,696**	462,309
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of $1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on April 1, 2032.	**268,758**	279,885

A non-interest bearing note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow. In any year where the Debt Coverage Ratio exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is non-recourse.	**226,725**	227,521
A non-interest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. All unpaid amounts are due and payable in full on December 31, 2031. This note is non-recourse.	**250,000**	250,000
A mortgage note payable by Millyard Families I to the City of Manchester Community Improvement Program, collateralized by real estate. The note is non-interest bearing and is due and payable in January 2027.	**230,000**	230,000
A second mortgage note payable by Millyard Families I to the NHCLF, collateralized by real estate. Monthly payments of $1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	**93,604**	105,058
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	**850,000**	850,000
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of $3,953 include principal and interest at 7.71%. The note is payable in full in October 27, 2023 and is guaranteed by FIT and Family Mill.	**483,093**	492,270
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is non-interest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is non-recourse.	**600,000**	600,000

A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	**598,957**	598,957
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is non-interest bearing and has an annual payment of $9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is non-recourse.	**127,272**	136,363
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of $1,882 include principal and interest at 3.25%, based on the prime rate capped at 6%. The note is payable in full on October 14, 2033 and is guaranteed by FIT and Big Shady Tree.	**312,442**	324,506
A mortgage note payable by School & Third Street to NHHFA, collateralized by real estate and personal property. Monthly payments of $2,774 include principal and interest at 8% per annum. The note is due April 1, 2021.	**163,281**	182,653
A second mortgage note payable by School & Third Street to NHCLF, collateralized by real estate and personal property. The note bears no interest and monthly payments of $2,774 will commence on April 15, 2021 and continue until maturity in September 15, 2039.	**617,613**	617,613
A mortgage note payable by Belmont Street to NHHFA, collateralized by real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	**419,370**	433,000
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of $3,158 include principal and interest at 6.25% per annum. The note will be paid in full in September 2031.	**392,864**	405,761
A mortgage note payable from Lowell Street to NHHFA, collateralized by real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	**44,312**	59,157

A second, non-interest bearing, mortgage note payable from Lowell Street to the City of Manchester, New Hampshire, collateralized by real estate. Annual payments equal to the greater of 25% of new cash flow or $4,000 commenced in October 2012 and will continue until the maturity date in June 2041.	**180,864**	188,287
A non-interest promissory note payable from Lowell Street to NHHFA collateralized by a mortgage and security agreement on real estate. The note will be forgiven 1/15th annually over the low-income housing tax credit compliance period. During 2014 and 2013, $131,267 was recognized as other income in the consolidated statement of activities.	**1,509,565**	1,640,832
A mortgage note payable from Dover to NHHFA, collateralized by the real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	**221,428**	225,000
A non-interest mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce St. The note has a borrowing limit of $500,000. As costs are incurred Housing Benefits will be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow or $5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.	**63,283**	-
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of $1,921 include principal and interest at 3.41%. The note is due in full by April 2019.	**424,556**	-
	10,126,275	9,939,403
Less current portion	**187,323**	258,051
	$ 9,938,952	$ 9,681,352

Principal maturities of the above notes over the next five years and thereafter are as follows:

2015	$ 187,323
2016	141,655
2017	143,682
2018	149,749
2019	645,646
Thereafter	8,858,220
	$ 10,126,275

Cash paid for interest approximates interest expense.

6. Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for the following purposes:

	2014	2013
The Family Place - services	$ 53,672	$ 50,888
The Family Place - development	241,000	177,000
Research and training	26,333	19,551
Scholarships and tutoring	4,375	6,879
VISTA program	38,511	54,484
Housing programs	4,750	2,700
Direct care for clients	79,851	35,439
Community Gardens	71,222	-
Grant receivable - time restricted	-	25,000
	$ 519,714	$ 371,941

7. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

8. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed $31,138 and $32,692 during the years ended December 31, 2014 and 2013, respectively.

9. Housing Action New Hampshire

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. The Organization maintains the books and financial records for HANH in accordance with U.S. GAAP. HANH funds are presented in the Organization's consolidated statement of financial position as funds held as fiscal agent.

10. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows as of December 31:

Limited Partner	Property	2014	2013
Community Capital 2000	Millyard II	$ 1,000,929	$ 1,080,482
New Hampshire Housing Equity Fund, Inc.	Bicentennial	352,882	382,492
JP Morgan Chase	Bicentennial	352,985	382,589
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	1,660,467	1,853,769
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	2,323,771	2,415,560
		$ 5,691,054	$ 6,114,912

11. Restatement of January 1, 2013 Net Assets

The beginning 2013 unrestricted net assets has been restated to properly reflect property contributed to Housing Benefit's Dover Housing Project in a prior year. The effect of the restatement is as follows:

Unrestricted net assets - controlling interest, January 1, 2013 (as previously stated)	$ 9,551,445
Amount of restatement to include property contributed in 2012	280,700
Unrestricted net assets - controlling interest, January 1, 2013 (restated)	9,832,145
Unrestricted net assets - noncontrolling interest, January 1, 2013	6,652,776
Temporarily restricted net assets, January 1, 2013	217,807
Total net assets, January 1, 2013 (restated)	$ 16,702,728

The restatement had no effect on the previously reported change in net assets for 2013.

12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 30, 2015, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements

SUPPLEMENTARY INFORMATION

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

December 31, 2014

ASSETS

	Families In Transition Unrestricted	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Families in Transition Temporarily Restricted	Eliminations	Total
Current assets								
Cash and cash equivalents	$ 230,524	$ 68,581	$ 44,897	$ 124,642	$ 7,677	$ 519,714	$ -	$ 996,035
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Accounts receivable	117,456	14,010	6,176	-	-	-	(97,659)	39,983
Grants receivable	275,758	-	4,058	-	2,994	-	-	282,810
Prepaid expenses	9,197	26,215	14,717	1,278	3,180	-	-	54,587
Accrued interest receivable on related party note	746,158	-	-	-	-	-	(746,158)	-
Reserve cash designated for properties	2,871	382,705	277,037	-	-	-	-	662,613
Due from related party	220,321	-	66,759	97,595	4,896	-	(381,361)	8,210
Other current assets	10,516	20,025	13,238	-	-	-	-	43,779
Total current assets	1,688,538	511,536	426,882	223,515	18,747	519,714	(1,225,178)	2,163,754
Replacement reserves	33,113	189,079	116,371	-	-	-	-	338,563
Related party notes receivable	1,725,799	-	-	-	-	-	(1,725,799)	-
Investments	10,661	-	-	-	-	-	-	10,661
Investment in related entities	1,196,347	-	25,051	-	-	-	(1,220,398)	1,000
Property and equipment, net	3,052,217	13,896,792	9,108,993	13,204	40,700	-	-	26,111,906
Development in process	190,815	-	70,132	-	-	-	-	260,947
Other assets, net	-	70,345	75,011	-	-	-	-	145,356
Total assets	$ 7,897,490	$ 14,667,752	$ 9,822,440	$ 236,719	$ 59,447	$ 519,714	$ (4,171,375)	$ 29,032,187

LIABILITIES AND NET ASSETS

Current liabilities								
Current portion of long-term debt	$ 52,971	$ 101,684	$ 32,668	$ -	$ -	$ -	$ -	$ 187,323
Accounts payable	85,751	152,339	34,785	6,421	1,942	-	(97,659)	183,579
Accrued expenses	103,316	595,568	188,252	13,997	4,831	-	(746,158)	159,806
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Due to related entities	58,385	34,402	190,163	100,782	-	-	(381,361)	2,371
Deferred revenue	30,383	1,340	858	-	-	-	-	32,581
Security deposits	10,516	20,025	13,243	-	-	-	-	43,784
Total current liabilities	417,059	905,358	459,969	121,200	6,773	-	(1,225,178)	685,181
Long-term debt, less current portion	1,485,770	6,268,329	3,910,652	-	-	-	(1,725,799)	9,938,952
Total liabilities	1,902,829	7,173,687	4,370,621	121,200	6,773	-	(2,950,977)	10,624,133
Net assets								
Unrestricted - controlling interest	5,994,661	1,803,011	5,451,819	115,519	52,674	-	(1,220,398)	12,197,286
Unrestricted - noncontrolling interest	-	5,691,054	-	-	-	-	-	5,691,054
Total unrestricted	5,994,661	7,494,065	5,451,819	115,519	52,674	-	(1,220,398)	17,888,340
Temporarily restricted	-	-	-	-	-	519,714	-	519,714
Total net assets	5,994,661	7,494,065	5,451,819	115,519	52,674	519,714	(1,220,398)	18,408,054
Total liabilities and net assets	$ 7,897,490	$ 14,667,752	$ 9,822,440	$ 236,719	$ 59,447	$ 519,714	$ (4,171,375)	$ 29,032,187

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended December 31, 2014

	Families In Transition Operating	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Eliminations	Unrestricted Total	Temporarily Restricted	Total
Revenue and support									
Federal, state and other grant support	$ 2,169,710	$ 64,807	$ 506,734	$ -	$ 159,186	$ (314,897)	$ 2,585,540	$ 283,408	$ 2,868,948
Rental income, net of vacancies	295,911	965,137	490,308	-	2,260	(78,875)	1,674,741	-	1,674,741
Thrift store sales	-	-	-	724,911	-	-	724,911	-	724,911
Public support	113,645	-	-	3,021	-	-	116,666	-	116,666
Tax credit revenue	129,067	-	-	-	-	-	129,067	-	129,067
Special events	134,354	-	-	600	-	-	134,954	-	134,954
Property management fees	570,336	-	-	-	-	(570,336)	-	-	-
Developer fees	72,000	-	-	-	-	-	72,000	-	72,000
VISTA program revenue	93,474	-	-	-	-	-	93,474	-	93,474
Unrealized gains on investments	1,064	-	-	-	-	-	1,064	-	1,064
Loss on disposal of assets	-	(3,653)	-	-	-	-	(3,653)	-	(3,653)
Interest income	96,758	438	110	-	-	(67,770)	29,536	-	29,536
In-kind donations	24,040	-	1,850	-	-	-	25,890	-	25,890
Other income	367,656	22,249	157,737	4,295	1,420	(6,000)	547,357	-	547,357
Net assets released from restrictions	135,635	-	-	-	-	-	135,635	(135,635)	-
Total revenue and support	4,203,650	1,048,978	1,156,739	732,827	162,866	(1,037,878)	6,267,182	147,773	6,414,955
Expenses									
Program activities	3,261,921	1,472,843	1,060,320	699,216	165,765	(1,185,272)	5,474,793	-	5,474,793
Fundraising	432,998	-	-	-	-	-	432,998	-	432,998
Management and general	411,429	-	-	-	-	(122,806)	288,623	-	288,623
Total expenses	4,106,348	1,472,843	1,060,320	699,216	165,765	(1,308,078)	6,196,414	-	6,196,414
Excess (deficiency) of revenue and support over expenses	97,302	(423,865)	96,419	33,611	(2,899)	270,200	70,768	147,773	218,541
Contribution for long-term purposes	687,760	-	216,200	-	-	(216,200)	687,760	-	687,760
Change in net assets	$ 785,062	$ (423,865)	$ 312,619	$ 33,611	$ (2,899)	$ 54,000	$ 758,528	$ 147,773	$ 906,301

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Functional Expenses

Year Ended December 31, 2014

	Program Activities									
	Families In Transition Operating	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Program Activities Total	Fundraising	Management and General	Eliminations	Total
Salaries and benefits										
Salaries and wages	$ 1,149,785	$ -	$ 153,510	$ 347,826	$ 92,097	$ 1,743,218	$ 233,064	$ 170,914	$ -	$ 2,147,196
Temporary labor	-	-	-	5,777	1,425	7,202	-	-	-	7,202
Employee benefits	138,593	-	35,542	51,750	13,311	239,196	28,093	20,602	-	287,891
Payroll taxes	93,347	-	10,554	27,714	6,665	138,280	18,922	13,876	-	171,078
Total salaries and benefits	1,381,725	-	199,606	433,067	113,498	2,127,896	280,079	205,392	-	2,613,367
Advertising	6,316	-	-	22,992	-	29,308	-	332	-	29,640
Amortization	-	6,744	6,524	-	-	13,268	-	-	-	13,268
Application and permit fees	-	960	1,440	-	-	2,400	-	-	-	2,400
Bad debts	-	4,470	10,871	-	-	15,341	-	-	-	15,341
Bank charges	-	645	96	10,137	-	10,878	-	3,739	-	14,617
Consultants	24,045	-	3,864	1,322	1,102	30,333	2,250	-	-	32,583
Depreciation	104,545	483,500	254,034	2,214	4,784	849,077	21,192	15,541	-	885,810
Events	-	-	1,262	2,932	-	4,194	42,725	-	-	46,919
General insurance	39,681	40,629	28,943	4,331	5,806	119,390	8,043	5,899	-	133,332
Interest expense	67,717	135,176	44,029	-	-	246,922	-	-	(67,770)	179,152
Management fees	84,156	241,973	243,976	-	15,420	585,525	-	-	(550,336)	35,189
Meals and entertainment	2,908	-	-	-	60	2,968	590	432	-	3,990
Membership dues	4,597	-	-	575	-	5,172	932	683	-	6,787
Office supplies	81,137	4,457	6,190	9,057	120	100,961	16,447	12,061	-	129,469
Participant expenses	42,340	-	1,193	150	275	43,958	-	-	-	43,958
Postage	5,487	-	-	586	-	6,073	1,112	816	-	8,001
Printing	11,669	-	-	437	807	12,913	2,365	1,735	-	17,013
Professional fees	42,032	28,890	32,001	6,000	-	108,923	8,520	6,248	-	123,691
Related entity expenditures	559,793	-	(135,323)	60,000	-	484,470	-	106,627	(591,097)	-
Rent	-	-	-	62,696	-	62,696	-	16,179	(78,875)	-
Rental subsidies	251,347	-	-	-	-	251,347	-	-	-	251,347
Repairs and maintenance	52,659	171,739	141,865	31,065	8,557	405,885	10,674	7,828	(20,000)	404,387
Staff development	8,792	-	-	-	-	8,792	1,782	1,307	-	11,881
Taxes	49,504	119,994	91,364	2,857	-	263,719	-	-	-	263,719
Technology support	42,508	788	125	1,125	-	44,546	8,617	6,319	-	59,482
Telephone	38,561	744	5,301	5,443	2,461	52,510	7,817	5,732	-	66,059
Travel	36,753	-	-	7,089	20	43,862	7,450	5,463	-	56,775
Utilities	22,010	229,974	115,679	27,621	8,658	403,942	4,462	3,272	-	411,676
VISTA program	262,463	2,160	-	-	-	264,623	-	-	-	264,623
Workers' compensation	39,176	-	7,280	7,520	4,197	58,173	7,941	5,824	-	71,938
Total expenses	$ 3,261,921	$ 1,472,843	$ 1,060,320	$ 699,216	$ 165,765	$ 6,660,065	$ 432,998	$ 411,429	$ (1,308,078)	$ 6,196,414

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Families
in Transition

FAMILIES IN TRANSITION

Agency Officers

Maureen Beauregard, President
Families in Transition

Stephanie Savard, Vice President, Director of Clinical Services
Families in Transition

Board of Directors

Dick Anagnost, Chairperson
Anagnost Investments - President
Board member since 2007

Charla Stevens, Vice Chairperson
McLane, Graf, Raulerson & Middleton Esquire
Board member since 2013

Deborah Brann, Treasurer
Controller – St Paul's School
Board member since 2011

Colleen Karpinsky-Cone, Secretary
VP, Talent & Culture
Board member since 2014

Karyn O'Neil
Citizens Bank; Senior Vice President
Board member since 2003

Susan Grodman,
The Derryfield School; Director of Service & Global Education
Board member since 2007

Trevor Arp,
Comcast; VP of Product Management
Board member since 2008

Rev. Gayle Murphy
Northwood Congregational Church, UCC
Board member since 2008

Revised: February 2015

David Donohue
VP of Community Engagement, Lifeshare Management Group
Board member since 2009

Eric Demaree
CCA Global Partners President Carpet One Floor & Home Division
Board member since 2012

Tracie Sponenberg
Emerson Ecologics
Board member since 2013

Alison Hutcheson
Merchants Fleet Management, Mgr of Sales
Board member since 2014

Emily Brown
Gigunda Group, Director Client Services
Board member since 2014

Kristy Merrill
NH Senate
Board member since 2014

Angela Irons
Asst Vice President, Field Dev LFG
Board member since 2014

Kitten Stearns
Coldwell Banker Residential Brokerage
Board member since 2014

Sedra Michaelson
Strategic Account Manager, CCH, a Wolters Kluwer business
Board member since 2015

Stephanie Allain Savard, LICSW

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Licensure and Education:

- New Hampshire Licensed Independent Clinical Social Worker, #941, April, 2000.
- Masters in Social Work, Boston University, 1996.
- Bachelor of Arts – Honors in Psychology, Keene State College, 1992.
- Associate of Science in Chemical Dependency, Keene State College, 1992.
- Boston University Workshop-Based Trauma Certificate, 2006.
- Low Income Housing Tax Credit Certified Credit Compliance Professional (C3P), 2000.

Professional Experience:

Vice-President, Families in Transition, Manchester, NH, 1/97 – Present.

- Oversight of clinical department and all supportive services programming within agency, including case management, therapeutic services, employment & training services, youth programming and specialized programming. Oversee and manage treatment and supportive services for a program capacity of 150+ homeless families and individuals to ensure that consistent and quality clinical services are provided. Oversight of 135+ units of affordable housing to ensure quality and safe housing for all tenants.
- Provide administrative and clinical supervision to all licensed clinicians, masters and bachelor level clinician & case managers. Provide oversight to the Property Administration Department, including management of all funding requirements for each property, including Low Income Housing Tax Credits, HOME, Housing and Urban Development, CDBG, etc.
- Assumes responsibilities and decision-making for agency in the absence of the President. Assist President on personnel issues and in oversight of agency and strategic planning.
- Provide therapeutic services to participants of program, including participation in participant team meetings. Co-facilitate support groups on various issues, including self-esteem, co-dependency, Relational/Cultural Theory, trauma and relationships.
- Families in Transition Board of Directors Programs and Supportive Services Committee Member and assist in Board of Director meetings.
- Member of the Manchester Continuum of Care, 10/00 – Present; Community Awareness Committee Chair 2003/2004; 2006 – Present.

Counselor/Family Service Worker, NFI Midway Residential Shelter, Manchester, NH, 1993 – 1996.

- Supervised 15 adolescent males utilizing behavior management and normative culture techniques.

- Supervised all shifts and summer activity program; Conducted family assessments and counseling.

MSW Clinical Intern, CASPAR Emergency Service Center, Cambridge, MA, 1995-1996.

- Provided assessments, individual and group therapy to homeless substance abusers in early recovery.
- Developed a resource manual of services for client referral and assisted in creating a program brochure.

MSW Clinical Caseworker Intern, WorkSource of Work, Inc., Quincy, MA, 1994-1995.

- Provided case management, counseling, and crisis intervention to consumers with psychiatric disabilities in a vocational rehabilitation workshop. Developed and co-facilitated support groups.
- Developed and facilitated a pre-employment program for consumers transitioning into community work.

VISTA Volunteer, Center for Human Services, Seattle, WA, 1992-1993.

- Developed, recruited, and supervised a volunteer program for multiple programs and departments.
- Diversity Committee Member; Assisted in agency fundraising and grant writing; designed and marketed public relation materials; assisted in coordinating Board of Directors and chairing Board committees.

Professional Affiliations and Volunteer Experience:

- Lazarus House Transitional Housing Advisory Council, Lawrence, MA, 2004 - Present.
- Board of Directors of the NH Coalition to End Homelessness, 12/00 - 2002.

Awards & Professional Memberships:

- National Association of Social Workers, Member 1996-Present; NH Chapter Board of Directors, Vice-President 2006 – Present.
- Union Leader and Business Industry Association "40 Under 40" Leaders of New Hampshire, 2004
- NH Homeless Service Providers Award, Office of Homeless and Housing Services, 2003.

SARAH DORNER

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EDUCATION

Brandeis University, Waltham, MA — December 2006
Bachelor of Arts in Psychology and Sociology, Magna Cum Laude
GPA: 3.7; Dean's List; Psi Chi National Honor Society in Psychology

University of Melbourne, Melbourne, Australia — February – June 2006
Received merit-based scholarship to pursue coursework in Australian studies, Indigenous studies, and History

EXPERIENCE

Families in Transition, Manchester, NH — June 2012 – Present
Treatment Coordinator
- Provide case management services and advocate for families while they work through homelessness, trauma, substance abuse, and mental illness
- Partner with community agencies and connect families to resources as needed

Families in Transition, Manchester, NH — Oct 2009 – June 2012
Child and Family Advocate
- Aided families with children enrolled in a trauma-informed preschool and after-school program with the development of parenting skills to support their children's overall well-being
- Designed and facilitated groups within a therapeutic setting for children and parents impacted by trauma

CL Education Center, Jinhae, South Korea — Dec 2008 – June 2009
English Teacher
- Planned innovative lessons and activities for students between the ages of three to fourteen
- Presented new material and designed tests to assess students' comprehension

Mesila Aid and Information Center, Tel Aviv, Israel — Feb 2008 – Aug 2008
Social Work Volunteer
- Organized foreign worker volunteers to assist other foreign workers from the Philippines who were ill
- Created and conducted original activities for after-school programs serving children of refugees from Africa
- Assisted in mobilizing foreign workers in advocating for the rights of immigrant children

Kdam Atidim English Summer Camp, Ben Shemen, Israel — July 2008
English Teacher/Counselor
- Devised English curriculum appropriate for teenagers from Israel's periphery and disadvantaged communities
- Supported programming to foster a sense of community and help teens confront challenges

Eliot Community Human Services, Wakefield, MA — Mar 2007– Feb 2008
Group Care Worker
- Served as role model and advocate for adolescent females residing in a residential group home
- Implemented and facilitated new and creative programming to support the development of life skills
- Maintained communication with administration, families, social workers, and schools

Student Sexuality Information Service, Brandeis University — Aug 2005 – May 2007
Counselor and Educator
- Provided confidential counseling, information, and referrals to outside resources
- Designed, facilitated, and promoted campus-wide and small-group educational programs

Waltham Action Research Project, Waltham, MA — Fall 2006
Collaborative Research Intern
- Managed high school students with community-based research on local after-school programs
- Developed and conducted seminars in research skills to aid students' service learning

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President	134,612	0%	-
Stephanie Savard	Vice President	83,604	0%	-
Sarah Dorner	Housing Advocate	54,990	30%	16,497

Subject: Continuum of Care Program, Concord Permanent Housing

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Families in Transition		**1.4 Contractor Address** 122 Market Street Manchester, NH 03101	
1.5 Contractor Phone Number (603) 641-9441	**1.6 Account Number** 05-95-42-423010-7927 102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $68,585.00
1.9 Contracting Officer for State Agency Erric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature Maureen Beauregard		**1.12 Name and Title of Contractor Signatory** Maureen Beauregard, President	

1.13 Acknowledgement: State of NH, County of Hillsborough

On 4-6-2015, 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] Ruth Syrek

RUTH A. SYREK, Notary Public
My Commission Expires October 16, 2018

1.13.2 Name and Title of Notary or Justice of the Peace

Ruth Syrek, Administrative Assistant, Notary public

1.14 State Agency Signature Mary Ann Carey	**1.15 Name and Title of State Agency Signatory** MARY ANN CAREY Associate Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel ***(if applicable)***

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution)

By: Megan A. Lyon - Attorney On: 5/11/15

1.18 Approval by the Governor and Executive Council

By: On:

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials: MAD
Date: 4-6-2015

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

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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.

Contractor Initials: MAD
Date: 4-6-2015

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

   1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

   2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve nine (9) homeless individuals and families with disabilities.

   2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

   2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

   2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

   2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

   3.1. The Contractor shall submit the following reports:

      3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

      3.1.2. Other Reports as requested by the State.

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

   3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016: not to exceed $68,585

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services: $66,827

Administrative costs: $1,758

Total program amount: $68,585

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $5,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted

1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

Contractor Initials MB
Date 4-6-2015

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.

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: Families in Transition

4-6-2015
Date

Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NHDHHS	Families in Transition
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Mary Ann Cooney	Maureen Beauregard
Name of Authorized Representative	Name of Authorized Representative
Assoc. Ave Commissione	President
Title of Authorized Representative	Title of Authorized Representative
5/1/15	April 6, 2015
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Families in Transition

4-6-2015
Date

Name: Maureen Beauregard
Title: President

FORM A

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

1. The DUNS number for your entity is: 825360399

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

   X NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

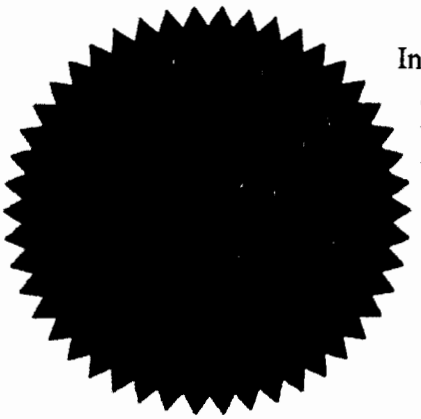
   Name: _____ Amount: _____

   Name: _____ Amount: _____

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 FAMILIES IN TRANSITION is a New Hampshire nonprofit corporation formed May 13, 1994. 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 10th day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Families in Transition.
(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 April 6, 2015:
(Date)

RESOLVED: That the President
(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 6 day of April, 2015.
(Date Contract Signed)

4. Maureen Beauregard is the duly elected President
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 6 day of April, 2015,

By Dick Anagnost.
(Name of Elected Officer of the Agency)

(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: RUTH A. SYREK, Notary Public
My Commission Expires October 16, 2018

Client#: 53565 FAMIL6

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/16/2015

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).

PRODUCER	CONTACT NAME:	
Davis Towle Morrill & Everett 115 Airport Road P O Box 1260 Concord, NH 03302-1260	PHONE (A/C, No, Ext): 603 225-6611	FAX (A/C, No): 603-225-7935
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Philadelphia Insurance Co.	
INSURED Families In Transition, Inc 122 Market St Manchester, NH 03101	INSURER B : AmTrust North America, Inc.	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			PHPK1272568	01/01/2015	01/01/2016	EACH OCCURRENCE	$1,000,000
	[X] COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
	[ ] CLAIMS-MADE [X] OCCUR						MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$3,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$3,000,000
	[ ] POLICY [ ] PRO-JECT [ ] LOC							$
A	AUTOMOBILE LIABILITY			PHPK1272568	01/01/2015	01/01/2016	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	[X] ANY AUTO						BODILY INJURY (Per person)	$
	[ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	[X] HIRED AUTOS [X] NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	[X] UMBRELLA LIAB [X] OCCUR			PHUB484416	01/01/2015	01/01/2016	EACH OCCURRENCE	$5,000,000
	[ ] EXCESS LIAB [ ] CLAIMS-MADE						AGGREGATE	$5,000,000
	[ ] DED [X] RETENTION $10000							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N	N/A		WWC3115830	01/01/2015	01/01/2016	[X] WC STATU-TORY LIMITS [ ] OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [N] (Mandatory in NH)						E.L. EACH ACCIDENT	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000

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

Workers Compensation

3A State: NH

CERTIFICATE HOLDER

State of New Hampshire,
Department of Health and Human Services
Bureau of Homeless and Housing
129 Pleasant St
Concord, NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

SML

Families in Transition
122 Market Street
Manchester, NH 03101
Tel. 603-641-9441
Fax. 603-641-1244

Families
in Transition

Mission

To provide safe and affordable housing and comprehensive social services to individuals and families who are homeless or who are at risk of becoming homeless, enabling them to gain self-sufficiency and respect.

BerryDunn

[redacted]

Families in Transition

Providing a Home Building Hope

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2014

(With Comparative Totals for 2013)

With Independent Auditor's Report

[redacted]

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Families in Transition, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Families in Transition, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2014 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2014, and the consolidated changes in its net assets and its consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Organization's 2013 consolidated financial statements and, in our report dated March 28, 2014, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived, adjusted as described in the following paragraph.

Adjustment to Prior Period Summarized Comparative Information

As disclosed in Note 11, the Organization has restated its beginning 2013 consolidated net assets to include a previously unrecognized contribution of property to Housing Benefits, Inc.'s Dover Housing Project.

As part of our audit of the 2014 consolidated financial statements, we audited the adjustment described in Note 11 that was applied to restate beginning 2013 consolidated net assets. In our opinion, such adjustment is appropriate and has been properly applied.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2014, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
March 30, 2015

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2014
(With Comparative Totals for December 31, 2013)

ASSETS

	2014	Restated 2013
Current assets		
Cash and cash equivalents	$ 996,035	$ 732,210
Funds held as fiscal agent	75,737	96,380
Accounts receivable	39,983	43,901
Grants receivable	282,810	235,517
Prepaid expenses	54,587	65,440
Reserve cash designated for properties	662,613	646,522
Due from related parties	8,210	9,735
Other current assets	43,779	40,058
Total current assets	2,163,754	1,869,763
Replacement reserves	338,563	299,029
Investments	10,661	8,537
Investment in related entity	1,000	1,000
Property and equipment, net	26,111,906	24,356,363
Development in process	260,947	1,130,431
Other assets, net	145,356	158,624
Total assets	$ 29,032,187	$ 27,823,747

LIABILITIES AND NET ASSETS

Current liabilities		
Current portion of long-term debt	$ 187,323	$ 258,051
Accounts payable	183,579	136,696
Accrued expenses	159,806	102,519
Funds held as fiscal agent	75,737	96,380
Deferred revenue	32,581	6,825
Due to related entity	2,371	-
Security deposits	43,784	40,138
Total current liabilities	685,181	640,609
Long-term debt, less current portion	9,938,952	9,681,352
Total liabilities	10,624,133	10,321,961
Net assets		
Unrestricted - controlling interest	12,197,286	11,014,933
Unrestricted - noncontrolling interest	5,691,054	6,114,912
Total unrestricted	17,888,340	17,129,845
Temporarily restricted	519,714	371,941
Total net assets	18,408,054	17,501,786
Total liabilities and net assets	$ 29,032,187	$ 27,823,747

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	Unrestricted - Controlling Interest	Unrestricted - Noncontrolling Interest	Total Unrestricted	Temporarily Restricted	2014	Restated 2013
Revenue and support						
Federal, state and other grant support	$ 2,585,540	$ -	$ 2,585,540	$ 283,408	$ 2,868,948	$ 3,699,199
Rental income, net of vacancies	1,674,741	-	1,674,741	-	1,674,741	1,493,303
Thrift store sales	724,911	-	724,911	-	724,911	700,667
Public support	116,666	-	116,666	-	116,666	90,985
Tax credit revenue	129,067	-	129,067	-	129,067	68,400
Special events	134,954	-	134,954	-	134,954	176,062
Developer fees	72,000	-	72,000	-	72,000	54,000
VISTA program revenue	93,474	-	93,474	-	93,474	104,523
Unrealized gains on investments	1,064	-	1,064	-	1,064	3,882
Loss on disposal of assets	(3,653)	-	(3,653)	-	(3,653)	(24,296)
Interest income	29,536	-	29,536	-	29,536	29,263
In-kind donations	25,890	-	25,890	-	25,890	25,397
Other income	547,357	-	547,357	-	547,357	289,132
Net assets released from restrictions	135,635	-	135,635	(135,635)	-	-
Total revenue and support	6,267,182	-	6,267,182	147,773	6,414,955	6,710,517
Expenses						
Program activities						
Housing	4,898,273	-	4,898,273	-	4,898,273	4,615,512
Thrift store	576,520	-	576,520	-	576,520	570,957
Total program activities	5,474,793	-	5,474,793	-	5,474,793	5,186,469
Fundraising	432,998	-	432,998	-	432,998	387,803
Management and general	288,623	-	288,623	-	288,623	337,187
Total expenses	6,196,414	-	6,196,414	-	6,196,414	5,911,459
Contribution of property for long-term purposes	687,760	-	687,760	-	687,760	-
Change in net assets	758,528	-	758,528	147,773	906,301	799,058
Distributions	-	(33)	(33)	-	(33)	-
Change in net assets attributable to noncontrolling interest in subsidiaries	423,825	(423,825)	-	-	-	-
Change in net assets attributable to controlling interest	1,182,353	(423,858)	758,495	147,773	906,268	799,058
Net assets, beginning of year, as restated	11,014,933	6,114,912	17,129,845	371,941	17,501,786	16,702,728
Net assets, end of year	$ 12,197,286	$ 5,691,054	$ 17,888,340	$ 519,714	$ 18,408,054	$ 17,501,786

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	Program Activities	Fundraising	Management and General	2014 Total	2013 Total
Salaries and benefits					
Salaries and wages	$ 1,743,218	$ 233,064	$ 170,914	**$ 2,147,196**	$ 2,004,885
Temporary labor	7,202	-	-	**7,202**	38,656
Employee benefits	239,196	28,093	20,602	**287,891**	225,247
Payroll taxes	138,280	18,922	13,876	**171,078**	174,159
Total salaries and benefits	2,127,896	280,079	205,392	**2,613,367**	2,442,947
Expenses					
Advertising	29,308	-	332	**29,640**	26,407
Amortization	13,268	-	-	**13,268**	13,769
Application and permit fees	2,400	-	-	**2,400**	2,850
Bad debts	15,341	-	-	**15,341**	10,131
Bank charges	10,878	-	3,739	**14,617**	16,723
Consultants	30,333	2,250	-	**32,583**	41,606
Depreciation	849,077	21,192	15,541	**885,810**	849,064
Events	4,194	42,725	-	**46,919**	35,345
General insurance	119,390	8,043	5,899	**133,332**	120,529
Interest expense	179,152	-	-	**179,152**	177,265
Management fees	35,189	-	-	**35,189**	4,511
Meals and entertainment	2,968	590	432	**3,990**	3,973
Membership dues	5,172	932	683	**6,787**	7,324
Office supplies	100,961	16,447	12,061	**129,469**	117,049
Participant expenses	43,958	-	-	**43,958**	44,929
Postage	6,073	1,112	816	**8,001**	11,547
Printing	12,913	2,365	1,735	**17,013**	30,484
Professional fees	108,923	8,520	6,248	**123,691**	96,608
Rental subsidies	251,347	-	-	**251,347**	261,606
Repairs and maintenance	385,885	10,674	7,828	**404,387**	382,228
Staff development	8,792	1,782	1,307	**11,881**	11,776
Taxes	263,719	-	-	**263,719**	245,422
Technology support	44,546	8,617	6,319	**59,482**	58,676
Telephone	52,510	7,817	5,732	**66,059**	64,532
Travel	43,862	7,450	5,463	**56,775**	52,358
Utilities	403,942	4,462	3,272	**411,676**	374,781
VISTA program	264,623	-	-	**264,623**	345,979
Workers' compensation	58,173	7,941	5,824	**71,938**	61,040
Total expenses	$ 5,474,793	$ 432,998	$ 288,623	**$ 6,196,414**	$ 5,911,459

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	2014	2013
Cash flows from operating activities		
Change in net assets	$ 906,301	$ 799,058
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	899,078	862,833
Contribution of property for long-term purposes	(687,760)	-
Grants revenue for long-term purposes	-	(1,184,206)
Forgiveness of debt	(131,267)	(131,267)
Unrealized gains on investments	(1,064)	(3,882)
Loss on asset disposal	3,653	24,296
Decrease (increase) in:		
Accounts receivable	3,918	(21,025)
Grants receivable	(53,293)	(115,204)
Prepaid expenses	10,853	9,620
Due from related parties	1,525	(1,623)
Other current assets	(3,721)	(11,801)
Increase (decrease) in:		
Accounts payable	46,883	44,764
Accrued expenses	57,287	(1,573)
Deferred revenue	25,756	3,158
Due to related party	2,371	-
Security deposits	3,646	11,888
Net cash provided by operating activities	1,084,166	285,036
Cash flows from investing activities		
Net withdrawals from (deposits to) reserve accounts	14,242	(11,387)
Purchases of investments	(1,060)	-
Investment in development in process	(550,717)	(1,104,891)
Acquisition of property and equipment	(113,629)	(132,294)
Net cash used by investing activities	(651,164)	(1,248,572)
Cash flows from financing activities		
Grants received for long-term purposes	-	1,184,206
Partner distributions	(33)	-
Proceeds from borrowing long-term debt	-	45,701
Payments of long-term debt	(169,144)	(164,230)
Net cash (used) provided by financing activities	(169,177)	1,065,677
Increase in cash and cash equivalents	263,825	102,141
Cash and cash equivalents, beginning of year	732,210	630,069
Cash and cash equivalents, end of year	$ 996,035	$ 732,210
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings	$ 430,000	$ -
Acquisition of development in process through long-term borrowings	$ 63,283	$ -
Property and equipment transferred from development in process	$ 1,483,484	$ -

The accompanying notes are an integral part of these consolidated financial statements.

Organization

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Millyard Families II Limited Partnership (Millyard II), located on Market Street in Manchester, New Hampshire; Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Streets, Lowell Street, Belmont Street, and Market Street (Millyard Families I), in Manchester, New Hampshire as well as an additional housing unit located on Central Avenue in Dover, New Hampshire. An additional housing unit became operational in 2014, located on Hayward Street in Manchester, New Hampshire.

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family OutFITters, LLC (OutFITters), a limited liability corporation. OutFITters operates independent thrift stores in Concord and Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization.

The Limited Partnerships, Housing Benefits, MEH and OutFITters constitute the subsidiaries of the Organization.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness, a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy". The activity of this entity is not deemed material and has not been included in the consolidated financial statements.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The Organization has several wholly-owned corporations which include Brick Mill House Families II, Inc. (Brick Mill), Bicentennial Families Concord, Inc. (Bicentennial Families), Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Brick Mill is general partner of Millyard II, Bicentennial Families is general partner of Bicentennial, Family Mill is general partner of Family Bridge and Big Shady Tree is general partner of Family Willows.

Since the General Partners have control in the Limited Partnerships, in accordance with Financial Accounting Standards Board *Accounting Standards Codification* Topic 810-20-25, *Consolidation*, each of the Limited Partnerships' financial statements are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statements of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH and OutFITters. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

Comparative Information

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2013 consolidated financial statements, from which the summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on the existence or absence of donor imposed restrictions.

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. When a donor 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.

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. The donors of these assets permit the Organization to use all or part of the income earned on related contributions for general or specific purposes. The Organization had no permanently restricted net assets as of December 31, 2014 and 2013.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor 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. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

The Organization reports contributions of land, buildings or equipment as unrestricted support, unless a donor places explicit restriction on their use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support and reclassified to unrestricted net assets when the assets are acquired and placed in service.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Restricted deposits are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than $1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

Volunteer Services (unaudited)

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2014 and 2013, is approximately $810,000 and $780,000, respectively.

Functional Expense Allocation

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

Income Taxes

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2014 and 2013, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as a partnership, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

Reclassification

Certain amounts in the 2013 financial statements have been reclassified to conform to the current year's presentation.

2. Property and Equipment

Property and equipment consisted of the following:

	2014	2013
Land	$ 3,112,699	$ 2,304,135
Land improvements	595,300	502,948
Buildings and improvements	27,743,643	26,035,016
Furniture and fixtures	496,456	503,087
Equipment	336,464	372,668
Vehicles	214,065	214,065
	32,498,627	29,931,919
Less: accumulated depreciation	6,386,721	5,575,556
Property and equipment, net	$ 26,111,906	$ 24,356,363

During 2012, the Organization began the development of the Hayward Street Permanent Supportive Housing Program (Hayward St. Program) through funding received by Housing Benefits from the U.S. Department of Housing and Urban Development, passed through the City of Manchester, New Hampshire, known as Neighborhood Stabilization Program grants. The funds were used to purchase a vacant lot in Manchester, New Hampshire and to construct a building used to provide housing and supportive services to individuals and families who are homeless. The facility contains four 2-bedroom apartments and two 1-bedroom apartments. In addition, tenants receive comprehensive supportive services designed to ensure long-term stability and wellness. At December 31, 2013, the Organization had incurred costs of approximately $1.1 million presented in the Organization's consolidated statement of financial position as development in process.

At December 31, 2014, the Organization had invested approximately $1.5 million in the Hayward St. Program. On March 1, 2014, the Hayward St. Program was placed into service and the assets were transferred from development in process and at December 31, 2014 are presented in the Organization's consolidated statement of financial position in property and equipment, net.

In June 2014, land located at Spruce Street and Massabesic Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. This land will be used to be developed into the Hollow's Community Garden and Learning Center. The project is intended to improve the quality of life of at-risk children and families by providing immediate hunger relief, expanding food access and delivering hands-on educational experiences.

In September 2014, a three-family building and land located on Spruce Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. The property was transferred from FIT to Housing Benefits. Housing Benefits intends to rehabilitate the project into rental housing for low-income households. All construction will incorporate energy efficiencies to the maximum extent possible to reduce operating costs and ensure long-term affordability.

3. Development in Process

In 2014, the Organization began the pre-construction phase on its Family Place Resource Center and Shelter through funding received from New Hampshire Housing Finance Authority (NHHFA), Community Development Finance Authority funds and donations. The facility will house a new and expanded family shelter as well as a comprehensive resource center designed to meet the needs of homeless families and children. The shelter will consist of 12 emergency housing units for families in immediate need of shelter. The services include, but are not limited to, centralized assessment and referral, hot meals, access to an onsite food pantry, onsite medical care and therapeutic preschool programming for children. The project is expected to cost approximately $1.8 million and is expected to be completed in 2015. At December 31, 2014, the Organization had invested approximately $200,000 in the facility.

4. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of $100,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4%. There was no outstanding balance or activity as of and for the years ended December 31, 2014 and 2013.

5. Long-term Debt

Long-term debt consisted of the following:

	2014	2013
A mortgage loan payable to NHHFA in monthly payments of $680, including interest at 1% and an escrow of $289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	$ **67,613**	$ 71,011
A note payable to NHHFA. The note is non-interest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	**157,283**	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of $990, including interest at 6.25%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019.	**132,207**	136,628
A vehicle loan on an activity bus payable to New Hampshire Health and Education Facilities Authority in monthly payments of $525 at 1% annual interest rate. The loan is due and payable in February 2017.	**13,492**	19,621

A mortgage loan payable to TD Bank, N.A. in monthly payments of $1,359, including interest at 7.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	**100,050**	108,818
A mortgage loan payable to RBS Citizens Bank in monthly payments of $2,126, including interest at 4.93%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	**250,676**	258,443
Non-interest bearing note payable to the City of Manchester, New Hampshire, payable in annual installments of $1,977. The loan was paid in October 2014.	-	1,977
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal property. Monthly payments of $1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	**164,904**	170,083
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 27, 2033. This is non-recourse.	**102,647**	102,647
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 27, 2033. This note is non-recourse and is subordinate to the $102,647 note payable.	**337,720**	337,720
A non-interest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full May 27, 2033.	**260,000**	260,000
A non-interest bearing note payable by Millyard II to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is non-recourse.	**461,696**	462,309
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of $1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on April 1, 2032.	**268,758**	279,885

A non-interest bearing note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow. In any year where the Debt Coverage Ratio exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is non-recourse.	**226,725**	227,521
A non-interest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. All unpaid amounts are due and payable in full on December 31, 2031. This note is non-recourse.	**250,000**	250,000
A mortgage note payable by Millyard Families I to the City of Manchester Community Improvement Program, collateralized by real estate. The note is non-interest bearing and is due and payable in January 2027.	**230,000**	230,000
A second mortgage note payable by Millyard Families I to the NHCLF, collateralized by real estate. Monthly payments of $1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	**93,604**	105,058
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	**850,000**	850,000
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of $3,953 include principal and interest at 7.71%. The note is payable in full in October 27, 2023 and is guaranteed by FIT and Family Mill.	**483,093**	492,270
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is non-interest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is non-recourse.	**600,000**	600,000

A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	**598,957**	598,957
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is non-interest bearing and has an annual payment of $9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is non-recourse.	**127,272**	136,363
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of $1,882 include principal and interest at 3.25%, based on the prime rate capped at 6%. The note is payable in full on October 14, 2033 and is guaranteed by FIT and Big Shady Tree.	**312,442**	324,506
A mortgage note payable by School & Third Street to NHHFA, collateralized by real estate and personal property. Monthly payments of $2,774 include principal and interest at 8% per annum. The note is due April 1, 2021.	**163,281**	182,653
A second mortgage note payable by School & Third Street to NHCLF, collateralized by real estate and personal property. The note bears no interest and monthly payments of $2,774 will commence on April 15, 2021 and continue until maturity in September 15, 2039.	**617,613**	617,613
A mortgage note payable by Belmont Street to NHHFA, collateralized by real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	**419,370**	433,000
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of $3,158 include principal and interest at 6.25% per annum. The note will be paid in full in September 2031.	**392,864**	405,761
A mortgage note payable from Lowell Street to NHHFA, collateralized by real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	**44,312**	59,157

A second, non-interest bearing, mortgage note payable from Lowell Street to the City of Manchester, New Hampshire, collateralized by real estate. Annual payments equal to the greater of 25% of new cash flow or $4,000 commenced in October 2012 and will continue until the maturity date in June 2041.	**180,864**	188,287
A non-interest promissory note payable from Lowell Street to NHHFA collateralized by a mortgage and security agreement on real estate. The note will be forgiven 1/15th annually over the low-income housing tax credit compliance period. During 2014 and 2013, $131,267 was recognized as other income in the consolidated statement of activities.	**1,509,565**	1,640,832
A mortgage note payable from Dover to NHHFA, collateralized by the real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	**221,428**	225,000
A non-interest mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce St. The note has a borrowing limit of $500,000. As costs are incurred Housing Benefits will be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow or $5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.	**63,283**	-
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of $1,921 include principal and interest at 3.41%. The note is due in full by April 2019.	**424,556**	-
	10,126,275	9,939,403
Less current portion	**187,323**	258,051
	$ 9,938,952	$ 9,681,352

Principal maturities of the above notes over the next five years and thereafter are as follows:

2015	$ 187,323
2016	141,655
2017	143,682
2018	149,749
2019	645,646
Thereafter	8,858,220
	$10,126,275

Cash paid for interest approximates interest expense.

6. Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for the following purposes:

	2014	2013
The Family Place - services	$ 53,672	$ 50,888
The Family Place - development	241,000	177,000
Research and training	26,333	19,551
Scholarships and tutoring	4,375	6,879
VISTA program	38,511	54,484
Housing programs	4,750	2,700
Direct care for clients	79,851	35,439
Community Gardens	71,222	-
Grant receivable - time restricted	-	25,000
	$ 519,714	$ 371,941

7. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

8. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed $31,138 and $32,692 during the years ended December 31, 2014 and 2013, respectively.

9. Housing Action New Hampshire

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. The Organization maintains the books and financial records for HANH in accordance with U.S. GAAP. HANH funds are presented in the Organization's consolidated statement of financial position as funds held as fiscal agent.

10. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows as of December 31:

Limited Partner	Property	2014	2013
Community Capital 2000	Millyard II	$ 1,000,929	$ 1,080,482
New Hampshire Housing Equity Fund, Inc.	Bicentennial	352,882	382,492
JP Morgan Chase	Bicentennial	352,985	382,589
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	1,660,467	1,853,769
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	2,323,771	2,415,560
		$ 5,691,054	$ 6,114,912

11. Restatement of January 1, 2013 Net Assets

The beginning 2013 unrestricted net assets has been restated to properly reflect property contributed to Housing Benefit's Dover Housing Project in a prior year. The effect of the restatement is as follows:

Unrestricted net assets - controlling interest, January 1, 2013 (as previously stated)	$ 9,551,445
Amount of restatement to include property contributed in 2012	280,700
Unrestricted net assets - controlling interest, January 1, 2013 (restated)	9,832,145
Unrestricted net assets - noncontrolling interest, January 1, 2013	6,652,776
Temporarily restricted net assets, January 1, 2013	217,807
Total net assets, January 1, 2013 (restated)	$ 16,702,728

The restatement had no effect on the previously reported change in net assets for 2013.

12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 30, 2015, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements

SUPPLEMENTARY INFORMATION

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

December 31, 2014

ASSETS

	Families In Transition Unrestricted	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Families in Transition Temporarily Restricted	Eliminations	Total
Current assets								
Cash and cash equivalents	$ 230,524	$ 68,581	$ 44,897	$ 124,642	$ 7,677	$ 519,714	$ -	$ 996,035
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Accounts receivable	117,456	14,010	6,176	-	-	-	(97,659)	39,983
Grants receivable	275,758	-	4,058	-	2,994	-	-	282,810
Prepaid expenses	9,197	26,215	14,717	1,278	3,180	-	-	54,587
Accrued interest receivable on related party note	746,158	-	-	-	-	-	(746,158)	-
Reserve cash designated for properties	2,871	382,705	277,037	-	-	-	-	662,613
Due from related party	220,321	-	66,759	97,595	4,896	-	(381,361)	8,210
Other current assets	10,516	20,025	13,238	-	-	-	-	43,779
Total current assets	1,688,538	511,536	426,882	223,515	18,747	519,714	(1,225,178)	2,163,754
Replacement reserves	33,113	189,079	116,371	-	-	-	-	338,563
Related party notes receivable	1,725,799	-	-	-	-	-	(1,725,799)	-
Investments	10,661	-	-	-	-	-	-	10,661
Investment in related entities	1,196,347	-	25,051	-	-	-	(1,220,398)	1,000
Property and equipment, net	3,052,217	13,896,792	9,108,993	13,204	40,700	-	-	26,111,906
Development in process	190,815	-	70,132	-	-	-	-	260,947
Other assets, net	-	70,345	75,011	-	-	-	-	145,356
Total assets	$ 7,897,490	$ 14,667,752	$ 9,822,440	$ 236,719	$ 59,447	$ 519,714	$ (4,171,375)	$ 29,032,187

LIABILITIES AND NET ASSETS

Current liabilities								
Current portion of long-term debt	$ 52,971	$ 101,684	$ 32,668	$ -	$ -	$ -	$ -	$ 187,323
Accounts payable	85,751	152,339	34,785	6,421	1,942	-	(97,659)	183,579
Accrued expenses	103,316	595,568	188,252	13,997	4,831	-	(746,158)	159,806
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Due to related entities	58,385	34,402	190,163	100,782	-	-	(381,361)	2,371
Deferred revenue	30,383	1,340	858	-	-	-	-	32,581
Security deposits	10,516	20,025	13,243	-	-	-	-	43,784
Total current liabilities	417,059	905,358	459,969	121,200	6,773	-	(1,225,178)	685,181
Long-term debt, less current portion	1,485,770	6,268,329	3,910,652	-	-	-	(1,725,799)	9,938,952
Total liabilities	1,902,829	7,173,687	4,370,621	121,200	6,773	-	(2,950,977)	10,624,133
Net assets								
Unrestricted - controlling interest	5,994,661	1,803,011	5,451,819	115,519	52,674	-	(1,220,398)	12,197,286
Unrestricted - noncontrolling interest	-	5,691,054	-	-	-	-	-	5,691,054
Total unrestricted	5,994,661	7,494,065	5,451,819	115,519	52,674	-	(1,220,398)	17,888,340
Temporarily restricted	-	-	-	-	-	519,714	-	519,714
Total net assets	5,994,661	7,494,065	5,451,819	115,519	52,674	519,714	(1,220,398)	18,408,054
Total liabilities and net assets	$ 7,897,490	$ 14,667,752	$ 9,822,440	$ 236,719	$ 59,447	$ 519,714	$ (4,171,375)	$ 29,032,187

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended December 31, 2014

	Families In Transition Operating	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Eliminations	Unrestricted Total	Temporarily Restricted	Total
Revenue and support									
Federal, state and other grant support	$ 2,169,710	$ 64,807	$ 506,734	$ -	$ 159,186	$ (314,897)	$ 2,585,540	$ 283,408	$ 2,868,948
Rental income, net of vacancies	295,911	965,137	490,308	-	2,260	(78,875)	1,674,741	-	1,674,741
Thrift store sales	-	-	-	724,911	-	-	724,911	-	724,911
Public support	113,645	-	-	3,021	-	-	116,666	-	116,666
Tax credit revenue	129,067	-	-	-	-	-	129,067	-	129,067
Special events	134,354	-	-	600	-	-	134,954	-	134,954
Property management fees	570,336	-	-	-	-	(570,336)	-	-	-
Developer fees	72,000	-	-	-	-	-	72,000	-	72,000
VISTA program revenue	93,474	-	-	-	-	-	93,474	-	93,474
Unrealized gains on investments	1,064	-	-	-	-	-	1,064	-	1,064
Loss on disposal of assets	-	(3,653)	-	-	-	-	(3,653)	-	(3,653)
Interest income	96,758	438	110	-	-	(67,770)	29,536	-	29,536
In-kind donations	24,040	-	1,850	-	-	-	25,890	-	25,890
Other income	367,656	22,249	157,737	4,295	1,420	(6,000)	547,357	-	547,357
Net assets released from restrictions	135,635	-	-	-	-	-	135,635	(135,635)	-
Total revenue and support	4,203,650	1,048,978	1,156,739	732,827	162,866	(1,037,878)	6,267,182	147,773	6,414,955
Expenses									
Program activities	3,261,921	1,472,843	1,060,320	699,216	165,765	(1,185,272)	5,474,793	-	5,474,793
Fundraising	432,998	-	-	-	-	-	432,998	-	432,998
Management and general	411,429	-	-	-	-	(122,806)	288,623	-	288,623
Total expenses	4,106,348	1,472,843	1,060,320	699,216	165,765	(1,308,078)	6,196,414	-	6,196,414
Excess (deficiency) of revenue and support over expenses	97,302	(423,865)	96,419	33,611	(2,899)	270,200	70,768	147,773	218,541
Contribution for long-term purposes	687,760	-	216,200	-	-	(216,200)	687,760	-	687,760
Change in net assets	$ 785,062	$ (423,865)	$ 312,619	$ 33,611	$ (2,899)	$ 54,000	$ 758,528	$ 147,773	$ 906,301

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Functional Expenses

Year Ended December 31, 2014

	Program Activities									
	Families In Transition Operating	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Program Activities Total	Fundraising	Management and General	Eliminations	Total
Salaries and benefits										
Salaries and wages	$ 1,149,785	$ -	$ 153,510	$ 347,826	$ 92,097	$ 1,743,218	$ 233,064	$ 170,914	$ -	$ 2,147,196
Temporary labor	-	-	-	5,777	1,425	7,202	-	-	-	7,202
Employee benefits	138,593	-	35,542	51,750	13,311	239,196	28,093	20,602	-	287,891
Payroll taxes	93,347	-	10,554	27,714	6,665	138,280	18,922	13,876	-	171,078
Total salaries and benefits	1,381,725	-	199,606	433,067	113,498	2,127,896	280,079	205,392	-	2,613,367
Advertising	6,316	-	-	22,992	-	29,308	-	332	-	29,640
Amortization	-	6,744	6,524	-	-	13,268	-	-	-	13,268
Application and permit fees	-	960	1,440	-	-	2,400	-	-	-	2,400
Bad debts	-	4,470	10,871	-	-	15,341	-	-	-	15,341
Bank charges	-	645	96	10,137	-	10,878	-	3,739	-	14,617
Consultants	24,045	-	3,864	1,322	1,102	30,333	2,250	-	-	32,583
Depreciation	104,545	483,500	254,034	2,214	4,784	849,077	21,192	15,541	-	885,810
Events	-	-	1,262	2,932	-	4,194	42,725	-	-	46,919
General insurance	39,681	40,629	28,943	4,331	5,806	119,390	8,043	5,899	-	133,332
Interest expense	67,717	135,176	44,029	-	-	246,922	-	-	(67,770)	179,152
Management fees	84,156	241,973	243,976	-	15,420	585,525	-	-	(550,336)	35,189
Meals and entertainment	2,908	-	-	-	60	2,968	590	432	-	3,990
Membership dues	4,597	-	-	575	-	5,172	932	683	-	6,787
Office supplies	81,137	4,457	6,190	9,057	120	100,961	16,447	12,061	-	129,469
Participant expenses	42,340	-	1,193	150	275	43,958	-	-	-	43,958
Postage	5,487	-	-	586	-	6,073	1,112	816	-	8,001
Printing	11,669	-	-	437	807	12,913	2,365	1,735	-	17,013
Professional fees	42,032	28,890	32,001	6,000	-	108,923	8,520	6,248	-	123,691
Related entity expenditures	559,793	-	(135,323)	60,000	-	484,470	-	106,627	(591,097)	-
Rent	-	-	-	62,696	-	62,696	-	16,179	(78,875)	-
Rental subsidies	251,347	-	-	-	-	251,347	-	-	-	251,347
Repairs and maintenance	52,659	171,739	141,865	31,065	8,557	405,885	10,674	7,828	(20,000)	404,387
Staff development	8,792	-	-	-	-	8,792	1,782	1,307	-	11,881
Taxes	49,504	119,994	91,364	2,857	-	263,719	-	-	-	263,719
Technology support	42,508	788	125	1,125	-	44,546	8,617	6,319	-	59,482
Telephone	38,561	744	5,301	5,443	2,461	52,510	7,817	5,732	-	66,059
Travel	36,753	-	-	7,089	20	43,862	7,450	5,463	-	56,775
Utilities	22,010	229,974	115,679	27,621	8,658	403,942	4,462	3,272	-	411,676
VISTA program	262,463	2,160	-	-	-	264,623	-	-	-	264,623
Workers' compensation	39,176	-	7,280	7,520	4,197	58,173	7,941	5,824	-	71,938
Total expenses	$ 3,261,921	$ 1,472,843	$ 1,060,320	$ 699,216	$ 165,765	$ 6,660,065	$ 432,998	$ 411,429	$ (1,308,078)	$ 6,196,414

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Families
in Transition

FAMILIES IN TRANSITION

Agency Officers

Maureen Beauregard, President
Families in Transition

Stephanie Savard, Vice President, Director of Clinical Services
Families in Transition

Board of Directors

Dick Anagnost, Chairperson
Anagnost Investments - President
Board member since 2007

Charla Stevens, Vice Chairperson
McLane, Graf, Raulerson & Middleton Esquire
Board member since 2013

Deborah Brann, Treasurer
Controller – St Paul's School
Board member since 2011

Colleen Karpinsky-Cone, Secretary
VP, Talent & Culture
Board member since 2014

Karyn O'Neil
Citizens Bank; Senior Vice President
Board member since 2003

Susan Grodman,
The Derryfield School; Director of Service & Global Education
Board member since 2007

Trevor Arp,
Comcast; VP of Product Management
Board member since 2008

Rev. Gayle Murphy
Northwood Congregational Church, UCC
Board member since 2008

Revised: February 2015

David Donohue
VP of Community Engagement, Lifeshare Management Group
Board member since 2009

Eric Demaree
CCA Global Partners President Carpet One Floor & Home Division
Board member since 2012

Tracie Sponenberg
Emerson Ecologics
Board member since 2013

Alison Hutcheson
Merchants Fleet Management, Mgr of Sales
Board member since 2014

Emily Brown
Gigunda Group, Director Client Services
Board member since 2014

Kristy Merrill
NH Senate
Board member since 2014

Angela Irons
Asst Vice President, Field Dev LFG
Board member since 2014

Kitten Stearns
Coldwell Banker Residential Brokerage
Board member since 2014

Sedra Michaelson
Strategic Account Manager, CCH, a Wolters Kluwer business
Board member since 2015

Maureen Ann Beauregard
17 Overlook Road
Northwood, NH 03261
(603) 942-5647
pups@metrocast.net

Professional Experience

November 1991 to Present: Families in Transition, 122 Market Street, Manchester, NH 03101.

1995-Present. President, Families in Transition. Developed a Board of Directors and established Families in Transition as a private nonprofit agency in 1995. Responsible for grant writing, fundraising, facility development, oversight of agency personnel, program development, day to day operations, reporting to state and federal agencies and public relations.

- 2003to Present: Development and Implementation of 33 units permanent affordable housing in Manchester.
- 2001-2003: Development of Families in Transition – Concord, 16 units of affordable housing with 6 designated for homeless women with a disability and 10 designated for transitional housing for homeless women and their children.
- 2001 to Present: Development of Families in Transition's social entrepreneurship, Family OutFITters thrift store and Employment Training Program.
- 1998 – 2001: Development of Millyard II Transitional Housing Program with 19 apartments and 1 interim unit for 3 families.
- 1995 – 1997: Development of Millyard I Transitional Housing Program with 12 apartments for homeless women with children.
- 1994 – 1995: Development of steering committee to form the Board of Directors for Families in Transition and Families in Transition becomes and independent 501 © (3)

1991- 1994 New Hampshire Community Loan Fund. Program Director. Designed and implemented transitional housing programs for the homeless women with and without children.

- 1993 – 1994: Development and implementation of Community Program providing supportive services to 14 homeless women and their children and assisting them in attaining and maintaining housing.
- 1992 – 1993: Development and implementation of Amherst Street Transitional Housing Program for 9 homeless single women.
- 1991 – 1992: Development and implementation of Spruce Street Transitional Housing Program for 5 homeless women and their children.

November 1989-March 1991: Child Protective Service Worker II for the Division for Children and Youth Services, 30 Maplewood Avenue, Portsmouth, NH. Advocated for abused and neglected children in court, established support network (fostercare, visitation, and counseling) to help in the abuse/neglect recovery process.

November 1988-November 1989: Substance Abuse Counselor for Team Coordinating Agency, Phoenix East, Haverhill, MA. Counseled clients, aided and found resources

(AA/NA meetings, employment, education, and counseling) for residents in halfway house for alcoholic/addicts, age 16-25. Conducted weekly support group.

Education

Bachelor of Science degree from the University of New Hampshire, College of Life Science and Agriculture. Area of study: Family Studies.

Professional Affiliations and Honors

- **1998 to 2004** – Northern New England Housing Investment Fund. Member of Board of Directors.
- **1998 to 2004** – Northern New England Equity Fund. Member Board of Directors and Investment Committee
- **2004:** New Hampshire Business Review, Business Excellence Awards 2004, Maureen Beauregard for Excellence in Non-Profit
- **2004:** The Walter J. Dunfey Awards for Excellence in Management awarded to Families in Transition
- **2003:** YWCA Susan B. Anthony Award, Woman of the Year
- **2003:** New Hampshire Housing Finance Authority Annual Conference: Maureen Beauregard and Families in Transition recognized as Best Practice for Development of Affordable Housing in New Hampshire.
- **2002**: Great Bay Foundation: $150,000 grant award for the development and implementation of social entrepreneurship, Family OutFITters.
- **2002**: Citizens Bank and WMUR Channel – 9, 2003 Community Champions Award for Homelessness for New Hampshire
- **2001:** Manchester Continuum of Care Narrative submission to the U.S. Dept. of Housing & Urban Development, SuperNOFA: 1 of top 10 narratives in the country.
- **2003 to Present:** YMCA Diversity Committee
- **2003 to Present:** Intown Manchester, Economic Development Committee, Trustee
- **2003:** The Sharing Foundation, Caring for Cambodia's Children Parent Advisory Council
- **2003 to Present:** New Hampshire Interagency Council on Homelessness, member appointed by Governor Benson
- **2002 to Present:** Policy Academy for the Chronically Homeless, member
- **2002 to Present:** Great Bay Foundation, Work Group consisting of 5 leading initiatives, member
- **2001 to Present:** Manchester Task Force on Housing, member appointed by Mayor
- **1999 to Present:** Northern New England Housing Investment Fund, Investment Committee, Trustee
- **1998 to Present:** Manchester Continuum of Care, Chairperson in 1998, 2003, founding member

Stephanie Allain Savard, LICSW

[redacted]

Licensure and Education:

- New Hampshire Licensed Independent Clinical Social Worker, #941, April, 2000.
- Masters in Social Work, Boston University, 1996.
- Bachelor of Arts – Honors in Psychology, Keene State College, 1992.
- Associate of Science in Chemical Dependency, Keene State College, 1992.
- Boston University Workshop-Based Trauma Certificate, 2006.
- Low Income Housing Tax Credit Certified Credit Compliance Professional (C3P), 2000.

Professional Experience:

Vice-President, Families in Transition, Manchester, NH, 1/97 – Present.

- Oversight of clinical department and all supportive services programming within agency, including case management, therapeutic services, employment & training services, youth programming and specialized programming. Oversee and manage treatment and supportive services for a program capacity of 150+ homeless families and individuals to ensure that consistent and quality clinical services are provided. Oversight of 135+ units of affordable housing to ensure quality and safe housing for all tenants.
- Provide administrative and clinical supervision to all licensed clinicians, masters and bachelor level clinician & case managers. Provide oversight to the Property Administration Department, including management of all funding requirements for each property, including Low Income Housing Tax Credits, HOME, Housing and Urban Development, CDBG, etc.
- Assumes responsibilities and decision-making for agency in the absence of the President. Assist President on personnel issues and in oversight of agency and strategic planning.
- Provide therapeutic services to participants of program, including participation in participant team meetings. Co-facilitate support groups on various issues, including self-esteem, co-dependency, Relational/Cultural Theory, trauma and relationships.
- Families in Transition Board of Directors Programs and Supportive Services Committee Member and assist in Board of Director meetings.
- Member of the Manchester Continuum of Care, 10/00 – Present; Community Awareness Committee Chair 2003/2004; 2006 – Present.

Counselor/Family Service Worker, NFI Midway Residential Shelter, Manchester, NH, 1993 – 1996.

- Supervised 15 adolescent males utilizing behavior management and normative culture techniques.

CAROLYN TOWNE

100 Seventh Ave.
Manchester, NH 03104

(603) 203-8464
fabuloustowne@yahoo.com

Objective:

A position promoting the well-being of others, while serving the community

Education:

9/96-5/00

Bachelor of Arts, Psychology, Summa Cum Laude
University of New Hampshire at Manchester

Experience:

2/10-Present

Treatment Coordinator
Families in Transition, Manchester, NH

- Provide case management services for a caseload of 17 participants; includes support with creating a case plan and achieving individualized goals related to obtaining and/or maintaining suitable housing, improving financial management skills, obtaining/maintaining mainstream benefits, improving physical and/or mental health, obtaining gainful employment and/or increasing education, improving parenting skills, and other activities of daily living
- Connect participants to community resources and communicate with collateral contacts as needed to coordinate appropriate level of care
- Coordinate and co-lead groups and workshops related to improving interpersonal skills, managing finances, and other topics as needed
- Maintain caseload files and document services in a timely manner.

3/07-Present

Visit Supervisor
YWCA Supervised Visitation & Child Exchange Center,
Manchester, NH

- Facilitate a safe and neutral environment for visits and exchanges:
  - Responsible for supervising contact between child(ren) and non-residential parent;
  - Ensure strict adherence to Center's policies and procedures by providing clear direction and redirection as needed;
  - Document objective observations before, during, and after visits.

10/09-1/10

Parent Aide
Child and Family Services
Laconia, NH

- Supervised visits between child(ren) in placement and their parent(s)
- Modeled appropriate parenting techniques and provided coaching regarding life skills
- Supported parent(s) with identifying and accessing appropriate community resources
- Completed treatment plans, assessments, and documentation of visit notes in a timely manner

CAROLYN TOWNE

Experience (cont.):

3/07-10/09 — **Community Integration Coordinator**
Fellowship Housing Opportunities, Concord, NH

- Coordinated and provided therapeutic behavioral services and medication support services to outreach clients suffering with severe and persistent mental illness
- Resolved medication issues via communicating with client, outreach staff, pharmacy personnel, and client's treatment team as needed
- Provided direct care, including medication support services and support with activities of daily living, in a residential setting for people suffering with severe and persistent mental illness

9/04-3/07 — **Housecleaner/Sub-contractor/Room Attendant**
Cat's Eye Cleaning Service, Plymouth, NH
The Snowy Owl Inn, Waterville Valley, NH

- Thoroughly cleaned guest rooms, privately owned houses, and condominium units; included removal of debris and detailed cleaning of newly constructed condominium units

3/05-6/05 — **Youth Counselor**
Mount Prospect Academy, Plymouth, NH

- Provided 100% supervision of at-risk male youth
- Aided teachers in maintaining learning environment
- Maintained a safe living environment for youth in the residence
- Utilized behavioral modification level system and implemented non-violent crisis intervention as needed

10/00-6/04 — **Housing Outreach Counselor/Cypress Center Counselor**
The Mental Health Center of Greater Manchester, Manchester, NH

- Outreached clients at risk for frequent hospitalizations and/or eviction, to provide medication monitoring and symptom management
- Supported clients in the community to decrease isolation and promote independence
- Provided short-term, intensive crisis stabilization activities aimed at reducing acute mental and emotional disturbances

Community Service:

5/99-5/00 — **Crisis Counselor Volunteer**
YWCA, Manchester, NH

9/97-9/98 — **Compeer Volunteer**
The Mental Health Center of Greater Manchester, Manchester, NH

References:

Furnished upon request

Abbie Marie Weinstein

[redacted]

SUMMARY OF QUALIFICATIONS

A dynamic and passionate self-starter with diversified experience and strong interest in, non-profit and social service organizations, working with underserved populations and crisis intervention services.

PROFESSIONAL EXPERIENCE

Families In Transition, Manchester, NH — Aug 2013 – Present
Intake Coordinator

Bridges Domestic and Sexual Violence Support, Nashua, NH — 2011-2013
Social service agency.
Crisis Intervention Advocate (2011 - Present)

- Respond to clients in crisis. Identify problems, explore options, and support clients in making their own decisions. Offer emotional support, assistance, advocacy, referral information, and follow-up as needed.
- Document all direct service activities. Record client statistical data, including referrals if any, and maintain related agency documentation.
- Advocate with clients in the courts, police stations, hospitals, and other agencies, as determined by the client involved. Provide limited transportation to clients.
- Collaborate with other staff to enhance direct service delivery as assigned. Develop and maintain contacts with other human service providers in the greater Nashua Area. Participate in back-rotation on nights and weekends.

Volunteer Coordinator (2011 - 2013)

- Work with the Direct Service Program Coordinator to enhance the direct service provision of the agency, specifically by coordinating volunteer recruitment, training and retention.
- Schedule volunteers for shifts on the support line. Organize quarterly volunteer trainings and update training curriculum as needed.
- Supervise agency volunteers, interns and per diem workers, collaborating with the Direct Service Program Coordinator and Milford Program Coordinator Recruit and interview new volunteers with the Direct Service Program Coordinator.
- Document all volunteer activities. Maintain and secure all volunteer records. Assist in developing and facilitating team-building exercises, events and meetings for volunteers.

Support Group Facilitator (2011 - 2012)

- Created a safe, stable environment for group members. Planned and presented weekly educational topics based on member needs. Managed time in the group and keep members on topic.
- Collected and submitted monthly group attendance data for agency reporting.

AmeriCorps Victim Assistance Program, Bridges, Nashua, NH — 2011
National Service Program
Crisis Intervention Advocate

- Performed this role for 3 months and was subsequently hired as a permanent employee at the agency.

AmeriCorps VISTA, YWCA NH, Manchester, NH — 2010-2011
National Service Program
Development Assistant

- Developing and implementing a comprehensive public relations program to increase the visibility of YWCA programs. Send press releases and public service announcements to media outlets.
- Centralize and standardize all fliers, brochures and e-blasts for YWCA programs, events and activities.
- Crisis line volunteer advocate, work closely with advocates and group facilitators to increase attendance at support groups.
- Increased social media readership and awareness through the creation of a dedicated blog and Twitter feed, in addition to increasing Facebook followers.

Constellation NewEnergy, Boston, MA 2007-2009
A leading U.S. competitive energy supplier.
Administrative Assistant

- Worked independently and within a team on both nonrecurring and ongoing projects for all company departments as needed. Handled multiple projects for multiple departments simultaneously.
- Assisted marketing team with development and execution of direct mail campaigns and assembly of informational packets for seminars. Created flyers for company sponsored employee events.
- Scheduled and coordinated meetings and conferences. Organized travel arrangements and department activities.

Devonshire, Boston, MA 2007
Luxury rental apartments.
Marketing Administrative Assistant

- Designed and distributed weekly availability reports via email. Researched and created events flyers for building residents. Created flyers for broker incentive and updated rental listings on various websites.
- Handled leasing related inquiries and resident related issues. Scheduled broker tours, prospective resident apartment showings and freight elevator usage. Managed daily calendar and assembled client materials for the director of marketing.

Concord Monitor, Concord, NH 2005-2007
An award-winning daily newspaper.
Advertising Account Executive

- Actively pitched and acquired local business advertisers and maintained database of current prospective clients. Managed current client accounts and assured that they continued to advertise.
- Worked closely with graphic artists and production team to build successful new ads and ad campaigns for clients. Coordinated exhibits at and attended trade shows. Coordinated direct mailings to inform customers of new and upcoming advertising opportunities.

ADDITIONAL EXPERIENCE

YWCA New Hampshire 2011, **Crisis Line Volunteer Advocate**
HUD Point In Time Count 2011, **Volunteer**
Manchester Kid's Marathon 2010, **Volunteer**
Child Health Services 2010-11, **Family Literacy Program Volunteer**
Three Acre Kitchen 2009-10, **Social Media Coordinator, Design Assistant**
New Hampshire Film Festival 2009 & 2010, **Festival Volunteer**
Volunteer NH 2009, **Graphic Design Volunteer**

EDUCATION and SKILLS

BA in Communications, University of Massachusetts, Amherst, MA
Proficient in Microsoft Office Suite, Publisher and Social Media tools.
Completed 30hrs of crisis line advocate training at the YWCA New Hampshire.
Completed AmeriCorps Victim Assistance Program Training

SARAH DORNER

[redacted]

EDUCATION

Brandeis University, Waltham, MA — December 2006
Bachelor of Arts in Psychology and Sociology, Magna Cum Laude
GPA: 3.7; Dean's List; Psi Chi National Honor Society in Psychology

University of Melbourne, Melbourne, Australia — February – June 2006
Received merit-based scholarship to pursue coursework in Australian studies, Indigenous studies, and History

EXPERIENCE

Families in Transition, Manchester, NH — June 2012 – Present
Treatment Coordinator
- Provide case management services and advocate for families while they work through homelessness, trauma, substance abuse, and mental illness
- Partner with community agencies and connect families to resources as needed

Families in Transition, Manchester, NH — Oct 2009 – June 2012
Child and Family Advocate
- Aided families with children enrolled in a trauma-informed preschool and after-school program with the development of parenting skills to support their children's overall well-being
- Designed and facilitated groups within a therapeutic setting for children and parents impacted by trauma

CL Education Center, Jinhae, South Korea — Dec 2008 – June 2009
English Teacher
- Planned innovative lessons and activities for students between the ages of three to fourteen
- Presented new material and designed tests to assess students' comprehension

Mesila Aid and Information Center, Tel Aviv, Israel — Feb 2008 – Aug 2008
Social Work Volunteer
- Organized foreign worker volunteers to assist other foreign workers from the Philippines who were ill
- Created and conducted original activities for after-school programs serving children of refugees from Africa
- Assisted in mobilizing foreign workers in advocating for the rights of immigrant children

Kdam Atidim English Summer Camp, Ben Shemen, Israel — July 2008
English Teacher/Counselor
- Devised English curriculum appropriate for teenagers from Israel's periphery and disadvantaged communities
- Supported programming to foster a sense of community and help teens confront challenges

Eliot Community Human Services, Wakefield, MA — Mar 2007– Feb 2008
Group Care Worker
- Served as role model and advocate for adolescent females residing in a residential group home
- Implemented and facilitated new and creative programming to support the development of life skills
- Maintained communication with administration, families, social workers, and schools

Student Sexuality Information Service, Brandeis University — Aug 2005 – May 2007
Counselor and Educator
- Provided confidential counseling, information, and referrals to outside resources
- Designed, facilitated, and promoted campus-wide and small-group educational programs

Waltham Action Research Project, Waltham, MA — Fall 2006
Collaborative Research Intern
- Managed high school students with community-based research on local after-school programs
- Developed and conducted seminars in research skills to aid students' service learning

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President`	$134,612		0%
Stephanie Savard	Vice President	$103,092	30,928	30%
Carolyn Towne	Housing Program Manager	$48,029	19,212	40%
Abbie Weinstein	Intake Coordinator	$44,237	11,059	25%
Sarah Dorner	Housing Advocate	$54,990	10,998	20%

Subject: Continuum of Care, Permanent Housing Program

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Families in Transition		**1.4 Contractor Address** 122 Market Street Manchester, NH 03101	
1.5 Contractor Phone Number (603) 641-9441	**1.6 Account Number** 05-95-42-423010-7927 102-500731	**1.7 Completion Date** August 31, 2016	**1.8 Price Limitation** $71,374
1.9 Contracting Officer for State Agency Erric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature Maureen Beauregard		**1.12 Name and Title of Contractor Signatory** Maureen Beauregard, President	

1.13 Acknowledgement: State of NH, County of Hillsborough

On 4-6-2015 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] Ruth Syrek

RUTH A. SYREK, Notary Public
My Commission Expires October 16, 2018

1.13.2 Name and Title of Notary or Justice of the Peace

Ruth Syrek, Administrative Assistant, Notary public

1.14 State Agency Signature Mary Ann Cooney	**1.15 Name and Title of State Agency Signatory** Mary Ann Cooney Associate Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution)

By: Megan A. Yorke-Attorney On: 5/11/15

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.

Contractor Initials: MB
Date: 4-6-2015

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

Contractor Initials: VAD
Date: 4-6-2015

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.

Contractor Initials: 
Date: 4-6-2015

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

   1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

   2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve thirteen (13) homeless individuals and families with disabilities.

   2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

   2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

   2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

   2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

   3.1. The Contractor shall submit the following reports:

      3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

      3.1.2. Other Reports as requested by the State.

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

   3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

September 1, 2015 – August 31, 2016: not to exceed $71,374

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services: $69,134

Administrative costs: $2,240

Total program amount: $71,374

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $5,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
   1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

Contractor Initials MB
Date 4-6-2015

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.

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: Families in Transition

4-6-2015
Date

Name: Maureen Beauregard
Title: President

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Families in Transition

4-6-2015
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NH DHHS	Families in Transition
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Name of Authorized Representative	Maureen Beauregard Name of Authorized Representative
Assoc. Atte Commissioner Title of Authorized Representative	President Title of Authorized Representative
5/1/15 Date	April 6, 2015 Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Families in Transition

4-6-2015
Date

Name: Maureen Beauregard
Title: President

FORM A

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

1. The DUNS number for your entity is: 825360399

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

   X NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

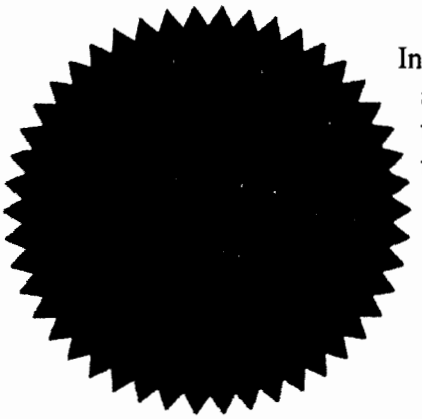
   Name: _____ Amount: _____

   Name: _____ Amount: _____

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 FAMILIES IN TRANSITION is a New Hampshire nonprofit corporation formed May 13, 1994. 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 10th day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Families in Transition.
(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 April 6, 2015:
(Date)

RESOLVED: That the President
(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 6 day of April, 2015.
(Date Contract Signed)

4. Maureen Beauregard is the duly elected President
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 6 day of April, 2015,

By Dick Anagnost.
(Name of Elected Officer of the Agency)

(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: RUTH A. SYREK, Notary Public
My Commission Expires October 16, 2018

Client#: 53565 FAMIL6

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/16/2015

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).

PRODUCER	CONTACT NAME:	
Davis Towle Morrill & Everett 115 Airport Road P O Box 1260 Concord, NH 03302-1260	PHONE (A/C, No, Ext): 603 225-6611	FAX (A/C, No): 603-225-7935
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Philadelphia Insurance Co.	
INSURED Families in Transition, Inc 122 Market St Manchester, NH 03101	INSURER B : AmTrust North America, Inc.	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			PHPK1272568	01/01/2015	01/01/2016	EACH OCCURRENCE	$1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$3,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$3,000,000
	POLICY PRO-JECT LOC							$
A	AUTOMOBILE LIABILITY			PHPK1272568	01/01/2015	01/01/2016	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			PHUB484416	01/01/2015	01/01/2016	EACH OCCURRENCE	$5,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$5,000,000
	DED X RETENTION $10000							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			WWC3115830	01/01/2015	01/01/2016	X WC STATU-TORY LIMITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000

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

Workers Compensation

3A State: NH

CERTIFICATE HOLDER

State of New Hampshire,
Department of Health and Human Services
Bureau of Homeless and Housing
129 Pleasant St
Concord, NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

SML

Families in Transition
122 Market Street
Manchester, NH 03101
Tel. 603-641-9441
Fax. 603-641-1244

Families
in Transition

Mission

To provide safe and affordable housing and comprehensive social services to individuals and families who are homeless or who are at risk of becoming homeless, enabling them to gain self-sufficiency and respect.

BerryDunn

Families in Transition

Providing a Home Building Hope

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2014

(With Comparative Totals for 2013)

With Independent Auditor's Report

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Families in Transition, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Families in Transition, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2014 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2014, and the consolidated changes in its net assets and its consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Organization's 2013 consolidated financial statements and, in our report dated March 28, 2014, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived, adjusted as described in the following paragraph.

Adjustment to Prior Period Summarized Comparative Information

As disclosed in Note 11, the Organization has restated its beginning 2013 consolidated net assets to include a previously unrecognized contribution of property to Housing Benefits, Inc.'s Dover Housing Project.

As part of our audit of the 2014 consolidated financial statements, we audited the adjustment described in Note 11 that was applied to restate beginning 2013 consolidated net assets. In our opinion, such adjustment is appropriate and has been properly applied.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2014, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
March 30, 2015

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2014
(With Comparative Totals for December 31, 2013)

ASSETS

	2014	Restated 2013
Current assets		
Cash and cash equivalents	$ 996,035	$ 732,210
Funds held as fiscal agent	75,737	96,380
Accounts receivable	39,983	43,901
Grants receivable	282,810	235,517
Prepaid expenses	54,587	65,440
Reserve cash designated for properties	662,613	646,522
Due from related parties	8,210	9,735
Other current assets	43,779	40,058
Total current assets	2,163,754	1,869,763
Replacement reserves	338,563	299,029
Investments	10,661	8,537
Investment in related entity	1,000	1,000
Property and equipment, net	26,111,906	24,356,363
Development in process	260,947	1,130,431
Other assets, net	145,356	158,624
Total assets	$ 29,032,187	$ 27,823,747

LIABILITIES AND NET ASSETS

Current liabilities		
Current portion of long-term debt	$ 187,323	$ 258,051
Accounts payable	183,579	136,696
Accrued expenses	159,806	102,519
Funds held as fiscal agent	75,737	96,380
Deferred revenue	32,581	6,825
Due to related entity	2,371	-
Security deposits	43,784	40,138
Total current liabilities	685,181	640,609
Long-term debt, less current portion	9,938,952	9,681,352
Total liabilities	10,624,133	10,321,961
Net assets		
Unrestricted - controlling interest	12,197,286	11,014,933
Unrestricted - noncontrolling interest	5,691,054	6,114,912
Total unrestricted	17,888,340	17,129,845
Temporarily restricted	519,714	371,941
Total net assets	18,408,054	17,501,786
Total liabilities and net assets	$ 29,032,187	$ 27,823,747

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	Unrestricted - Controlling Interest	Unrestricted - Noncontrolling Interest	Total Unrestricted	Temporarily Restricted	2014	Restated 2013
Revenue and support						
Federal, state and other grant support	$ 2,585,540	$ -	$ 2,585,540	$ 283,408	**$ 2,868,948**	$ 3,699,199
Rental income, net of vacancies	1,674,741	-	1,674,741	-	**1,674,741**	1,493,303
Thrift store sales	724,911	-	724,911	-	**724,911**	700,667
Public support	116,666	-	116,666	-	**116,666**	90,985
Tax credit revenue	129,067	-	129,067	-	**129,067**	68,400
Special events	134,954	-	134,954	-	**134,954**	176,062
Developer fees	72,000	-	72,000	-	**72,000**	54,000
VISTA program revenue	93,474	-	93,474	-	**93,474**	104,523
Unrealized gains on investments	1,064	-	1,064	-	**1,064**	3,882
Loss on disposal of assets	(3,653)	-	(3,653)	-	**(3,653)**	(24,296)
Interest income	29,536	-	29,536	-	**29,536**	29,263
In-kind donations	25,890	-	25,890	-	**25,890**	25,397
Other income	547,357	-	547,357	-	**547,357**	289,132
Net assets released from restrictions	135,635	-	135,635	(135,635)	-	-
Total revenue and support	6,267,182	-	6,267,182	147,773	**6,414,955**	6,710,517
Expenses						
Program activities						
Housing	4,898,273	-	4,898,273	-	**4,898,273**	4,615,512
Thrift store	576,520	-	576,520	-	**576,520**	570,957
Total program activities	5,474,793	-	5,474,793	-	**5,474,793**	5,186,469
Fundraising	432,998	-	432,998	-	**432,998**	387,803
Management and general	288,623	-	288,623	-	**288,623**	337,187
Total expenses	6,196,414	-	6,196,414	-	**6,196,414**	5,911,459
Contribution of property for long-term purposes	687,760	-	687,760	-	**687,760**	-
Change in net assets	758,528	-	758,528	147,773	**906,301**	799,058
Distributions	-	(33)	(33)	-	**(33)**	-
Change in net assets attributable to noncontrolling interest in subsidiaries	423,825	(423,825)	-	-	-	-
Change in net assets attributable to controlling interest	**1,182,353**	(423,858)	758,495	**147,773**	**906,268**	799,058
Net assets, beginning of year, as restated	11,014,933	6,114,912	17,129,845	371,941	**17,501,786**	16,702,728
Net assets, end of year	$ 12,197,286	$ 5,691,054	$ 17,888,340	$ 519,714	**$ 18,408,054**	$ 17,501,786

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	Program Activities	Fundraising	Management and General	2014 Total	2013 Total
Salaries and benefits					
Salaries and wages	$ 1,743,218	$ 233,064	$ 170,914	**$ 2,147,196**	$ 2,004,885
Temporary labor	7,202	-	-	**7,202**	38,656
Employee benefits	239,196	28,093	20,602	**287,891**	225,247
Payroll taxes	138,280	18,922	13,876	**171,078**	174,159
Total salaries and benefits	2,127,896	280,079	205,392	**2,613,367**	2,442,947
Expenses					
Advertising	29,308	-	332	**29,640**	26,407
Amortization	13,268	-	-	**13,268**	13,769
Application and permit fees	2,400	-	-	**2,400**	2,850
Bad debts	15,341	-	-	**15,341**	10,131
Bank charges	10,878	-	3,739	**14,617**	16,723
Consultants	30,333	2,250	-	**32,583**	41,606
Depreciation	849,077	21,192	15,541	**885,810**	849,064
Events	4,194	42,725	-	**46,919**	35,345
General insurance	119,390	8,043	5,899	**133,332**	120,529
Interest expense	179,152	-	-	**179,152**	177,265
Management fees	35,189	-	-	**35,189**	4,511
Meals and entertainment	2,968	590	432	**3,990**	3,973
Membership dues	5,172	932	683	**6,787**	7,324
Office supplies	100,961	16,447	12,061	**129,469**	117,049
Participant expenses	43,958	-	-	**43,958**	44,929
Postage	6,073	1,112	816	**8,001**	11,547
Printing	12,913	2,365	1,735	**17,013**	30,484
Professional fees	108,923	8,520	6,248	**123,691**	96,608
Rental subsidies	251,347	-	-	**251,347**	261,606
Repairs and maintenance	385,885	10,674	7,828	**404,387**	382,228
Staff development	8,792	1,782	1,307	**11,881**	11,776
Taxes	263,719	-	-	**263,719**	245,422
Technology support	44,546	8,617	6,319	**59,482**	58,676
Telephone	52,510	7,817	5,732	**66,059**	64,532
Travel	43,862	7,450	5,463	**56,775**	52,358
Utilities	403,942	4,462	3,272	**411,676**	374,781
VISTA program	264,623	-	-	**264,623**	345,979
Workers' compensation	58,173	7,941	5,824	**71,938**	61,040
Total expenses	$ 5,474,793	$ 432,998	$ 288,623	**$ 6,196,414**	$ 5,911,459

The accompanying notes are an integral part of these consolidated financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	2014	2013
Cash flows from operating activities		
Change in net assets	$ 906,301	$ 799,058
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	899,078	862,833
Contribution of property for long-term purposes	(687,760)	-
Grants revenue for long-term purposes	-	(1,184,206)
Forgiveness of debt	(131,267)	(131,267)
Unrealized gains on investments	(1,064)	(3,882)
Loss on asset disposal	3,653	24,296
Decrease (increase) in:		
Accounts receivable	3,918	(21,025)
Grants receivable	(53,293)	(115,204)
Prepaid expenses	10,853	9,620
Due from related parties	1,525	(1,623)
Other current assets	(3,721)	(11,801)
Increase (decrease) in:		
Accounts payable	46,883	44,764
Accrued expenses	57,287	(1,573)
Deferred revenue	25,756	3,158
Due to related party	2,371	-
Security deposits	3,646	11,888
Net cash provided by operating activities	1,084,166	285,036
Cash flows from investing activities		
Net withdrawals from (deposits to) reserve accounts	14,242	(11,387)
Purchases of investments	(1,060)	-
Investment in development in process	(550,717)	(1,104,891)
Acquisition of property and equipment	(113,629)	(132,294)
Net cash used by investing activities	(651,164)	(1,248,572)
Cash flows from financing activities		
Grants received for long-term purposes	-	1,184,206
Partner distributions	(33)	-
Proceeds from borrowing long-term debt	-	45,701
Payments of long-term debt	(169,144)	(164,230)
Net cash (used) provided by financing activities	(169,177)	1,065,677
Increase in cash and cash equivalents	263,825	102,141
Cash and cash equivalents, beginning of year	732,210	630,069
Cash and cash equivalents, end of year	$ 996,035	$ 732,210
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings	$ 430,000	$ -
Acquisition of development in process through long-term borrowings	$ 63,283	$ -
Property and equipment transferred from development in process	$ 1,483,484	$ -

The accompanying notes are an integral part of these consolidated financial statements.

Organization

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Millyard Families II Limited Partnership (Millyard II), located on Market Street in Manchester, New Hampshire; Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Streets, Lowell Street, Belmont Street, and Market Street (Millyard Families I), in Manchester, New Hampshire as well as an additional housing unit located on Central Avenue in Dover, New Hampshire. An additional housing unit became operational in 2014, located on Hayward Street in Manchester, New Hampshire.

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family OutFITters, LLC (OutFITters), a limited liability corporation. OutFITters operates independent thrift stores in Concord and Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization.

The Limited Partnerships, Housing Benefits, MEH and OutFITters constitute the subsidiaries of the Organization.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness, a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy". The activity of this entity is not deemed material and has not been included in the consolidated financial statements.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The Organization has several wholly-owned corporations which include Brick Mill House Families II, Inc. (Brick Mill), Bicentennial Families Concord, Inc. (Bicentennial Families), Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Brick Mill is general partner of Millyard II, Bicentennial Families is general partner of Bicentennial, Family Mill is general partner of Family Bridge and Big Shady Tree is general partner of Family Willows.

Since the General Partners have control in the Limited Partnerships, in accordance with Financial Accounting Standards Board *Accounting Standards Codification* Topic 810-20-25, *Consolidation*, each of the Limited Partnerships' financial statements are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statements of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH and OutFITters. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

Comparative Information

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2013 consolidated financial statements, from which the summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on the existence or absence of donor imposed restrictions.

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. When a donor 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.

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. The donors of these assets permit the Organization to use all or part of the income earned on related contributions for general or specific purposes. The Organization had no permanently restricted net assets as of December 31, 2014 and 2013.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor 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. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

The Organization reports contributions of land, buildings or equipment as unrestricted support, unless a donor places explicit restriction on their use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support and reclassified to unrestricted net assets when the assets are acquired and placed in service.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Restricted deposits are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than $1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

Volunteer Services (unaudited)

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2014 and 2013, is approximately $810,000 and $780,000, respectively.

Functional Expense Allocation

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

Income Taxes

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2014 and 2013, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as a partnership, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

Reclassification

Certain amounts in the 2013 financial statements have been reclassified to conform to the current year's presentation.

2. Property and Equipment

Property and equipment consisted of the following:

	2014	2013
Land	$ 3,112,699	$ 2,304,135
Land improvements	595,300	502,948
Buildings and improvements	27,743,643	26,035,016
Furniture and fixtures	496,456	503,087
Equipment	336,464	372,668
Vehicles	214,065	214,065
	32,498,627	29,931,919
Less: accumulated depreciation	6,386,721	5,575,556
Property and equipment, net	$ 26,111,906	$ 24,356,363

During 2012, the Organization began the development of the Hayward Street Permanent Supportive Housing Program (Hayward St. Program) through funding received by Housing Benefits from the U.S. Department of Housing and Urban Development, passed through the City of Manchester, New Hampshire, known as Neighborhood Stabilization Program grants. The funds were used to purchase a vacant lot in Manchester, New Hampshire and to construct a building used to provide housing and supportive services to individuals and families who are homeless. The facility contains four 2-bedroom apartments and two 1-bedroom apartments. In addition, tenants receive comprehensive supportive services designed to ensure long-term stability and wellness. At December 31, 2013, the Organization had incurred costs of approximately $1.1 million presented in the Organization's consolidated statement of financial position as development in process.

At December 31, 2014, the Organization had invested approximately $1.5 million in the Hayward St. Program. On March 1, 2014, the Hayward St. Program was placed into service and the assets were transferred from development in process and at December 31, 2014 are presented in the Organization's consolidated statement of financial position in property and equipment, net.

In June 2014, land located at Spruce Street and Massabesic Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. This land will be used to be developed into the Hollow's Community Garden and Learning Center. The project is intended to improve the quality of life of at-risk children and families by providing immediate hunger relief, expanding food access and delivering hands-on educational experiences.

In September 2014, a three-family building and land located on Spruce Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. The property was transferred from FIT to Housing Benefits. Housing Benefits intends to rehabilitate the project into rental housing for low-income households. All construction will incorporate energy efficiencies to the maximum extent possible to reduce operating costs and ensure long-term affordability.

3. Development in Process

In 2014, the Organization began the pre-construction phase on its Family Place Resource Center and Shelter through funding received from New Hampshire Housing Finance Authority (NHHFA), Community Development Finance Authority funds and donations. The facility will house a new and expanded family shelter as well as a comprehensive resource center designed to meet the needs of homeless families and children. The shelter will consist of 12 emergency housing units for families in immediate need of shelter. The services include, but are not limited to, centralized assessment and referral, hot meals, access to an onsite food pantry, onsite medical care and therapeutic preschool programming for children. The project is expected to cost approximately $1.8 million and is expected to be completed in 2015. At December 31, 2014, the Organization had invested approximately $200,000 in the facility.

4. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of $100,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4%. There was no outstanding balance or activity as of and for the years ended December 31, 2014 and 2013.

5. Long-term Debt

Long-term debt consisted of the following:

	2014	2013
A mortgage loan payable to NHHFA in monthly payments of $680, including interest at 1% and an escrow of $289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	$ **67,613**	$ 71,011
A note payable to NHHFA. The note is non-interest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	**157,283**	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of $990, including interest at 6.25%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019.	**132,207**	136,628
A vehicle loan on an activity bus payable to New Hampshire Health and Education Facilities Authority in monthly payments of $525 at 1% annual interest rate. The loan is due and payable in February 2017.	**13,492**	19,621

A mortgage loan payable to TD Bank, N.A. in monthly payments of $1,359, including interest at 7.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	**100,050**	108,818
A mortgage loan payable to RBS Citizens Bank in monthly payments of $2,126, including interest at 4.93%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	**250,676**	258,443
Non-interest bearing note payable to the City of Manchester, New Hampshire, payable in annual installments of $1,977. The loan was paid in October 2014.	-	1,977
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal property. Monthly payments of $1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	**164,904**	170,083
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 27, 2033. This is non-recourse.	**102,647**	102,647
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 27, 2033. This note is non-recourse and is subordinate to the $102,647 note payable.	**337,720**	337,720
A non-interest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full May 27, 2033.	**260,000**	260,000
A non-interest bearing note payable by Millyard II to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is non-recourse.	**461,696**	462,309
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of $1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on April 1, 2032.	**268,758**	279,885

A non-interest bearing note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow. In any year where the Debt Coverage Ratio exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is non-recourse.	**226,725**	227,521
A non-interest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. All unpaid amounts are due and payable in full on December 31, 2031. This note is non-recourse.	**250,000**	250,000
A mortgage note payable by Millyard Families I to the City of Manchester Community Improvement Program, collateralized by real estate. The note is non-interest bearing and is due and payable in January 2027.	**230,000**	230,000
A second mortgage note payable by Millyard Families I to the NHCLF, collateralized by real estate. Monthly payments of $1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	**93,604**	105,058
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	**850,000**	850,000
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of $3,953 include principal and interest at 7.71%. The note is payable in full in October 27, 2023 and is guaranteed by FIT and Family Mill.	**483,093**	492,270
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is non-interest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is non-recourse.	**600,000**	600,000

A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	**598,957**	598,957
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is non-interest bearing and has an annual payment of $9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is non-recourse.	**127,272**	136,363
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of $1,882 include principal and interest at 3.25%, based on the prime rate capped at 6%. The note is payable in full on October 14, 2033 and is guaranteed by FIT and Big Shady Tree.	**312,442**	324,506
A mortgage note payable by School & Third Street to NHHFA, collateralized by real estate and personal property. Monthly payments of $2,774 include principal and interest at 8% per annum. The note is due April 1, 2021.	**163,281**	182,653
A second mortgage note payable by School & Third Street to NHCLF, collateralized by real estate and personal property. The note bears no interest and monthly payments of $2,774 will commence on April 15, 2021 and continue until maturity in September 15, 2039.	**617,613**	617,613
A mortgage note payable by Belmont Street to NHHFA, collateralized by real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	**419,370**	433,000
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of $3,158 include principal and interest at 6.25% per annum. The note will be paid in full in September 2031.	**392,864**	405,761
A mortgage note payable from Lowell Street to NHHFA, collateralized by real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	**44,312**	59,157

A second, non-interest bearing, mortgage note payable from Lowell Street to the City of Manchester, New Hampshire, collateralized by real estate. Annual payments equal to the greater of 25% of new cash flow or $4,000 commenced in October 2012 and will continue until the maturity date in June 2041.	**180,864**	188,287
A non-interest promissory note payable from Lowell Street to NHHFA collateralized by a mortgage and security agreement on real estate. The note will be forgiven 1/15th annually over the low-income housing tax credit compliance period. During 2014 and 2013, $131,267 was recognized as other income in the consolidated statement of activities.	**1,509,565**	1,640,832
A mortgage note payable from Dover to NHHFA, collateralized by the real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	**221,428**	225,000
A non-interest mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce St. The note has a borrowing limit of $500,000. As costs are incurred Housing Benefits will be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow or $5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.	**63,283**	-
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of $1,921 include principal and interest at 3.41%. The note is due in full by April 2019.	**424,556**	-
	10,126,275	9,939,403
Less current portion	**187,323**	258,051
	$ 9,938,952	$ 9,681,352

Principal maturities of the above notes over the next five years and thereafter are as follows:

2015	$ 187,323
2016	141,655
2017	143,682
2018	149,749
2019	645,646
Thereafter	8,858,220
	$ 10,126,275

Cash paid for interest approximates interest expense.

6. Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for the following purposes:

	2014	2013
The Family Place - services	$ 53,672	$ 50,888
The Family Place - development	241,000	177,000
Research and training	26,333	19,551
Scholarships and tutoring	4,375	6,879
VISTA program	38,511	54,484
Housing programs	4,750	2,700
Direct care for clients	79,851	35,439
Community Gardens	71,222	-
Grant receivable - time restricted	-	25,000
	$ 519,714	$ 371,941

7. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

8. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed $31,138 and $32,692 during the years ended December 31, 2014 and 2013, respectively.

9. Housing Action New Hampshire

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. The Organization maintains the books and financial records for HANH in accordance with U.S. GAAP. HANH funds are presented in the Organization's consolidated statement of financial position as funds held as fiscal agent.

10. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows as of December 31:

Limited Partner	Property	2014	2013
Community Capital 2000	Millyard II	$ 1,000,929	$ 1,080,482
New Hampshire Housing Equity Fund, Inc.	Bicentennial	352,882	382,492
JP Morgan Chase	Bicentennial	352,985	382,589
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	1,660,467	1,853,769
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	2,323,771	2,415,560
		$ 5,691,054	$ 6,114,912

11. Restatement of January 1, 2013 Net Assets

The beginning 2013 unrestricted net assets has been restated to properly reflect property contributed to Housing Benefit's Dover Housing Project in a prior year. The effect of the restatement is as follows:

Unrestricted net assets - controlling interest, January 1, 2013 (as previously stated)	$ 9,551,445
Amount of restatement to include property contributed in 2012	280,700
Unrestricted net assets - controlling interest, January 1, 2013 (restated)	9,832,145
Unrestricted net assets - noncontrolling interest, January 1, 2013	6,652,776
Temporarily restricted net assets, January 1, 2013	217,807
Total net assets, January 1, 2013 (restated)	$ 16,702,728

The restatement had no effect on the previously reported change in net assets for 2013.

12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 30, 2015, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements

SUPPLEMENTARY INFORMATION

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

December 31, 2014

ASSETS

	Families In Transition Unrestricted	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Families in Transition Temporarily Restricted	Eliminations	Total
Current assets								
Cash and cash equivalents	$ 230,524	$ 68,581	$ 44,897	$ 124,642	$ 7,677	$ 519,714	$ -	$ 996,035
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Accounts receivable	117,456	14,010	6,176	-	-	-	(97,659)	39,983
Grants receivable	275,758	-	4,058	-	2,994	-	-	282,810
Prepaid expenses	9,197	26,215	14,717	1,278	3,180	-	-	54,587
Accrued interest receivable on related party note	746,158	-	-	-	-	-	(746,158)	-
Reserve cash designated for properties	2,871	382,705	277,037	-	-	-	-	662,613
Due from related party	220,321	-	66,759	97,595	4,896	-	(381,361)	8,210
Other current assets	10,516	20,025	13,238	-	-	-	-	43,779
Total current assets	1,688,538	511,536	426,882	223,515	18,747	519,714	(1,225,178)	2,163,754
Replacement reserves	33,113	189,079	116,371	-	-	-	-	338,563
Related party notes receivable	1,725,799	-	-	-	-	-	(1,725,799)	-
Investments	10,661	-	-	-	-	-	-	10,661
Investment in related entities	1,196,347	-	25,051	-	-	-	(1,220,398)	1,000
Property and equipment, net	3,052,217	13,896,792	9,108,993	13,204	40,700	-	-	26,111,906
Development in process	190,815	-	70,132	-	-	-	-	260,947
Other assets, net	-	70,345	75,011	-	-	-	-	145,356
Total assets	$ 7,897,490	$ 14,667,752	$ 9,822,440	$ 236,719	$ 59,447	$ 519,714	$ (4,171,375)	$ 29,032,187

LIABILITIES AND NET ASSETS

Current liabilities								
Current portion of long-term debt	$ 52,971	$ 101,684	$ 32,668	$ -	$ -	$ -	$ -	$ 187,323
Accounts payable	85,751	152,339	34,785	6,421	1,942	-	(97,659)	183,579
Accrued expenses	103,316	595,568	188,252	13,997	4,831	-	(746,158)	159,806
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Due to related entities	58,385	34,402	190,163	100,782	-	-	(381,361)	2,371
Deferred revenue	30,383	1,340	858	-	-	-	-	32,581
Security deposits	10,516	20,025	13,243	-	-	-	-	43,784
Total current liabilities	417,059	905,358	459,969	121,200	6,773	-	(1,225,178)	685,181
Long-term debt, less current portion	1,485,770	6,268,329	3,910,652	-	-	-	(1,725,799)	9,938,952
Total liabilities	1,902,829	7,173,687	4,370,621	121,200	6,773	-	(2,950,977)	10,624,133
Net assets								
Unrestricted - controlling interest	5,994,661	1,803,011	5,451,819	115,519	52,674	-	(1,220,398)	12,197,286
Unrestricted - noncontrolling interest	-	5,691,054	-	-	-	-	-	5,691,054
Total unrestricted	5,994,661	7,494,065	5,451,819	115,519	52,674	-	(1,220,398)	17,888,340
Temporarily restricted	-	-	-	-	-	519,714	-	519,714
Total net assets	5,994,661	7,494,065	5,451,819	115,519	52,674	519,714	(1,220,398)	18,408,054
Total liabilities and net assets	$ 7,897,490	$ 14,667,752	$ 9,822,440	$ 236,719	$ 59,447	$ 519,714	$ (4,171,375)	$ 29,032,187

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended December 31, 2014

	Families In Transition Operating	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Eliminations	Unrestricted Total	Temporarily Restricted	Total
Revenue and support									
Federal, state and other grant support	$ 2,169,710	$ 64,807	$ 506,734	$ -	$ 159,186	$ (314,897)	$ 2,585,540	$ 283,408	$ 2,868,948
Rental income, net of vacancies	295,911	965,137	490,308	-	2,260	(78,875)	1,674,741	-	1,674,741
Thrift store sales	-	-	-	724,911	-	-	724,911	-	724,911
Public support	113,645	-	-	3,021	-	-	116,666	-	116,666
Tax credit revenue	129,067	-	-	-	-	-	129,067	-	129,067
Special events	134,354	-	-	600	-	-	134,954	-	134,954
Property management fees	570,336	-	-	-	-	(570,336)	-	-	-
Developer fees	72,000	-	-	-	-	-	72,000	-	72,000
VISTA program revenue	93,474	-	-	-	-	-	93,474	-	93,474
Unrealized gains on investments	1,064	-	-	-	-	-	1,064	-	1,064
Loss on disposal of assets	-	(3,653)	-	-	-	-	(3,653)	-	(3,653)
Interest income	96,758	438	110	-	-	(67,770)	29,536	-	29,536
In-kind donations	24,040	-	1,850	-	-	-	25,890	-	25,890
Other income	367,656	22,249	157,737	4,295	1,420	(6,000)	547,357	-	547,357
Net assets released from restrictions	135,635	-	-	-	-	-	135,635	(135,635)	-
Total revenue and support	4,203,650	1,048,978	1,156,739	732,827	162,866	(1,037,878)	6,267,182	147,773	6,414,955
Expenses									
Program activities	3,261,921	1,472,843	1,060,320	699,216	165,765	(1,185,272)	5,474,793	-	5,474,793
Fundraising	432,998	-	-	-	-	-	432,998	-	432,998
Management and general	411,429	-	-	-	-	(122,806)	288,623	-	288,623
Total expenses	4,106,348	1,472,843	1,060,320	699,216	165,765	(1,308,078)	6,196,414	-	6,196,414
Excess (deficiency) of revenue and support over expenses	97,302	(423,865)	96,419	33,611	(2,899)	270,200	70,768	147,773	218,541
Contribution for long-term purposes	687,760	-	216,200	-	-	(216,200)	687,760	-	687,760
Change in net assets	$ 785,062	$ (423,865)	$ 312,619	$ 33,611	$ (2,899)	$ 54,000	$ 758,528	$ 147,773	$ 906,301

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Functional Expenses

Year Ended December 31, 2014

	Program Activities									
	Families In Transition Operating	Limited Partnerships	Housing Benefits	Family OutFITters	Manchester Emergency Housing	Program Activities Total	Fundraising	Management and General	Eliminations	Total
Salaries and benefits										
Salaries and wages	$ 1,149,785	$ -	$ 153,510	$ 347,826	$ 92,097	$ 1,743,218	$ 233,064	$ 170,914	$ -	$ 2,147,196
Temporary labor	-	-	-	5,777	1,425	7,202	-	-	-	7,202
Employee benefits	138,593	-	35,542	51,750	13,311	239,196	28,093	20,602	-	287,891
Payroll taxes	93,347	-	10,554	27,714	6,665	138,280	18,922	13,876	-	171,078
Total salaries and benefits	1,381,725	-	199,606	433,067	113,498	2,127,896	280,079	205,392	-	2,613,367
Advertising	6,316	-	-	22,992	-	29,308	-	332	-	29,640
Amortization	-	6,744	6,524	-	-	13,268	-	-	-	13,268
Application and permit fees	-	960	1,440	-	-	2,400	-	-	-	2,400
Bad debts	-	4,470	10,871	-	-	15,341	-	-	-	15,341
Bank charges	-	645	96	10,137	-	10,878	-	3,739	-	14,617
Consultants	24,045	-	3,864	1,322	1,102	30,333	2,250	-	-	32,583
Depreciation	104,545	483,500	254,034	2,214	4,784	849,077	21,192	15,541	-	885,810
Events	-	-	1,262	2,932	-	4,194	42,725	-	-	46,919
General insurance	39,681	40,629	28,943	4,331	5,806	119,390	8,043	5,899	-	133,332
Interest expense	67,717	135,176	44,029	-	-	246,922	-	-	(67,770)	179,152
Management fees	84,156	241,973	243,976	-	15,420	585,525	-	-	(550,336)	35,189
Meals and entertainment	2,908	-	-	-	60	2,968	590	432	-	3,990
Membership dues	4,597	-	-	575	-	5,172	932	683	-	6,787
Office supplies	81,137	4,457	6,190	9,057	120	100,961	16,447	12,061	-	129,469
Participant expenses	42,340	-	1,193	150	275	43,958	-	-	-	43,958
Postage	5,487	-	-	586	-	6,073	1,112	816	-	8,001
Printing	11,669	-	-	437	807	12,913	2,365	1,735	-	17,013
Professional fees	42,032	28,890	32,001	6,000	-	108,923	8,520	6,248	-	123,691
Related entity expenditures	559,793	-	(135,323)	60,000	-	484,470	-	106,627	(591,097)	-
Rent	-	-	-	62,696	-	62,696	-	16,179	(78,875)	-
Rental subsidies	251,347	-	-	-	-	251,347	-	-	-	251,347
Repairs and maintenance	52,659	171,739	141,865	31,065	8,557	405,885	10,674	7,828	(20,000)	404,387
Staff development	8,792	-	-	-	-	8,792	1,782	1,307	-	11,881
Taxes	49,504	119,994	91,364	2,857	-	263,719	-	-	-	263,719
Technology support	42,508	788	125	1,125	-	44,546	8,617	6,319	-	59,482
Telephone	38,561	744	5,301	5,443	2,461	52,510	7,817	5,732	-	66,059
Travel	36,753	-	-	7,089	20	43,862	7,450	5,463	-	56,775
Utilities	22,010	229,974	115,679	27,621	8,658	403,942	4,462	3,272	-	411,676
VISTA program	262,463	2,160	-	-	-	264,623	-	-	-	264,623
Workers' compensation	39,176	-	7,280	7,520	4,197	58,173	7,941	5,824	-	71,938
Total expenses	$ 3,261,921	$ 1,472,843	$ 1,060,320	$ 699,216	$ 165,765	$ 6,660,065	$ 432,998	$ 411,429	$ (1,308,078)	$ 6,196,414

[redacted]

[redacted]

Families
in Transition

FAMILIES IN TRANSITION

Agency Officers

Maureen Beauregard, President
Families in Transition

Stephanie Savard, Vice President, Director of Clinical Services
Families in Transition

Board of Directors

Dick Anagnost, Chairperson
Anagnost Investments - President
Board member since 2007

Charla Stevens, Vice Chairperson
McLane, Graf, Raulerson & Middleton Esquire
Board member since 2013

Deborah Brann, Treasurer
Controller – St Paul's School
Board member since 2011

Colleen Karpinsky-Cone, Secretary
VP, Talent & Culture
Board member since 2014

Karyn O'Neil
Citizens Bank; Senior Vice President
Board member since 2003

Susan Grodman,
The Derryfield School; Director of Service & Global Education
Board member since 2007

Trevor Arp,
Comcast; VP of Product Management
Board member since 2008

Rev. Gayle Murphy
Northwood Congregational Church, UCC
Board member since 2008

Revised: February 2015

David Donohue
VP of Community Engagement, Lifeshare Management Group
Board member since 2009

Eric Demaree
CCA Global Partners President Carpet One Floor & Home Division
Board member since 2012

Tracie Sponenberg
Emerson Ecologics
Board member since 2013

Alison Hutcheson
Merchants Fleet Management, Mgr of Sales
Board member since 2014

Emily Brown
Gigunda Group, Director Client Services
Board member since 2014

Kristy Merrill
NH Senate
Board member since 2014

Angela Irons
Asst Vice President, Field Dev LFG
Board member since 2014

Kitten Stearns
Coldwell Banker Residential Brokerage
Board member since 2014

Sedra Michaelson
Strategic Account Manager, CCH, a Wolters Kluwer business
Board member since 2015

Maureen Ann Beauregard
17 Overlook Road
Northwood, NH 03261
(603) 942-5647
pups@metrocast.net

Professional Experience

November 1991 to Present: Families in Transition, 122 Market Street, Manchester, NH 03101.

1995-Present. President, Families in Transition. Developed a Board of Directors and established Families in Transition as a private nonprofit agency in 1995. Responsible for grant writing, fundraising, facility development, oversight of agency personnel, program development, day to day operations, reporting to state and federal agencies and public relations.

- 2003to Present: Development and Implementation of 33 units permanent affordable housing in Manchester.
- 2001-2003: Development of Families in Transition – Concord, 16 units of affordable housing with 6 designated for homeless women with a disability and 10 designated for transitional housing for homeless women and their children.
- 2001 to Present: Development of Families in Transition's social entrepreneurship, Family OutFITters thrift store and Employment Training Program.
- 1998 – 2001: Development of Millyard II Transitional Housing Program with 19 apartments and 1 interim unit for 3 families.
- 1995 – 1997: Development of Millyard I Transitional Housing Program with 12 apartments for homeless women with children.
- 1994 – 1995: Development of steering committee to form the Board of Directors for Families in Transition and Families in Transition becomes and independent 501 © (3)

1991- 1994 New Hampshire Community Loan Fund. Program Director. Designed and implemented transitional housing programs for the homeless women with and without children.

- 1993 – 1994: Development and implementation of Community Program providing supportive services to 14 homeless women and their children and assisting them in attaining and maintaining housing.
- 1992 – 1993: Development and implementation of Amherst Street Transitional Housing Program for 9 homeless single women.
- 1991 – 1992: Development and implementation of Spruce Street Transitional Housing Program for 5 homeless women and their children.

November 1989-March 1991: Child Protective Service Worker II for the Division for Children and Youth Services, 30 Maplewood Avenue, Portsmouth, NH. Advocated for abused and neglected children in court, established support network (fostercare, visitation, and counseling) to help in the abuse/neglect recovery process.

November 1988-November 1989: Substance Abuse Counselor for Team Coordinating Agency, Phoenix East, Haverhill, MA. Counseled clients, aided and found resources

(AA/NA meetings, employment, education, and counseling) for residents in halfway house for alcoholic/addicts, age 16-25. Conducted weekly support group.

Education

Bachelor of Science degree from the University of New Hampshire, College of Life Science and Agriculture. Area of study: Family Studies.

Professional Affiliations and Honors

- **1998 to 2004** – Northern New England Housing Investment Fund. Member of Board of Directors.
- **1998 to 2004** – Northern New England Equity Fund. Member Board of Directors and Investment Committee
- **2004:** New Hampshire Business Review, Business Excellence Awards 2004, Maureen Beauregard for Excellence in Non-Profit
- **2004:** The Walter J. Dunfey Awards for Excellence in Management awarded to Families in Transition
- **2003:** YWCA Susan B. Anthony Award, Woman of the Year
- **2003:** New Hampshire Housing Finance Authority Annual Conference: Maureen Beauregard and Families in Transition recognized as Best Practice for Development of Affordable Housing in New Hampshire.
- **2002**: Great Bay Foundation: $150,000 grant award for the development and implementation of social entrepreneurship, Family OutFITters.
- **2002**: Citizens Bank and WMUR Channel – 9, 2003 Community Champions Award for Homelessness for New Hampshire
- **2001:** Manchester Continuum of Care Narrative submission to the U.S. Dept. of Housing & Urban Development, SuperNOFA: 1 of top 10 narratives in the country.
- **2003 to Present:** YMCA Diversity Committee
- **2003 to Present:** Intown Manchester, Economic Development Committee, Trustee
- **2003:** The Sharing Foundation, Caring for Cambodia's Children Parent Advisory Council
- **2003 to Present:** New Hampshire Interagency Council on Homelessness, member appointed by Governor Benson
- **2002 to Present:** Policy Academy for the Chronically Homeless, member
- **2002 to Present:** Great Bay Foundation, Work Group consisting of 5 leading initiatives, member
- **2001 to Present:** Manchester Task Force on Housing, member appointed by Mayor
- **1999 to Present:** Northern New England Housing Investment Fund, Investment Committee, Trustee
- **1998 to Present:** Manchester Continuum of Care, Chairperson in 1998, 2003, founding member

Stephanie Allain Savard, LICSW

[redacted]

Licensure and Education:

- New Hampshire Licensed Independent Clinical Social Worker, #941, April, 2000.
- Masters in Social Work, Boston University, 1996.
- Bachelor of Arts – Honors in Psychology, Keene State College, 1992.
- Associate of Science in Chemical Dependency, Keene State College, 1992.
- Boston University Workshop-Based Trauma Certificate, 2006.
- Low Income Housing Tax Credit Certified Credit Compliance Professional (C3P), 2000.

Professional Experience:

Vice-President, Families in Transition, Manchester, NH, 1/97 – Present.

- Oversight of clinical department and all supportive services programming within agency, including case management, therapeutic services, employment & training services, youth programming and specialized programming. Oversee and manage treatment and supportive services for a program capacity of 150+ homeless families and individuals to ensure that consistent and quality clinical services are provided. Oversight of 135+ units of affordable housing to ensure quality and safe housing for all tenants.
- Provide administrative and clinical supervision to all licensed clinicians, masters and bachelor level clinician & case managers. Provide oversight to the Property Administration Department, including management of all funding requirements for each property, including Low Income Housing Tax Credits, HOME, Housing and Urban Development, CDBG, etc.
- Assumes responsibilities and decision-making for agency in the absence of the President. Assist President on personnel issues and in oversight of agency and strategic planning.
- Provide therapeutic services to participants of program, including participation in participant team meetings. Co-facilitate support groups on various issues, including self-esteem, co-dependency, Relational/Cultural Theory, trauma and relationships.
- Families in Transition Board of Directors Programs and Supportive Services Committee Member and assist in Board of Director meetings.
- Member of the Manchester Continuum of Care, 10/00 – Present; Community Awareness Committee Chair 2003/2004; 2006 – Present.

Counselor/Family Service Worker, NFI Midway Residential Shelter, Manchester, NH, 1993 – 1996.

- Supervised 15 adolescent males utilizing behavior management and normative culture techniques.

- Supervised all shifts and summer activity program; Conducted family assessments and counseling.

MSW Clinical Intern, CASPAR Emergency Service Center, Cambridge, MA, 1995-1996.

- Provided assessments, individual and group therapy to homeless substance abusers in early recovery.
- Developed a resource manual of services for client referral and assisted in creating a program brochure.

MSW Clinical Caseworker Intern, WorkSource of Work, Inc., Quincy, MA, 1994-1995.

- Provided case management, counseling, and crisis intervention to consumers with psychiatric disabilities in a vocational rehabilitation workshop. Developed and co-facilitated support groups.
- Developed and facilitated a pre-employment program for consumers transitioning into community work.

VISTA Volunteer, Center for Human Services, Seattle, WA, 1992-1993.

- Developed, recruited, and supervised a volunteer program for multiple programs and departments.
- Diversity Committee Member; Assisted in agency fundraising and grant writing; designed and marketed public relation materials; assisted in coordinating Board of Directors and chairing Board committees.

Professional Affiliations and Volunteer Experience:

- Lazarus House Transitional Housing Advisory Council, Lawrence, MA, 2004 - Present.
- Board of Directors of the NH Coalition to End Homelessness, 12/00 - 2002.

Awards & Professional Memberships:

- National Association of Social Workers, Member 1996-Present; NH Chapter Board of Directors, Vice-President 2006 – Present.
- Union Leader and Business Industry Association "40 Under 40" Leaders of New Hampshire, 2004
- NH Homeless Service Providers Award, Office of Homeless and Housing Services, 2003.

Abbie Marie Weinstein

[redacted]

SUMMARY OF QUALIFICATIONS

A dynamic and passionate self-starter with diversified experience and strong interest in, non-profit and social service organizations, working with underserved populations and crisis intervention services.

PROFESSIONAL EXPERIENCE

Families In Transition, Manchester, NH — Aug 2013 – Present
Intake Coordinator

Bridges Domestic and Sexual Violence Support, Nashua, NH — 2011-2013
Social service agency.
Crisis Intervention Advocate (2011 - Present)

- Respond to clients in crisis. Identify problems, explore options, and support clients in making their own decisions. Offer emotional support, assistance, advocacy, referral information, and follow-up as needed.
- Document all direct service activities. Record client statistical data, including referrals if any, and maintain related agency documentation.
- Advocate with clients in the courts, police stations, hospitals, and other agencies, as determined by the client involved. Provide limited transportation to clients.
- Collaborate with other staff to enhance direct service delivery as assigned. Develop and maintain contacts with other human service providers in the greater Nashua Area. Participate in back-rotation on nights and weekends.

Volunteer Coordinator (2011 - 2013)

- Work with the Direct Service Program Coordinator to enhance the direct service provision of the agency, specifically by coordinating volunteer recruitment, training and retention.
- Schedule volunteers for shifts on the support line. Organize quarterly volunteer trainings and update training curriculum as needed.
- Supervise agency volunteers, interns and per diem workers, collaborating with the Direct Service Program Coordinator and Milford Program Coordinator Recruit and interview new volunteers with the Direct Service Program Coordinator.
- Document all volunteer activities. Maintain and secure all volunteer records. Assist in developing and facilitating team-building exercises, events and meetings for volunteers.

Support Group Facilitator (2011 - 2012)

- Created a safe, stable environment for group members. Planned and presented weekly educational topics based on member needs. Managed time in the group and keep members on topic.
- Collected and submitted monthly group attendance data for agency reporting.

AmeriCorps Victim Assistance Program, Bridges, Nashua, NH — 2011
National Service Program
Crisis Intervention Advocate

- Performed this role for 3 months and was subsequently hired as a permanent employee at the agency.

AmeriCorps VISTA, YWCA NH, Manchester, NH — 2010-2011
National Service Program
Development Assistant

- Developing and implementing a comprehensive public relations program to increase the visibility of YWCA programs. Send press releases and public service announcements to media outlets.
- Centralize and standardize all fliers, brochures and e-blasts for YWCA programs, events and activities.
- Crisis line volunteer advocate, work closely with advocates and group facilitators to increase attendance at support groups.
- Increased social media readership and awareness through the creation of a dedicated blog and Twitter feed, in addition to increasing Facebook followers.

Constellation NewEnergy, Boston, MA 2007-2009
A leading U.S. competitive energy supplier.
Administrative Assistant

- Worked independently and within a team on both nonrecurring and ongoing projects for all company departments as needed. Handled multiple projects for multiple departments simultaneously.
- Assisted marketing team with development and execution of direct mail campaigns and assembly of informational packets for seminars. Created flyers for company sponsored employee events.
- Scheduled and coordinated meetings and conferences. Organized travel arrangements and department activities.

Devonshire, Boston, MA 2007
Luxury rental apartments.
Marketing Administrative Assistant

- Designed and distributed weekly availability reports via email. Researched and created events flyers for building residents. Created flyers for broker incentive and updated rental listings on various websites.
- Handled leasing related inquiries and resident related issues. Scheduled broker tours, prospective resident apartment showings and freight elevator usage. Managed daily calendar and assembled client materials for the director of marketing.

Concord Monitor, Concord, NH 2005-2007
An award-winning daily newspaper.
Advertising Account Executive

- Actively pitched and acquired local business advertisers and maintained database of current prospective clients. Managed current client accounts and assured that they continued to advertise.
- Worked closely with graphic artists and production team to build successful new ads and ad campaigns for clients. Coordinated exhibits at and attended trade shows. Coordinated direct mailings to inform customers of new and upcoming advertising opportunities.

ADDITIONAL EXPERIENCE

YWCA New Hampshire 2011, **Crisis Line Volunteer Advocate**
HUD Point In Time Count 2011, **Volunteer**
Manchester Kid's Marathon 2010, **Volunteer**
Child Health Services 2010-11, **Family Literacy Program Volunteer**
Three Acre Kitchen 2009-10, **Social Media Coordinator, Design Assistant**
New Hampshire Film Festival 2009 & 2010, **Festival Volunteer**
Volunteer NH 2009, **Graphic Design Volunteer**

EDUCATION and SKILLS

BA in Communications, University of Massachusetts, Amherst, MA
Proficient in Microsoft Office Suite, Publisher and Social Media tools.
Completed 30hrs of crisis line advocate training at the YWCA New Hampshire.
Completed AmeriCorps Victim Assistance Program Training

Katelyn Gagnon

Objective:
To obtain a position within a social service agency and utilize interpersonal skills through working with the community in which they serve.

Education:
Keene State College
229 Main Street
Keene, NH 03435
Bachelor of Arts in Psychology
Graduated May 2011
2007-2011

John Stark Regional High School
618 N. Stark Highway
Weare, NH 03281
High School Diploma
2003-2007

Experience:
Families in Transition
122 Market Street
Manchester, NH 03101
603-641-9441
February 2013- present
Job Title: Day time Program Aide at Manchester Emergency Housing
Job description: provide case management to families within the shelter and also in the housing program, general shelter oversight, screen calls for clinical hotline.
Supervisor: Stephanie Savard

Child and Family Services
464 Chestnut Street
Manchester, NH 03105
603-518-4000
August 2011-February 2013
Job Title: Parent Aide
Job Description: in home support services for children and families in which a case has been founded as abuse and/or neglect. Models appropriate parenting and supporting safe and healthy interactions. Travel required.
Supervisor: Maria Berube

Greater Manchester Family YMCA
116 Goffstown Back Road
Goffstown, NH 03045
603-497-4663
June 2012-March 2013
Job Title: Sports Coach
Job Description: Teach parent/child soccer, t-ball, and basketball classes for 3-5 year old children.
Supervisor: Katie Duffey
YMCA Camp Halfmoon
May 2008-September 2011
Job Title: Program Director
Job Description: Temporary summer position, supervise six members of the program staff, organize weekly schedule, engage children in program activities, open and close camp.
Supervisor: Katie Duffey

Skills: extensive computer skills, familiar with Microsoft Office, positive attitude, quick learner, open minded and willing to learn new concepts.

First Aid and CPR certified

Volunteer Opportunities

NH Lady Twisters AAU basketball
Head Coach
March 2013-June 2013

Dominique M Whiton
[redacted]

Current Employment:

Housing Advocate — **FT Employee**
Families in Transition
July 2014-Present

Current Responsibilities:

- Substance use screenings and clinical interventions
- Planning Workshops
- Individual Program Planning
- Case Management Services
- Resource management
- Staff to Staff Communication
- Relationship Building

Employment History:

Therapeutic Support Specialist — **FT Employee**
Genesis Behavioral Health
June 2013-July 2014

Residential Specialist — **FT Employee**
West Central Behavioral Health
April 2012-Present

Student Teacher — **Internship**
Nashua North High School
Aug 2011 - Oct 2011

Student Teacher — **Internship**
Manchester Memorial High School
Jan 2011 - April 2011

Youth Mentor — **Volunteer**
Pemi Youth Center, Plymouth NH
Jan 2008 - Dec 2010

Education

Plymouth State University — **GPA: 3.15**
Jan 2007 - Oct 2011
Bachelor of Arts in English
Minor in Social Work

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President	$134,612	0%	
Stephanie Savard	Vice President	$83,604	35%	29,261
Abbie Weinstein	Intake Coordinator	$36,770	45%	16,547
Katelyn Gagnon	Housing Advocate	$34,671	45%	15,602
Dominque Whiton	Housing Advocate	$32,800	25%	8,200

FORM NUMBER P-37 (version 1/09)

Subject: Continuum of Care Program, Permanent Housing II

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Harbor Homes, Inc.		**1.4 Contractor Address** 45 High Street Nashua, NH 03060	
1.5 Contractor Phone Number (603) 882-3616	**1.6 Account Number** 05-95-42-423010-7927-102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $200,114.00
1.9 Contracting Officer for State Agency Erric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature Peter Kelleher		**1.12 Name and Title of Contractor Signatory** Peter Kelleher, President & CEO	

1.13 Acknowledgement: State of NH, County of Hillsborough

On 4/24/15 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] Wendy Nichols, Notary

WENDY A. NICHOLS - NOTARY PUBLIC - STATE OF NEW HAMPSHIRE - MY COMMISSION EXPIRES JUNE 4, 2019

1.13.2 Name and Title of Notary or Justice of the Peace

Wendy Nichols, Notary

1.14 State Agency Signature	**1.15 Name and Title of State Agency Signatory** MARY Ann McCarthy Associate Commissioner
1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)* By:	Director, On:
1.17 Approval by the Attorney General (Form, Substance and Execution) By: Megan A. Yost, Asst. Attorney General	On: 5/11/15
1.18 Approval by the Governor and Executive Council By:	On:

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials: _____
Date: 4/2/15

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

Contractor Initials: BL
Date: 4/2/15

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.

Contractor Initials: PK
Date: 4/2/15

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

   1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

   2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve eighteen (18) homeless individuals and families with disabilities.

   2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

   2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

   2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

   2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

   3.1. The Contractor shall submit the following reports:

      3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

      3.1.2. Other Reports as requested by the State.

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

   3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016: not to exceed $200,114

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services:	$73,152
Leasing or Rental Assistance:	$60,088
Operating Costs:	$62,225
Administrative costs:	$4,649
Total program amount:	$200,114

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing

the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the

contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

Contractor Initials KK
Date 4/2/15

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $5,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
   1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: Harbor Homes Inc.

4/2/15
Date

Name: Peter Kelleher
Title: President & CEO

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Harbor Homes Inc.

4/2/15
Date

Name: Peter Kelleher
Title: President & CEO

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Harbor Homes Inc.

4/2/15
Date

Name: Peter Kelleher
Title: President & CEO

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.

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: Harbor Homes Inc.

4/2/15
Date

Name: Peter Kelleher
Title: President & CEO

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Harbor Homes Inc.

4/2/15
Date

Name: Peter Kelleher
Title: President & CEO

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NH DHHS	Harbor Homes Inc.
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Mary Ann Cooney	Peter Kelleher
Name of Authorized Representative	Name of Authorized Representative
Associate Commissioner	President & CEO
Title of Authorized Representative	Title of Authorized Representative
5/1/15	4/2/15
Date	Date

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

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

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

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

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

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

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

Contractor Name: Harbor Homes Inc.

4/2/15
Date

Name: Peter Kelleher
Title: President & CEO

FORM A

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

1. The DUNS number for your entity is: 13-1864357

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

   ✓ NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

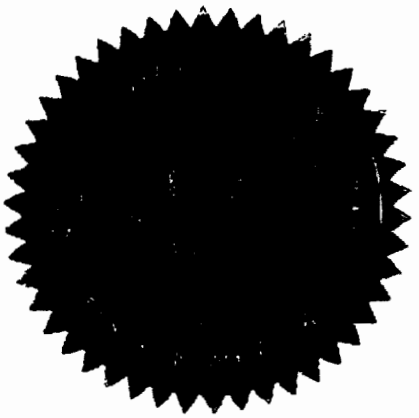
   Name: _____ Amount: _____

   Name: _____ Amount: _____

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 HARBOR HOMES, INC. is a New Hampshire nonprofit corporation formed February 15, 1980. 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 9th day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Harbor Homes 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 4/2/15:
(Date)

RESOLVED: That the President & CEO
(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 2nd day of April, 2015.
(Date Contract Signed)

4. Peter Kelleher is the duly elected President & CEO
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Laurie Goguen Secretary
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 2nd day of April, 2015,

By Laurie Goguen.
(Name of Elected Officer of the Agency)

Wendy Nichols
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

WENDY A. NICHOLS
NOTARY PUBLIC
STATE OF NEW HAMPSHIRE
- MY COMMISSION EXPIRES JUNE 4, 2019 -

Commission Expires: 6/4/19

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 11/20/2014

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

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

PRODUCER	CONTACT NAME: Kimberly Gutekunst
Eaton & Berube Insurance Agency, Inc. 11 Concord St Nashua NH 03064	PHONE (A/C, No, Ext): 603-882-2766 FAX (A/C, No): E-MAIL ADDRESS: kgutekunst@eatonberube.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hanover Insurance	
INSURER B : QBE Insurance Corp	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED	HARHO
Harbor Homes, Inc 45 High Street Greater Nashua Council on Alcoholism, Inc. Nashua NH 03060	

COVERAGES **CERTIFICATE NUMBER:** 131215488 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	**GENERAL LIABILITY** X COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY [ ] PRO-JECT [ ] LOC	Y		ZBV970714701	7/1/2014	7/1/2015	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$1,000,000 $1,000,000 $10,000 $1,000,000 $3,000,000 $3,000,000
A	**AUTOMOBILE LIABILITY** ANY AUTO ALL OWNED AUTOS [X] SCHEDULED AUTOS X HIRED AUTOS [X] NON-OWNED AUTOS			AHV970600302	7/1/2014	7/1/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$1,000,000 $ $ $
A	X **UMBRELLA LIAB** [X] OCCUR **EXCESS LIAB** [ ] CLAIMS-MADE DED [X] RETENTION $0			UHV970913302	7/1/2014	7/1/2015	EACH OCCURRENCE AGGREGATE	$5,000,000 $5,000,000
B	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		QWC300056	11/26/2014	11/26/2015	WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $500,000 $500,000 $500,000
A	Professional Liability Abuse & Molestation Empl Benefits Liability			ZBV970714701	7/1/2014	7/1/2015	$1,000,000 $1,000,000 $1,000,000	$3,000,000 $3,000,000 $3,000,000

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

Additional Named Insureds:
Harbor Homes, Inc.
Harbor Homes II, Inc.
Harbor Homes III, Inc.
Healthy at Homes, Inc.
Milford Regional Counseling Service, Inc.
See Attached...

CERTIFICATE HOLDER

DHHS
Contracts and Procurement Unit
Brown Building 129 Pleasant St.
Concord NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Marc L Berube

AGENCY CUSTOMER ID: HARHO

LOC #:

ADDITIONAL REMARKS SCHEDULE

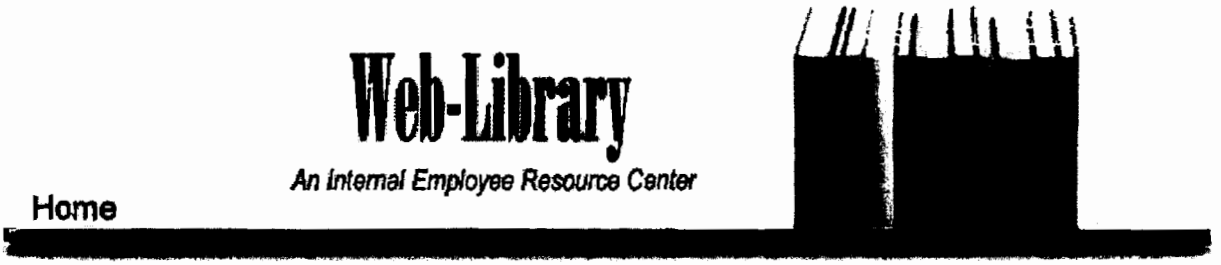
AGENCY	NAMED INSURED
Eaton & Berube Insurance Agency, Inc.	Harbor Homes, Inc 45 High Street Greater Nashua Council on Alcoholism, Inc. Nashua NH 03060
POLICY NUMBER	
CARRIER / NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

Southern New Hampshire HIV/AIDS Task Force
Welcoming Light, Inc.
HH Ownership, Inc.
Greater Nashua Council on Alcoholism dba Keystone Hall
Greater Nashua Council on Alcoholism, Inc.



Harbor Homes, Inc.

Mission Statement

To create and provide quality residential and supportive services for persons (and their families) challenged by mental illness and homelessness.

Overview

- **A private, nonprofit agency, Harbor Homes is a beacon for people challenged by mental illness and/or homelessness or chronic homelessness.**
- **Built upon a core belief that individuality, dignity, self-respect and a safe place to live are key to a person's ability to contribute to society. more**

Harbor Homes, Inc

5 Year Goals and Objectives

Back to Mission Statement and Overviews

HARBOR HOMES, INC.

Financial Statements

For the Year Ended June 30, 2014

(With Independent Auditors' Report Thereon)

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MELANSONHEATH
ACCOUNTANTS • AUDITORS

102 Perimeter Road
Nashua, NH 03063
(603)882-1111
melansonheath.com

Additional Offices:
Andover, MA
Greenfield, MA
Manchester, NH
Ellsworth, ME

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Harbor Homes, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Harbor Homes, Inc., 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on Summarized Comparative Information

We have previously audited Harbor Homes, Inc.'s fiscal year 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 9, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information 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 15, 2015 on our consideration of the Harbor Homes, 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 Harbor Homes Inc.'s internal control over financial reporting and compliance.

Melanson Heath

January 15, 2015

HARBOR HOMES, INC.

Statement of Financial Position

June 30, 2014

(With Comparative Totals as of June 30, 2013)

	HUD I Program	HUD VI Program	Program Operations	2014 Total	2013 Total
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 694	$ 877	$ 168,823	$ 170,394	$ 440,522
Accounts receivable, net	45	4,966	1,432,974	1,437,985	695,273
Promises to give	-	-	50,000	50,000	50,000
Due from HUD Programs	-	-	3,300	3,300	6,177
Due from related organizations	-	-	24,522	24,522	79,954
Prepaid expenses	-	-	28,575	28,575	27,203
Total Current Assets	739	5,843	1,708,194	1,714,776	1,299,129
Property and Equipment, net of accumulated depreciation	81,352	292,027	19,625,628	19,999,007	16,337,606
Noncurrent Assets:					
Restricted deposits and funded reserves	48,169	30,633	241,489	320,291	199,706
Due from HUD Programs	-	-	68,484	68,484	33,292
Due from related organizations	-	-	352,502	352,502	227,592
Promises to give	-	-	-	-	50,000
Beneficial interest	-	-	148,204	148,204	128,237
Other assets	-	-	40,936	40,936	29,446
Total Noncurrent Assets	48,169	30,633	851,615	930,417	668,273
Total Assets	$ 130,260	$ 328,503	$ 22,185,437	$ 22,644,200	$ 18,305,008
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts payable	$ 1,034	$ 1,391	$ 597,624	$ 600,049	$ 244,718
Accrued expenses	1,678	1,348	701,650	704,676	497,536
Due to program operations	3,300	-	-	3,300	6,177
Due to related organizations	-	-	160,868	160,868	76,521
Other liabilities	-	-	-	-	4,248
Line of credit	-	-	400,868	400,868	807,868
Deferred revenue	-	-	2,333	2,333	63,657
Current portion of mortgages payable	14,070	4,521	180,210	198,801	227,427
Total Current Liabilities	20,082	7,260	2,043,553	2,070,895	1,928,152
Long Term Liabilities:					
Due to program operations	-	68,484	-	68,484	33,292
Due to related organizations	-	-	-	-	75,000
Security deposits	2,329	565	38,635	41,529	37,422
Other liabilities	-	-	54,719	54,719	29,446
Mortgages payable, tax credits	-	-	142,410	142,410	163,453
Mortgages payable, net of current portion	149,527	230,092	7,004,209	7,383,828	7,313,543
Mortgages payable, deferred	-	-	5,332,834	5,332,834	5,242,834
Total Long Term Liabilities	151,856	299,141	12,572,807	13,023,804	12,894,990
Total Liabilities	171,938	306,401	14,616,360	15,094,699	14,823,142
Unrestricted Net Assets (Deficit):					
HUD programs	(41,678)	22,102	-	(19,576)	(3,864)
Program operations	-	-	7,519,535	7,519,535	3,262,622
Temporarily Restricted Net Assets	-	-	49,542	49,542	223,108
Total Net Assets (Deficit)	(41,678)	22,102	7,569,077	7,549,501	3,481,866
Total Liabilities and Net Assets	$ 130,260	$ 328,503	$ 22,185,437	$ 22,644,200	$ 18,305,008

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

HARBOR HOMES, INC.

Statement of Activities

For the Year Ended June 30, 2014

(With Comparative Totals for the Year Ended June 30, 2013)

	Unrestricted Net Assets			Temporarily		
	HUD I Program	HUD VI Program	Program Operations	Restricted Net Assets	2014 Total	2013 Total
Public Support and Revenue:						
Public Support:						
Federal grants	$ -	$ -	$ 6,117,734	$ -	$ 6,117,734	$ 1,810,283
State, local, and other grants	-	-	1,718,713	-	1,718,713	774,196
Donations	-	-	225,211	47,851	273,062	512,423
Net assets released from restriction	-	-	221,417	(221,417)	-	-
Total Public Support	-	-	8,283,075	(173,566)	8,109,509	3,096,902
Revenue:						
Department of Housing and Urban Development	77,507	41,324	2,662,795	-	2,781,626	2,564,634
Veterans Administrative grants	-	-	2,226,141	-	2,226,141	1,852,023
Medicaid - Federal and State, net	-	-	917,578	-	917,578	765,847
Rent and service charges, net	30,973	19,843	1,024,092	-	1,074,908	507,620
Contracted services	-	-	1,254,522	-	1,254,522	357,845
Outside rent	-	-	95,816	-	95,816	165,216
Miscellaneous	-	-	158,192	-	158,192	97,236
Fundraising events	-	-	52,519	-	52,519	-
Employment projects	-	-	53,900	-	53,900	63,792
Food and common area fees	-	-	67,165	-	67,165	61,643
Management fees	-	-	32,796	-	32,796	34,425
Medicare revenue, net	-	-	75,057	-	75,057	25,818
Unrealized gain/(loss)	-	-	20,186	-	20,186	12,269
Interest	2	11	151	-	164	337
Gain (loss) on disposal of fixed assets	-	-	601,751	-	601,751	(1,580)
Sliding fee and free care	-	-	33,416	-	33,416	(23,456)
Bad debts	-	(693)	(335,697)	-	(336,390)	(34,064)
Total Revenue	108,482	60,485	8,940,380	-	9,109,347	6,449,605
Total Public Support and Revenue	108,482	60,485	17,223,455	(173,566)	17,218,856	9,546,507
Expenses:						
Program	82,649	69,062	10,700,403	-	10,852,114	7,952,882
Administration	20,064	12,904	1,784,371	-	1,817,339	1,454,175
Fundraising	-	-	481,768	-	481,768	193,625
Total Expenses	102,713	81,966	12,966,542	-	13,151,221	9,600,682
Change in net assets	5,769	(21,481)	4,256,913	(173,566)	4,067,635	(54,175)
Net Assets (Deficit), Beginning of Year	(47,447)	43,583	3,262,622	223,108	3,481,866	3,536,041
Net Assets (Deficit), End of Year	$ (41,678)	$ 22,102	$ 7,519,535	$ 49,542	$ 7,549,501	$ 3,481,866

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

HARBOR HOMES, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2014

(With Comparative Totals for the Year Ended June 30, 2013)

	Program	Administration	Fundraising	2014 Total	2013 Total
Expenses:					
Accounting fees	$ -	$ 49,400	$ -	$ 49,400	$ 45,200
Advertising and printing	8,726	20,374	1,323	30,423	29,210
Client services and assistance	34,012	70	-	34,082	28,395
Client transportation	17,175	725	-	17,900	10,212
Conference and conventions	26,260	10,627	175	37,062	37,314
Contract labor	233,854	27,978	-	261,832	171,812
Dues and subscriptions	3,500	20,131	-	23,631	7,347
Employee benefits	571,413	215,500	51,735	838,648	695,060
Enabling services	-	-	-	-	139
Equipment rental	195	7,644	-	7,839	9,040
Food	63,300	592	-	63,892	50,475
Fundraising expenses	-	-	19,460	19,460	4,843
Garbage and trash removal	17,556	1,512	119	19,187	19,795
Grants	289,792	5,624	-	295,416	225,293
Information technology	109,688	24,645	39	134,372	151,903
Interest expense - mortgage	66,263	330,784	1,405	398,452	328,661
Interest expense - other	233	21,260	-	21,493	37,772
Journals and publications	1,390	365	-	1,755	1,153
Legal fees	26,350	21,517	75	47,942	67,155
Management fees	-	8,964	-	8,964	11,169
Medical and clothing	-	6,784	-	6,784	68,605
Office supplies	37,185	14,474	241	51,900	42,667
Operating and maintenance	209,052	13,015	627	222,694	134,706
Operational supplies	99,808	-	223	100,031	62,890
Other expenditures	5,618	42,434	94	48,146	29,093
Payroll taxes	392,602	62,054	28,052	482,708	353,615
Postage/shipping	2,918	7,095	564	10,577	8,405
Professional fees	194,586	32,445	10,581	237,612	120,929
Property and liability insurance	71,380	21,547	1,094	94,021	117,709
Property taxes	29,448	7,998	-	37,446	14,198
Rent expense	2,933,364	-	-	2,933,364	1,991,130
Salary and wages	4,247,198	713,672	359,775	5,320,645	3,665,782
Security deposits	117,348	-	-	117,348	38,063
Snow removal	39,225	2,423	184	41,832	40,629
Staff development	3,548	2,673	-	6,221	9,533
Staff expense	5,035	11,859	172	17,066	25,573
Staff transportation	35,819	24,748	381	60,948	67,840
Telephone/communications	66,413	25,652	1,566	93,631	67,329
Utilities	276,663	20,003	1,544	298,210	244,188
Vehicle expenses	21,927	544	-	22,471	23,696
Total Expenses Before Depreciation	10,258,844	1,777,132	479,429	12,515,405	9,058,528
Depreciation	593,270	40,207	2,339	635,816	542,154
Total Functional Expenses	$ 10,852,114	$ 1,817,339	$ 481,768	$ 13,151,221	$ 9,600,682

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

HARBOR HOMES, INC.

Statement of Cash Flows

For the Year Ended June 30, 2014

(With Comparative Totals for the Year Ended June 30, 2013)

	2014	2013
Cash Flows From Operating Activities:		
Change in net assets	$ 4,067,635	$ (54,175)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	635,816	542,154
(Gain) loss on disposal of fixed assets	(601,751)	1,580
(Gain) on beneficial interest	(19,967)	(12,062)
(Increase) Decrease In:		
Accounts receivable	(742,710)	51,068
Promises to give	50,000	(75,000)
Prepaid expenses	(1,372)	(22,364)
Other assets	(11,490)	(29,446)
Increase (Decrease) In:		
Accounts payable	355,331	(45,594)
Accrued expenses	207,140	119,341
Deferred revenue	(61,324)	63,657
Other liabilities	21,025	33,694
Net Cash Provided by Operating Activities	3,898,333	572,853
Cash Flows From Investing Activities:		
Restricted deposits and funded reserves	(120,585)	76,421
Security deposits	4,107	(3,143)
Proceeds from sale of fixed assets	866,502	-
Purchase of fixed assets	(4,043,454)	(817,241)
Net Cash Used by Investing Activities	(3,293,430)	(743,963)
Cash Flows From Financing Activities:		
Payments on line of credit	(407,000)	(2,131)
Payments on long term borrowings	(407,900)	(302,284)
Net change in due to/from related organizations	(60,131)	126,467
Net Cash Used by Financing Activities	(875,031)	(177,948)
Net Decrease	(270,128)	(349,058)
Cash and Cash Equivalents, Beginning of Year	440,522	789,580
Cash and Cash Equivalents, End of Year	$ 170,394	$ 440,522
Supplemental disclosures of cash flow information:		
Interest paid	$ 429,621	$ 377,285
Non-cash financing activities	$ 518,515	$ 2,584,700

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

1. Organization:

Harbor Homes, Inc. (the Organization) is a nonprofit organization that creates and provides quality residential and supportive services for persons (and their families) challenged by mental illness and/or homelessness in the State of New Hampshire. Programs include mainstream housing, permanent housing, transitional housing, and emergency shelter, as well as comprehensive support services that include peer support programs, job training, a paid employment program, and social and educational activities.

In addition to housing and supportive services, the Organization runs a health care clinic that is a Federally Qualified Health Center (FQHC) offering primary medical services to the homeless and/or low-income individuals.

2. Summary of Significant Accounting Policies:

The following is a summary of significant accounting policies of the Organization used in preparing and presenting the accompanying financial statements.

Accounting for Contributions and Financial Statement Presentation

The Organization follows *Accounting for Contributions Received and Contributions Made* and *Financial Statements of Not-for-Profit Organizations* as required by the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). Under these guidelines, the Organization is required to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services, meeting certain criteria at fair values. These reporting standards establish standards for financial statements of not-for-profit organizations and require a Statement of Financial Position, a Statement of Activities, a Statement of Functional Expenses, and a Statement of Cash Flows.

Basis of Accounting

Revenues and expenses are reported on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to the date of receipt or payment of cash. Contributions are reported in accordance with FASB ASC *Accounting for Contributions Received and Contributions Made*.

Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. 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 restrictions.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Allowance for Doubtful Accounts

The adequacy of the allowance for doubtful accounts for receivables is reviewed on an ongoing basis by the Organization's management and adjusted as required through the provision for doubtful accounts (bad debt expense). In determining the amount required in the allowance account for the year ended June 30, 2014, management has taken into account a variety of factors.

Property and Equipment

Property and equipment is recorded at cost or, if donated, at estimated fair market value at the date of donation. Major additions and improvements are capitalized, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Assets not in service are not depreciated.

Functional Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Donated Services

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization in its programs. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under generally accepted accounting principles have not been satisfied.

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

Use of 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, 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. Accordingly, actual amounts could differ from those estimates.

Tax Status

Harbor Homes, Inc. is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions.

The Organization follows FASB ASC 740-10, *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. FASB ASC 740-10 did not have a material impact on the Organization's financial statements.

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

The Organization recognizes interest related to unrecognized tax benefits in interest expense and penalties that are included within reported expenses. During the year ended June 30, 2014, the Organization had no interest or penalties accrued related to unrecognized tax benefits.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

3. Concentration of Credit Risk - Cash and Cash Equivalents:

The carrying amount of the Organization's deposits with financial institutions was $170,394 at June 30, 2014. The difference between the carrying amount and the bank balance represents reconciling items such as deposits in transit

and outstanding checks, which have not been processed by the bank at June 30, 2014. The bank balance is categorized as follows:

Insured by FDIC	$ 419,349
Insured by SIPC	63,986
Uninsured and uncollateralized	494,999
Total Bank Balance	$ 978,334

4. Accounts Receivable, Net:

Accounts receivable at June 30, 2014 consists of the following:

	Receivable	Allowance	Net
HUD I Program:			
Residents	$ 45	$ -	$ 45
Total	$ 45	$ -	$ 45
HUD VI Program:			
Residents	$ 9,276	$ (4,310)	$ 4,966
Total	$ 9,276	$ (4,310)	$ 4,966
Program Operations:			
Residents	$ 57,196	$ (34,761)	$ 22,435
Security deposits	5,910	-	5,910
Medicaid	289,010	(80,635)	208,375
Grants	912,543	-	912,543
Insurance	212,771	(137,009)	75,762
Patients	327,509	(281,115)	46,394
Other	161,555	-	161,555
Total	$ 1,966,494	$ (533,520)	$ 1,432,974

5. Due To/From Related Organizations:

Due to/from related organizations represents amounts due to and from Harbor Homes, Inc. from related entities whereby common control is shared with the same Board of Directors. These balances exist because certain receipts and disbursements of the related organizations flow through the Harbor Homes, Inc. main operating cash account. The related organizations and their balances at June 30, 2014 are as follows:

	Due to	Due From
Current:		
Healthy at Home	$ 116,304	$ -
Southern NH HIV/AIDS Task Force	44,564	-
HH Ownership, Inc.	-	13,032
Harbor Homes III, Inc.	-	11,490
Subtotal current	160,868	24,522
Noncurrent:		
Greater Nashua Council on Alcoholism	-	55,249
Milford Regional Counseling Services, Inc.	-	41,415
Harbor Homes II, Inc.	-	126,044
Welcoming Light, Inc.	-	129,794
Subtotal noncurrent	-	352,502
Total	$ 160,868	$ 377,024

Although management believes the above receivables to be collectible, there is significant risk that the noncurrent portion may not be.

6. Prepaid Expenses:

Prepaid expenses consist of the following items:

	HUD I Program	HUD VI Program	Program Operations
Prepaid insurance	$ -	$ -	$ 9,470
Prepaid HRA	-	-	9,079
Prepaid other	-	-	10,026
Total	$ -	$ -	$ 28,575

7. Property, Equipment and Depreciation:

A summary of the major components of property and equipment is presented below:

	HUD I Program	HUD VI Program	Program Operations
Construction in progress	$ -	$ -	$ 4,442,919
Land	49,484	54,750	1,642,956
Land improvements	12,290	-	-
Buildings	253,233	257,403	15,862,625
Building improvements	89,762	1,500	995,166
Software	-	-	320,366
Vehicles	-	-	211,878
Furniture and fixtures	-	-	162,183
Equipment	18,695	-	163,297
Medical equipment	-	-	65,761
Subtotal	423,464	313,653	23,867,151
Less: accumulated depreciation	(342,112)	(21,626)	(4,241,523)
Total	$ 81,352	$ 292,027	$ 19,625,628

Depreciation expense for the year ended June 30, 2014 totaled $635,816.

The estimated useful lives of the depreciable assets are as follows:

Assets	Years
Land improvements	15
Buildings and improvements	10 - 40
Software	3
Vehicles	3
Furniture and fixtures	5 - 7
Equipment and medical equipment	5 - 7

8. Restricted Deposits and Funded Reserves:

Restricted deposits and funded reserves consist of escrow accounts and reserves which are held for various purposes. The following is a summary of the restricted accounts:

	HUD I Program	HUD VI Program	Program Operations
Security deposits	$ 2,329	$ 565	$ 40,880
Reserve for replacements	43,069	28,455	200,609
Residual receipt deposits	2,771	1,613	-
Total	$ 48,169	$ 30,633	$ 241,489

Security deposits held will be returned to tenants when they vacate. Reserve for replacement accounts are required by the Department of Housing and Urban Development (HUD) and the City of Nashua and are used for the replacement of property with prior approval. Residual receipt deposits are required by the Department of Housing and Urban Development and are to be used at the discretion of HUD.

9. Beneficial Interest:

The Organization has a beneficial interest in the Harbor Homes, Inc. Fund (the Fund), a component fund of the New Hampshire Charitable Foundation's (the Foundation) Nashua Region. The Organization will receive distributions from the Fund based on a spending allocation, which is a percentage of the assets set by the Foundation and reviewed annually. The current spending percentage is 4.5% of the market value (using a 20-quarter average) of the Fund. At June 30, 2014, the value of the fund was $148,204.

10. Accrued Expenses:

Accrued and other liabilities include the following:

	HUD I Program	HUD VI Program	Program Operations
Mortgage interest	$ 1,262	$ 1,348	$ -
Payroll and related taxes	-	-	324,646
Compensated absences - vacation time	-	-	319,591
Compensated absences - personal time	-	-	30,934
Other	416	-	26,479
Total	$ 1,678	$ 1,348	$ 701,650

11. Line of Credit:

At June 30, 2014, the Organization had a $500,000 line of credit available from TD Bank, N. A., secured by all assets. The Organization is required, at a minimum, to make monthly interest payments to TD Bank, N. A. at the bank's base rate plus 1.00%, adjusted daily. As of June 30, 2014 the credit line had an outstanding balance of $400,868, at an interest rate of 4.25%.

12. Security Deposits:

Security deposits are comprised of tenant security deposits and other miscellaneous deposits. Tenant security deposits are held in a separate bank account in the name of the Organization. These deposits will be returned to residents when they leave the facility. Interest will be returned to residents who have had over one year of continuous tenancy.

13. Mortgages Payable, Tax Credits:

Mortgages payable, tax credits consist of a mortgage payable to the Community Development Finance Authority through the Community Development Investment Program, payable through the sale of tax credits to donor organizations, maturing in 2020, secured by real property located at 59 Factory Street in Nashua, NH. This amount is amortized over 10 years at zero percent interest. The amount due at June 30, 2014 is $142,410.

14. Mortgages Payable:

Mortgages payable as of June 30, 2014 consisted of the following:

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $7,879, including principal and interest at an adjustable rate of for the initial ten years based on the then prevailing 10/30 Federal Home Loan Bank Amortizing Advance Rate plus 3.00% and resetting in year 11 based on the then prevailing 10/20 Federal Home Loan Bank Amortizing Advance Rate plus 3.00%, maturing in 2043, secured by real property located at 335 Somerville Street in Manchester, NH.	$ 1,205,963
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $6,193, including principal and interest at an adjustable rate of 4.57% for twenty years, maturing in 2043, secured by real property located at 335 Somerville Street in Manchester, NH.	1,203,460
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $7,768, including principal and interest at 7.05%, maturing in 2040, secured by real property located at 59 Factory Street in Nashua, NH.	1,110,556
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $6,391, including principal and interest at 6.75%, maturing in 2031, secured by real property located at 45 High Street in Nashua, NH.	738,239

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A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $5,126, including principal and interest at 6.97%, maturing in 2036, secured by real property located at 46 Spring Street in Nashua, NH.	691,879
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $3,996, including principal and interest at 4.75%, maturing in 2036, secured by real property located at 46 Spring Street in Nashua, NH.	657,895
A mortgage payable to TD Bank, due in monthly installments of $5,387, including principal and interest at 7.27%, maturing in 2025, secured by real property located on Maple Street in Nashua, NH.	491,188
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $2,692, including principal and interest at 4.75%, maturing in 2040, secured by real property located at 59 Factory Street in Nashua, NH.	484,279
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $2,077, including principal and interest at 5.57% for the first five years, then adjusting in June 2015, 2020, 2025, and 2030 to the Federal Home Loan Bank Community Development Advance Rate in effect, plus 2.75%, maturing in 2035, secured by real property located at 189 Kinsley Street in Nashua, NH.	309,995
A mortgage payable to Mascoma Savings Bank, fsb., due in monthly installments of $1,731, including principal and interest at 7.00% maturing in 2036, secured by real property located at 7 Trinity Street in Claremont, NH.	234,613
A mortgage payable to the Department of Housing and Urban Development, due in monthly installments of $2,385, including principal and interest at 9.25%, maturing in 2022, secured by real property located at 3 Winter Street in Nashua, NH.	163,597

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A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $1,144, including principal and interest at a variable rate (5.61% at June 30, 2012), maturing in 2029, secured by real property located at 24 Mulberry Street in Nashua, NH.	136,232
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $779, including principal and interest at 7.20% for the first five years, then adjusting in April 2012, 2017, 2022, 2027, and 2032 to the Federal Home Loan Bank Community Development Advance Rate in effect, plus 225 basis points, maturing in 2037, secured by real property located at 4 New Have Drive, Unit 202 in Nashua, NH.	102,597
A mortgage payable to Merrimack County Savings Bank, due in monthly installments of $1,283, including principal and interest at 3.73%, maturing in 2035, secured by real property located at 59 Factory Street in Nashua, NH.	52,136
Total	7,582,629
Less amount due within one year	(198,801)
Mortgages payable, net of current portion	$ 7,383,828

The following is a summary of future payments on the previously mentioned long-term debt.

Year	Amount
2015	$ 198,801
2016	213,090
2017	225,721
2018	222,296
2019	235,277
Thereafter	6,487,444
Total	$ 7,582,629

15. Mortgages Payable, Deferred:

The Organization has deferred mortgages outstanding at June 30, 2014 totaling $5,332,834. These loans are not required to be repaid unless the

Organization is in default with the terms of the loan agreements or if an operating surplus occurs within that program.

Several of these loans are special financing from the New Hampshire Housing Finance Authority (NHHFA) to fund specific projects. These notes are interest free for thirty years with principal payments calculated annually at the discretion of the lender.

The following is a list of deferred mortgages payable at June 30, 2014:

	Program Operations
City of Manchester:	
Somerville Street property	$ 300,000
Total City of Manchester	300,000
City of Nashua:	
Factory Street property	580,000
Spring Street property	491,000
Charles Street property	98,087
High Street fire system	65,000
Total City of Nashua	1,234,087
Federal Home Loan Bank (FHLB):	
Factory Street property	400,000
Somerville Street property	400,000
Spring Street property	398,747
Total FHLB	1,198,747
NHHFA:	
Factory Street property	1,000,000
Spring Street property	550,000
Charles Street property	50,000
Somerville Street property	1,000,000
Total NHHFA	2,600,000
Total Mortgages Payable, Deferred	$ 5,332,834

16. Temporarily Restricted Net Assets:

Temporarily restricted net assets are available for the following purposes at June 30, 2014:

Purpose		Amount
Art supplies	$	350
Dalianis bricks		735
HVRP		6,479
Operation brightside		2,000
SCOAP		3,139
Thanksgiving		693
Veterans computers		5,630
2014 Christmas gifts		300
2014 mainstream		30,088
2014 PEC		88
2014 standdown		40
Total	$	49,542

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by the passage of time.

17. Transactions with Related Parties:

The Organization's clients perform janitorial services for Harbor Homes HUD I, II and III, Inc., Welcoming Light, Inc., Milford Regional Counseling Services, Inc., Healthy at Home, Inc., Greater Nashua Council on Alcoholism, and Southern NH HIV/AIDS Task Force, related organizations. These services are billed to the related organizations and reported as revenues in the accompanying financial statements.

The Organization currently has several contracts with Healthy at Home, Inc. to receive various skilled nursing services, CNA services and companion services for its clients. All of the contracts are based on per diem fees ranging from $16 per hour for companion services, to $100 per visit for skilled nursing services.

The Organization is a corporate guarantor for Greater Nashua Council on Alcoholism in relation to two mortgages on their Amherst Street property. The guaranties consist of one mortgage in the amount of $1,850,170 and another mortgage in the amount of $200,000.

During the year, the Organization rented office space, under tenant at will agreements, to Southern NH HIV/AIDS Task Force, and Healthy at Home, Inc., related parties. The rental income under these agreements totaled $24,816 and $60,000, respectively, for fiscal year 2014.

Harbor Homes, Inc. receives management fees from the related HUD projects.

The Organization is considered a commonly controlled organization with several related entities by way of its common board of directors. However,

management feels that the principal prerequisites for preparing combined financial statements are not met, and therefore more meaningful separate statements have been prepared.

The following are the commonly controlled organizations:

Harbor Homes II, Inc.
Harbor Homes III, Inc.
HH Ownership, Inc.
Welcoming Light, Inc.
Milford Regional Counseling Services, Inc.
Healthy at Home, Inc.
Greater Nashua Council on Alcoholism
Southern NH HIV/AIDS Task Force

18. Employee Benefit Plan:

After one year of continuous service with the Organization, employees may contribute a portion of their wages to a Section 403(b) retirement plan. The Organization matches a percentage of the employee contribution based on years of service. Total matching contributions paid by the Organization for the year ended June 30, 2014 were $117,680.

In addition to the retirement plan noted above, the Organization also has a Section 457 deferred compensation plan with a value of $40,936 at June 30, 2014.

19. Concentration of Risk:

The Organization receives 36%, 16%, 14% and 5% of its revenue from the Department of Health and Human Services, the Department of Housing and Urban Development, the Department of Veterans Affairs, and Medicaid, respectively.

20. Fair Value Measurements:

FASB ASC, *Fair Value Measurements*, provides guidance for using fair value to measure assets and liabilities. *Fair Value Measurements* applies whenever other standards require or permit assets or liabilities to be measured at their fair market value. The standard does not expand the use of fair value in any new circumstances. Under *Fair Value Measurements*, fair value refers to the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. *Fair Value Measurements* clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions.

Under *Fair Value Measurements*, the Organization categorizes its fair value estimates based on a hierarchical framework associated with three levels of price transparency utilized in measuring financial instruments at fair value. Classification is based on the lowest level of input that is significant to the fair value of the instrument. The three levels are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of financial instruments included in Level 1 are highly liquid instruments with quoted prices;

- Level 2 - Inputs from active markets, other than quoted prices for identical instruments, are used to model fair value. Significant inputs are directly observable from active markets for substantially the full term of the asset or liability being valued; and

- Level 3 - Pricing inputs significant to the valuation are unobservable. Inputs are developed based on the best information available; however, significant judgment is required by management in developing the inputs.

The estimated fair value of the Organization's financial instruments is presented in the following table:

	Carrying Value	Fair Value	Level One	Level Two	Level Three
Due from related organizations	$ 377,024	$ 377,024	$ -	$ -	$ 377,024
Beneficial interest	148,204	148,204	-	-	148,204
Total assets	$ 525,228	$ 525,228	$ -	$ -	$ 525,228

(continued)

(continued)

	Carrying Value	Fair Value	Level One	Level Two	Level Three
Due to related organizations	$ 160,868	$ 160,868	$ -	$ -	$ 160,868
Line of credit	400,868	400,868	-	400,868	-
Mortgages payable, tax credits	142,410	142,410	-	-	142,410
Mortgages payable	7,582,629	7,582,629	-	7,582,629	-
Mortgages payable, deferred	5,332,834	5,332,834	-	5,332,834	-
Total liabilities	$ 13,619,609	$ 13,619,609	$ -	$ 13,316,331	$ 303,278

	Fair Value Measurements Using Significant Unobservable Inputs Level 3			
	Due from related organizations	Beneficial Interest	Due to related organizations	Mortgages Payable, Tax Credits
Beginning balance June 30, 2013	$ 307,546	$ 128,237	$ 151,521	$ 163,453
Advances	468,396	19,967	279,276	-
Reductions	(398,918)	-	(269,929)	(21,043)
Ending balance June 30, 2014	$ 377,024	$ 148,204	$ 160,868	$ 142,410

Due to the short term nature of the financial instruments, the book value approximates fair value.

21. Healthcare Clinic:

Patient service revenue is recorded as services provided. The Healthcare Clinic (The Clinic) establishes fees for services to patients based on a sliding fee scale. Contractual allowances are recorded based on patients served in the period the related services are rendered.

The Clinic has a policy of providing free care to patients who are unable to pay. Such patients are identified based on financial information obtained from the patients prior to the services being rendered. The approximate amount of free care services provided was $552,000 for the year ended June 30, 2014. The Clinic billed a third-party payer approximately $424,000 during the fiscal year.

Patient accounts receivable are recorded less allowances for doubtful accounts and net of contractual allowances. The Clinic provides for losses on patient accounts receivable using the allowance method. Receivables are considered impaired if full payments are not expected in accordance with contractual terms. The net balance as of June 30, 2014 was approximately $120,000.

22. Subsequent Events:

Subsequent to year end, the Organization was awarded a $9.9m grant, over two and a half years, through the Housing Prevention Rapid Rehousing Program funded by the Bureau of Behavioral Health. In addition, the Organization was awarded a $1.2m grant, over three years, from the Substance Abuse and Mental Health Services Administration.

In September and October of 2014, the Organization sold two condominiums that were no longer required for the Permanent Housing Program.

On August 20, 2014, the Organization provided an unlimited and unconditional guaranty on a revolving line of credit agreement for a related party (see note 11). Under this agreement $250,000 is available to the related organization to provide for working capital requirements through September 30, 2016.

In accordance with the provisions set forth by FASB ASC, *Subsequent Events*, events and transactions from July 1, 2014 through January 15, 2015, the date the financial statements were available to be issued, have been evaluated by management for disclosure.

23. Change in Net Assets:

During fiscal year 2014, the Organization received approximately $4,046,000 in grant funding for the rehabilitation of the property housing the Harbor Care Health and Wellness Center. This on-time grant contributed to the change in net assets (approximately $4,067,000) for fiscal year 2014.

HARBOR HOMES, INC.

Schedule of Activities by Cost Center

For the Year Ended June 30, 2014

	Non BBH										
	Healthcare Clinic	HCH - CIP	Other	Community Residence Chestnut St.	Community Residence Winter St.	Emergency Shelter	Permanent Housing 2	HPRP (Bridge) State	Administration	Fundraising	Total
Public Support and Revenue:											
Public Support:											
Federal grants	$ 681,187	$ 4,045,763	$ 1,208,327	$ -	$ 1,500	$ 159,914	$ -	$ -	$ 21,043	$ -	$ 6,117,734
State, local, and other grants	112,837	50,000	261,187	-	-	66,534	-	1,228,155	-	-	1,718,713
Donations	15,115	-	67,922	-	-	10,900	-	-	178,193	932	273,062
Total Public Support	809,139	4,095,763	1,537,436	-	1,500	237,348	-	1,228,155	199,236	932	8,109,509
Revenue:											
Department of Housing and Urban Development	-	-	2,586,023	-	-	-	195,603	-	-	-	2,781,626
Veterans Administrative grants	-	-	2,226,141	-	-	-	-	-	-	-	2,226,141
Medicaid - Federal and State, net	127,975	-	52,738	369,643	367,222	-	-	-	-	-	917,578
Rent and service charges, net	192,776	-	851,044	-	3,720	2,609	24,759	-	-	-	1,074,908
Contracted services	-	-	1,254,522	-	-	-	-	-	-	-	1,254,522
Outside rent	-	-	71,000	-	-	-	24,816	-	-	-	95,816
Miscellaneous	1,818	-	35,379	-	-	-	-	-	120,995	-	158,192
Fundraising events	-	-	-	-	-	-	-	-	-	52,519	52,519
Employment projects	-	-	53,900	-	-	-	-	-	-	-	53,900
Food and common area fees	-	-	-	34,765	32,400	-	-	-	-	-	67,165
Management fees	-	-	-	-	-	-	-	-	32,796	-	32,796
Medicare revenue, net	40,191	-	34,866	-	-	-	-	-	-	-	75,057
Unrealized gain/(loss)	-	-	-	-	-	-	-	-	20,186	-	20,186
Interest	2	-	29	-	-	-	-	-	133	-	164
Gain (loss) on disposal of fixed assets	-	-	523,061	-	-	-	75,688	-	3,002	-	601,751
Sliding fee and free care	33,416	-	-	-	-	-	-	-	-	-	33,416
Bad debts	(166,783)	-	(167,433)	(619)	-	(1,305)	(250)	-	-	-	(336,390)
Total Revenue	229,395	-	7,521,270	403,789	403,342	1,304	320,616	-	177,112	52,519	9,109,347
Total Public Support and Revenue	1,038,534	4,095,763	9,058,706	403,789	404,842	238,652	320,616	1,228,155	376,348	53,451	17,218,856
Expenses before depreciation	1,100,296	45,612	7,039,730	235,084	245,938	210,087	282,585	1,099,512	1,777,132	479,429	12,515,405
Change in net assets before depreciation	(61,762)	4,050,151	2,018,976	168,705	158,904	28,565	38,031	128,643	(1,400,784)	(425,978)	4,703,451
Depreciation	44,861	-	518,304	127	-	3,726	26,252	-	40,207	2,339	635,816
Change in net assets	$ (106,623)	$ 4,050,151	$ 1,500,672	$ 168,578	$ 158,904	$ 24,839	$ 11,779	$ 128,643	$ (1,440,991)	$ (428,317)	$ 4,067,635

See Independent Auditors' Report.

HARBOR HOMES, INC.

Schedule of Expenses

For the Year Ended June 30, 2014

	Non BBH			Community Residence	Community Residence		Permanent Housing	HPRP (Bridge)			
	Healthcare Clinic	HCH - CIP	Other	Chestnut St.	Winter St.	Emergency Shelter	2	State	Administration	Fundraising	Total
Expenses:											
Accounting fees	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 49,400	$ -	$ 49,400
Advertising and printing	8,726	-	-	-	-	-	-	-	20,374	1,323	30,423
Client services and assistance	-	-	33,787	-	-	225	-	-	70	-	34,082
Client transportation	-	-	17,175	-	-	-	-	-	725	-	17,900
Conference and conventions	4,242	-	21,868	-	-	150	-	-	10,627	175	37,062
Contract labor	18,178	-	215,576	100	-	-	-	-	27,978	-	261,832
Dues and subscriptions	3,145	-	355	-	-	-	-	-	20,131	-	23,631
Employee benefits	104,026	-	357,495	22,720	35,391	7,773	20,633	23,375	215,500	51,735	838,648
Equipment rental	-	-	117	-	-	-	39	39	7,644	-	7,839
Food	-	-	24,355	21,076	17,474	395	-	-	592	-	63,892
Fundraising expenses	-		-	-	-	-	-	-	-	19,460	19,460
Garbage and trash removal	306	-	14,511	-	-	20	2,719	-	1,512	119	19,187
Grants	-	-	288,960	-	-	677	120	35	5,624	-	295,416
Information technology	5,549	45,612	56,674	-	133	32	58	1,630	24,645	39	134,372
Interest expense - mortgage	3,615	-	62,648	-	-	-	-	-	330,784	1,405	398,452
Interest expense - other	-	-	233	-	-	-	-	-	21,260	-	21,493
Journals and publications	346	-	628	208	208	-	-	-	365	-	1,755
Legal fees	3,000	-	21,580	-	-	-	1,770	-	21,517	75	47,942
Management fees	-		-	-	-	-	-	-	8,964	-	8,964
Medical and clothing	-	-	-	-	-	-	-	-	6,784	-	6,784
Office supplies	1,269	-	34,117	580	131	222	646	220	14,474	241	51,900
Operating and maintenance	4,117	-	167,655	-	1,584	9,229	26,467	-	13,015	627	222,694
Operational supplies	15,077	-	66,227	3,547	3,346	4,306	7,305	-	-	223	100,031
Other expenditures	5,362	-	-	-	-	221	35	-	42,434	94	48,146
Payroll taxes	73,541	-	262,845	17,198	16,436	4,726	7,268	10,588	62,054	28,052	482,708
Postage/shipping	308	-	2,229	-	-	4	52	325	7,095	564	10,577
Professional fees	9,966	-	184,620	-	-	-	-	-	32,445	10,581	237,612
Property and liability insurance	12,819	-	51,324	510	400	2,529	2,495	1,303	21,547	1,094	94,021
Property taxes	-	-	29,448	-	-	-	-	-	7,998	-	37,446
Rent expense	-	-	1,823,361	-	-	92,214	94,115	923,674	-	-	2,933,364
Salary and wages	816,455	-	2,831,635	168,234	168,096	51,751	84,423	126,604	713,672	359,775	5,320,645
Security deposits	-		91,441	-	-	18,627	5,580	1,700	-	-	117,348
Snow removal	474	-	34,501	-	-	32	4,218	-	2,423	184	41,832
Staff development	328	-	3,220	-	-	-	-	-	2,673	-	6,221
Staff expense	1,408	-	3,247	119	23	180	35	23	11,859	172	17,066
Staff transportation	1,222	-	24,262	497	445	303	504	8,586	24,748	381	60,948
Telephone/communications	2,845	-	55,678	295	565	2,311	3,309	1,410	25,652	1,566	93,631
Utilities	3,972	-	238,081	-	-	14,160	20,450	-	20,003	1,544	298,210
Vehicle expenses	-	-	19,877	-	1,706	-	344	-	544	-	22,471
Total Expenses Before Depreciation	1,100,296	45,612	7,039,730	235,084	245,938	210,087	282,585	1,099,512	1,777,132	479,429	12,515,405
Depreciation	44,861	-	518,304	127	-	3,726	26,252	-	40,207	2,339	635,816
Total Expenses	$ 1,145,157	$ 45,612	$ 7,558,034	$ 235,211	$ 245,938	$ 213,813	$ 308,837	$ 1,099,512	$ 1,817,339	$ 481,768	$ 13,151,221

See Independent Auditors' Report.

HARBOR HOMES, INC. AND AFFILIATES BOARD OF DIRECTORS

(Harbor Homes, Inc., HH Ownership, Inc., Welcoming Light, Inc., Healthy At Home, Inc., Milford Regional Counseling Services, Inc. Greater Nashua Council on Alcoholism, Inc., Southern NH HIV Task Force)

David Aponovich - **Treasurer**

Vincent Chamberlain - **Chair**

Laurie Des Rochers

Laurie Goguen - **Secretary**

Nathan Goodwin

Alphonse Haettenschwiller

Lynn King

Captain James Lima

Naomi Moody

Dan Sallet

Geoff DeFranca

James Lima

Joel Jaffe

Phil Duhaime

Phil Richard

Rick Plante

PETER J. KELLEHER, CCSW, LICSW

PROFESSIONAL EXPERIENCE

2006-Present **President & CEO, Southern NH HIV Task Force**
2002-Present **President & CEO, GNCA, Inc. Nashua, NH**
1997-Present **President & CEO, Healthy At Home, Inc., Nashua, NH**
1995-Present **President & CEO, Milford Regional Counseling Services, Inc., Milford, NH**
1995-Present **President & CEO, Welcoming Light, Inc., Nashua, NH**
1982-Present **President & CEO, Harbor Homes, Inc., Nashua, NH**
Currently employed as chief executive officer for nonprofit corporation (and affiliates) providing residential, supported employment, and social club services for persons with long-term mental illness and/or homeless. Responsible for initiation, development, and oversight of 33 programs comprising a $10,000,000 operating budget; proposal development resulting in more than $3,000,000 in grants annually; oversight of 330 management and direct care professionals.

2003-2006 **Consultant**
Providing consultation and technical assistance throughout the State to aid service and mental health organizations

1980 - 1982 **Real Estate Broker, LeVaux Realty, Cambridge, MA**
Successful sales and property management specialist.

1979 - 1980 **Clinical Coordinator, Task Oriented Communities, Waltham, MA**
Established and provided comprehensive rehabilitation services to approximately 70 mentally ill/ mentally retarded clients. Hired, directly supervised, and trained a full-time staff of 20 residential coordinators. Developed community residences for the above clients in three Boston suburbs. Provided emergency consultation on a 24-hour basis to staff dealing with crisis management in six group homes and one sheltered workshop. Administrative responsibilities included some financial management, quality assurance, and other accountability to state authorities.

1978 - 1979 **Faculty, Middlesex Community College, Bedford, MA**
Instructor for an introductory group psychotherapy course offered through the Social Work Department.

1977 - 1979 **Senior Social Worker/Assistant Director, Massachusetts Tuberculosis Treatment Center II, a unit of Middlesex County Hospital, Waltham, MA**
Functioned as second in command and chief clinical supervisor for eight interdisciplinary team members, and implemented a six-month residential program for individuals afflicted with recurring tuberculosis and alcoholism. Provided group and individual therapy, relaxation training.

1976 **Social Worker, Massachusetts Institute of Technology, Out-Patient Psychiatry, Cambridge, MA**
Employed in full-time summer position providing out patient counseling to individuals and groups of the MIT community.

1971 - 1976 **Program Counselor/Supervisor, Massachusetts Institute of Technology, MIT/Wellesley College Upward Bound Program, Cambridge and Wellesley, MA**
Major responsibilities consisted of psycho educational counseling of Upward Bound students, supervision of tutoring staff, teaching, conducting evaluative research for program policy development.

EDUCATIONAL EXPERIENCE

1975 - 1977 Simmons College School of Social Work, Boston, MA
Cambridge-Somerville Community Mental Health Program, MSW

1971 - 1975 Clark University, Worcester, MA. Received Bachelor of Arts Degree in Psychology

LICENSES AND CERTIFICATIONS

1979 Licensed Real Estate Broker – Massachusetts

1989 Academy of Certified Social Workers – NASW

1990 Licensed Independent Clinical Social Worker - Massachusetts

1994 State of New Hampshire Certified Clinical Social Worker, MA LICSW

PLACEMENTS

1976 - 1977 Cambridge Hospital, In-Patient Psychiatry, Cambridge, MA
Individual, group, and family counseling to hospitalized patients.

1975 - 1976 Massachusetts Institute of Technology, Social Service Department, Cambridge, MA
Similar to above.

FIELD SUPERVISION

1983 - 1984 Antioch/New England Graduate School, Department of Professional Psychology, Keene, NH
1983 - 1984 Rivier College, Department of Psychology, Nashua, NH
1990 – 1991 Rivier College, Department of Psychology, Nashua, NH
1978 - 1979 Middlesex Community College, Social Work Associates Program, Bedford, MA

AWARDS

- Valedictorian Award received at high school graduation;
- National Institute of Mental Health Traineeship in Social Work
- University of New Hampshire Community Development 2003 Community Leader of the Year
- NAMI NH 2007 Annual Award for Systems Change
- Peter Medoff AIDS Housing Award 2007

PERSONAL DATA

Married, four children, excellent health.

MEMBERSHIPS

Former Chair, Governor's State Interagency Council on Homelessness/New Hampshire Policy Academy
Former Chair, Greater Nashua Continuum of Care
National Association of Social Workers
Board Member, Greater Nashua Housing & Development Foundation, Inc.
Former Member, Rotary Club, Nashua, NH

CAROL J. FURLONG, LCMHC, MAC, MBA

SKILLS / ABILITIES / ACHIEVEMENTS PROFILE

Administration: Seasoned professional with progressive experience in diverse healthcare and educational environments, including operations, budget control, marketing, quality assurance, risk management, utilization review, facility design and management, human resources, and strategic planning.

Management: Self-starter with strong planning, controlling, organizing and leadership skills. Effectively manages resources and ensures compliance with established policies and procedures. Skilled in identifying and troubleshooting problem areas and implementing solutions. Developed comprehensive Quality Management program. Restructured billing, triage and customer service systems resulting in improved productivity and efficiency. Extensive managed care experience.

Human Resources: Skilled in recruiting, interviewing and selecting top personnel. Effective trainer, develops staff abilities to full potential. Motivates and retains employees using the mentor approach. Managed and supervised training and development of 100 personnel. Knowledgeable regarding multicultural issues. Effectively trained and prepared counseling professionals.

Communication: Articulate speaker and effective negotiator. Writes with strength, clarity and style. Natural ability to work with others. Consistently develops good rapport with staff, professionals, staff managers and community. Works well as part of a team or independently. Wrote and published several training and procedural manuals.

PROFESSIONAL EXPERIENCE

ASSISTANT DIRECTOR, SUPPORTIVE SERVICES/VP OPERATIONS **2005-present**
Harbor Homes, Inc.
Senior management position overseeing residential and administrative staff of approximately 250 employees and coordinating a continuum of service delivery for the mentally ill and homeless and other populations. Develops and updates program plans, assures monitoring of implementation and develops/implements corrective actions as indicated. Provides education/consultation to staff, other agencies or community groups. Provides direct or indirect supervision to a clinical staff of 40 approximately Program Managers and MIMS workers. Assures quality/appropriateness of critical aspects of care through ingoing monitoring.

DIRECTOR OF COMMUNITY SUPPORT SERVICES DEPARTMENT **2003 – 2005**
Community Council of Nashua Nashua, NH
Develops and updates program plans, assures monitoring of implementation and develops/implements corrective actions as indicated. Provides education/consultation to staff, other agencies or community groups. Provides supervision to a clinical staff of approximately 40 therapists, case managers and MIMS workers. Develops Regional Planning of adult services. Assures quality/appropriateness of critical aspects of care through ingoing monitoring.

DIRECTOR OF OUTCOMES & SYSTEM IMPROVEMENT **1999-2003**
Community Council of Nashua Nashua, NH
Developed and maintains a Quality Management Program complying with NCQA and JCAHO standards. Monitored and supervised utilization review, evaluating the medical necessity, case management and continuation of care. Developed effective medical records protocols. Directs training and development function for the agency. Coordinated efforts resulting in highly successful JCAHO survey. Coordinates Customer Service and complaints process.

ADJUNCT FACULTY **1990-2005**
Rivier College Nashua, NH
Graduate Counseling Program – Instruct graduate counseling students in a variety of courses to include Group Therapy, Counseling Techniques, Substance Abuse Counseling,, Clinical Assessment, Marriage & Family Therapy, and Prescriptive Behavioral Management Techniques. Have facilitated several Independent Study courses in a variety of topics.

PRIVATE PRACTICE **1999-Present**
Nashua, NH
Maintains private practice of approximately 40 clients. Coordinates care with primary care physicians and others. Coordinates treatment with managed care companies.

DIRECTOR OF REGIONAL BEHAVIORAL HEALTH QM **1997-1999**
The Hitchcock Clinic **Bedford, NH**
Developed and maintained a Quality Management Program complying with NCQA standards for four Behavioral Health sites. Developed and implemented program expansion. Identified staffing requirements and facilitated subsequent downsizing to ensure cost effectiveness. Liaison between the Clinic and insurance plans. Monitored and supervised utilization review for the Southern Region, evaluating the medical necessity, case management and continuation of care. Recommended by insurance reviewers to other organizations for consultation services in order to assist these agencies in their compliance processes. Developed effective medical records protocols.

COORDINATOR OF MULTICULTURAL COUNSELING PROGRAM **1998-1999**
Rivier College Nashua, NH
Coordinates the Bilingual/Multicultural Counseling Program in both guidance counseling and mental health fields. Recruits and advises professional students from local multicultural agencies. Developing a diversity-training program for use in area schools and businesses to enhance multicultural awareness. Instructor in Graduate Counseling Program.

CLINICAL DIRECTOR **1990-1997**
The Hitchcock Clinic Nashua, NH
Developed and implemented program policies and procedures. Managed FTE and budgetary control while providing effective leadership to the staff. Improved out-referral system, while reducing out-referral expenditures. Developed cooperative collaboration measures with insurers' UM Departments. Supervised a staff of thirty employees. Senior member of the Regional Management Team, and also a member of the Nashua Medical Group Board of Governors.

PROGRAM DIRECTOR **1988-1990**
Partial Hospitalization Program, Brookside Hospital Nashua, NH
Developed program components, structure, policies and procedures. Implemented FTE and budgetary control and supervised treatment staff. Initiated referral network and maintained marketing and referral relationships within the Greater Nashua community. Facilitated groups, provided case management and individual counseling including initial assessments. Monitored case management and utilization review processes with insurers.

PROGRAM DIRECTOR – SUBSTANCE ABUSE CLINIC **1985-1988**
Department of the Army West Germany
Developed comprehensive preventive substance abuse program. Coordinated efforts with schools, civic organizations, civilian agencies and military organizations in order to integrate preventive education efforts. Supervised clinical and support staff of two treatment clinics. Maintained referral relationships with commanders.

ARMY COMMUNITY SERVICE DIRECTOR **1983-1985**
Department of the Army West Germany
Developed comprehensive community support agency. Responsible for staffing and budgetary concerns. Composed informational publications, prepared financial and statistical reports and submitted budget requests to the U. S. government for agency funding. Responsible for FAP (Family Advocacy Program).

EDUCATION

MASTERS OF BUSINESS ADMINISTRTION DEGREE
IN HEALTHCARE ADMINISTRATION - 2001
Rivier College, Nashua

MASTERS OF SCIENCE IN EDUCATION (COUNSELING) - 1986
University of Southern California

BACHELORS IN EDUCATION (SPECIAL EDUCATION) –1974
Westfield State College, Westfield, MA

LICENSES AND CERTIFICATIONS

LICENSED CLINICAL MENTAL HEALTH COUNSELOR
New Hampshire License #100 – 1998

MASTERS ADDICTION COUNSELOR CERTIFICATION
1997

Ana Pancine

Career Focus	Finance Professional with extensive experience in audit requirements, budget and forecasting, operational and variance analysis, financial reporting and full cycle of month-end closing on a for-profit and non-profit organization. Proficient on time management to ensure accurate and timely reporting, as well as, skillful with a wide variety of software applications, including SAP, SAGE and custom accounting software.
Recent Accomplishments	• Prepared/Assisted on local hospitals contract with Agency to receive maximum reimbursement for new project. • Created several finance/accounting policy and procedures to ensure Federal guidelines are being met. • Achieved revenue objective by implementing cost-cutting measures. • Assessed accounting system structures and converted acquired company's accounting system to SAGE and SAP. • Reviewed posting and documents for correct entry, mathematical accuracy and proper coding and eliminated all errors showing on metrics and financial reports. • Developed several financial reports for the organization to ensure financial transparency. • Uncovered $500,000 process errors with development of multiple source analytical auditing tools. • Maintain an error free audit with no management letters or comments for four years. • Completed several implementation changes within the financial department.
Experience	**Harbor Homes Inc.** **Nashua, NH** **November 2007 – Present** **Financial Specialist** • Budget development for 92 cost centers and 8 affiliated agency with annual expenses and revenue of $22m total • Prepare operational and variance analysis for financial presentation based on organization, State and Federal guideline. • Internal and external reports for several State & Federal projects. • Prepare complex financial statements, internal/annual reports for planning and oversight of each program within organization • Prepare and review for accuracy all profit and loss, general ledger, trial balance reports for all 92 cost centers on a monthly basis • Knowledge of planning techniques, test and sampling methods involved in conducting audits. • Extensive experience with Financial Statements audits, reviews, compilations and audits for Governmental organizations (A-133). • Managed annual external audit resulting in no findings and no management comments on A-133 audits. • Provide support to VP of Finance on all special projects, as well as, current back up for this position. • Maintained accurate accounts including cash, inventory, prepaid, fixed assets, accounts payable, accrued expenses and line of credit transactions. • Provide oversight/approval for all general ledger entries, revenue recognition, purchase orders approvals, as well as all day to day accounting concerns/issues. • Prepare all budgets for Development Department to be submitted for competitive State, Federal and Local grant applications • Provide support to all program managers to ensure program compliances and financial requirements are met. • Review all financial requirements and financial accuracy for new and renewed contracts
	Hewlett-Packard **Various locations** **August 2001 – November 2007** ***Business Analyst*** ***February 2004 – November 2007*** • Accountable for all metric reports for the PER Event team contracts in a monthly basis. • Responsible for revenue recognition for two districts, as well as, Latin America and Canada. • Accountable to update, present and distribute all reports related to the department, which included financial reports, risk reports, contract metric reports. • Provide quality reports for upper management to review the progress of the team. • Responsible for all the billings for Latin America and prepared currency translation reporting. • Manage ten cost centers with annual expenses of $9m and revenue of $18m, forecast on a quarterly basis, generate expense and revenue accruals, and establish budgetary guidelines for team members. • Variance reporting monthly for +/-1 % of forecasted to report to senior management. • Compile, reconcile, and obtain approval from customer for account metrics on a monthly basis. • Maintain global reporting of 200 employees with specific emphasis on geographic alignment,

References Available upon request

	individual line counts, and organizational charts for account utilization and resource mapping • Approve time card for temporary employees, main contact for temporary agencies and responsible for hiring/releasing of temporary employees. • Main contact for all customers and service providers located in the Latin America territory. • Provided Financial Support for account closing. ***Quality Controller/ System Support Administrator*** ***June 2003 – February 2004*** • Main contact between administrators and system support to prioritize technical errors. • Responsible for weekly, monthly and quarterly quality review reporting. • Responsible for weekly and monthly geography reports. • Maintain all employee related spreadsheets updated. • Manage quality review reports to ensure policies and procedures are being followed. • Mentoring new hires in their assigned positions. • Communicating with manager for tools necessary for team. • Categorize and notify managers of any performance issues. • Provide support for team members with problem solving. ***Per Event Administrator*** ***August 2001 – June 2003*** • Responsible for billing revenue. • Maintenance of contracts, including service changes and billing. • General office filing and organization. • Data Entry. • Assisting customer needs. • Solving any customer issues. • Revenue booking and customer assistance for Latin America/Caribbean territory. • Assistant and service provided for all customer located in the Latin America/Caribbean/Europe territory
Skills	• Windows 98/2000/XP/7 • SIFT – Financial Database • Microsoft Office • Fundware/F9 • PEARS/CHAMP/WFM • NCAS/SAP • SAGE - MIP • Fluent in Portuguese
Education	**Hesser College** • Bachelor of Science, Business Administration –concentration in Finance – Oct 2005 • Trained Medical Translator – Portuguese • Fluent in Portuguese and Proficient in Spanish **Southern NH University** • Pursuing MBA and Financial/International Business Certification.

References Available upon request

Jean Melvin

Degree/Education; Boston U-Mass. graduate 1982 .BA in Psychology. Manchester Springfield College of Human Services graduate December 2006. Masters Human Services/Community Counseling

Experience;

July 2008 – Present: Harbor Homes, Nashua NH

Program Manager;

Job Description: Management of a permanent housing program and a program for homeless individuals who have co-occurring disorders. All aspects of management: scheduling, organizing, budgeting, reports, etc.

July 2001- July 2008; Center for Life Management, Windham Inn P.O. Box 1027 Windham, NH 03038

Clinical Case Manager;

Job Description; Assisting clients with mild to severe mental illness/ Co-occurring disorders in all aspects of their illness and daily living in the community. Including but not limited to finances, medical appointments and applying and maintaining benefits. Treatment plans and Quarterly paper work requirements as mandated by the State of New Hampshire Division of Behavioral Health. Assisting such clients with benefit application and maintaining of same. Crisis intervention and hospitalization as needed. DBT and IMR training and teaching to clients for which assigned.

Nov.1999-July 2001; Manchester Mental Health 301 Cypress Street Manchester, NH 03102

Counselor Cypress Center

Job Description; Crisis Stabilization Unit for Mentally Ill population. Intervention and observation of such clients that were in needed of assistance in of stabilization and education. Treatment Plans, monitoring for safety, which includes CPI training as required for all staff. Discharge planning and follow up.

Past Experience; Management positions totaling 8 years in the following:

North Suffolk Mental Health Association;

Residential Service Coordinator; Management of 5 programs for Mentally Ill population. Duties including scheduling required paper work, finances and supervising of 35 clients and 15 staff members under such programs.

Director of Lynn Human Services Day Program. 3 yrs. The population serviced included Dev. Disabled, Deaf/Blind.

Strengths; Proven and documented employment history in management, finances and budgeting, (3 yrs. of part time employment with H & R Block in Tax preparations) supervisory skills, clinical experience and education. Also having worked with the following population and treatment oriented in Alcohol/Drug Adults, Programs included Residential, Hospital Outpatient and Stabilization Units.

References; Will be furnished upon request.

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Peter Kelleher	President & CEO	$115,856	0%	$0
Carol Furlong	VP of Operations	$93,496	0%	$0
Ana Pancine	Financial Specialist	$60,000	3%	$1,800
Jean Melvin	Program Manager	$47,000	75%	$35,250

Subject: Continuum of Care Program, Permanent Housing

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health		**1.4 Contractor Address** 111 Church Street Laconia, NH 03246	
1.5 Contractor Phone Number (603) 524-1100	**1.6 Account Number** 05-95-42-423010-7927-102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $94,571
1.9 Contracting Officer for State Agency Eric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature Margaret M. Pritchard		**1.12 Name and Title of Contractor Signatory** Margaret M. Pritchard Executive Director	

1.13 Acknowledgement: State of NH, County of Belknap

On 4/28/15 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] Dawn H. LaCroix

DAWN H. LACROIX JUSTICE OF THE PEACE MY COMMISSION EXPIRES MAR. 28, 2017 NOTARY PUBLIC NEW HAMPSHIRE

1.13.2 Name and Title of Notary or Justice of the Peace

Dawn LaCroix - Notary

1.14 State Agency Signature	**1.15 Name and Title of State Agency Signatory** Mary Ann Coeur Associate Commissioner
1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)* By:	Director, On:
1.17 Approval by the Attorney General (Form, Substance and Execution) By: Megan A. York - Attorney	On: 5/11/15
1.18 Approval by the Governor and Executive Council By:	On:

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials: MP
Date: 4/28/15

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

Contractor Initials: MP
Date: 9/28/15

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.

Contractor Initials: MP
Date: 4/28/15

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve fourteen (14) homeless individuals and families with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

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

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016: not to exceed $94,571

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services:	$18,308
Operating Cost:	$73,929
Administrative costs:	$2,334
Total program amount:	$94,571

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $4,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
  1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health

4/28/15
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Lakes Region Mental Health Center, Inc. a/b/a Genesis Behavioral Health

4/28/15
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

Contractor Initials MP
Date 4/28/15

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Lakes Region Mental Health Center, Inc., d/b/a Genesis Behavioral Health

4/28/15
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

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

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

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

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;

- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;

- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);

- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;

- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;

- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;

- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;

- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;

- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

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

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: Lakes Region Mental Health Center, Inc., d/b/a Genesis Behavioral Health

4/28/15
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health

4/28/15
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NH DHHS	Lakes Region Mental Health Center, Inc, d/b/a Genesis Behavioral Health
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Mary Ann Cooney	Margaret M. Pritchard
Name of Authorized Representative	Name of Authorized Representative
Associate Commissioner	Executive Director
Title of Authorized Representative	Title of Authorized Representative
5/1/15	April 28, 2015
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Lakes Region Mental Health Center, Inc., d/b/a Genesis Behavioral Health

4/28/15
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

Contractor Initials MP
Date 4/28/15

FORM A

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

1. The DUNS number for your entity is: 101410652

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

   ✓ NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

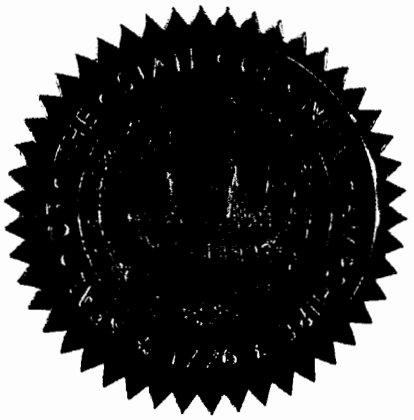
   Name: _____ Amount: _____

   Name: _____ Amount: _____

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 THE LAKES REGION MENTAL HEALTH CENTER, INC is a New Hampshire nonprofit corporation formed July 14, 1969. 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 7th day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Lakes Region Mental Health Center, Inc., d/b/a Genesis Behavioral Health.
(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 April 28, 2015:
(Date)

RESOLVED: That the Margaret M. Pritchard / Executive Director
(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 28 day of April, 2015.
(Date Contract Signed)

4. Margaret M. Pritchard is the duly elected Executive Director
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Susan L. Stearns
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Belknap

The forgoing instrument was acknowledged before me this 28 day of April, 2015,

By Susan Stearns.
(Name of Elected Officer of the Agency)

Dawn H. LaCroix
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

DAWN H. LACROIX
JUSTICE OF THE PEACE
MY COMMISSIONS EXPIRE MAR. 28, 2017
NOTARY PUBLIC
NEW HAMPSHIRE

Commission Expires:

Client#: 525807 GENESBEH

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 6/30/2014

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

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

PRODUCER
USI Insurance Services LLC
5 Bedford Farms Drive, Ste 200
Bedford, NH 03110
603 625-1100

CONTACT NAME:
PHONE (A/C, No, Ext): 603 625-1100 FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE — NAIC #
INSURER A : Ace American Insurance Company — 22667
INSURER B : AIM Mutual Insurance Company — 33758
INSURER C :
INSURER D :
INSURER E :
INSURER F :

INSURED
Lakes Region Mental Health Center, Inc.
dba Genesis Behavioral Health
111 Church Street
Laconia, NH 03246

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			SVRD37803601	06/26/2014	06/26/2015	EACH OCCURRENCE	$1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$250,000
	CLAIMS-MADE [X] OCCUR						MED EXP (Any one person)	$25,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$3,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$3,000,000
	POLICY PRO-JECT LOC							$
A	AUTOMOBILE LIABILITY			CALH08618574	06/26/2014	06/26/2015	COMBINED SINGLE LIMIT (Ea accident)	$2,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			XOOG25516540	06/26/2014	06/26/2015	EACH OCCURRENCE	$4,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$4,000,000
	X RETENTION $10000							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			ECC60040002452014A	05/28/2014	05/28/2015	X WC STATU-TORY LIMITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N [N] N/A						E.L. EACH ACCIDENT	$500,000
	(Mandatory in NH)						E.L. DISEASE - EA EMPLOYEE	$500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	$500,000
A	Professional			OGLG2551662A	06/26/2014	06/26/2015	$5,000,000 ea. occurr. $7,000,000 Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
This certificate covers all operations usual and customary to the Insured's business.

CERTIFICATE HOLDER

New Hampshire DHHS
29 Hazen Drive
Concord, NH 03301-6504

CANCELLATION

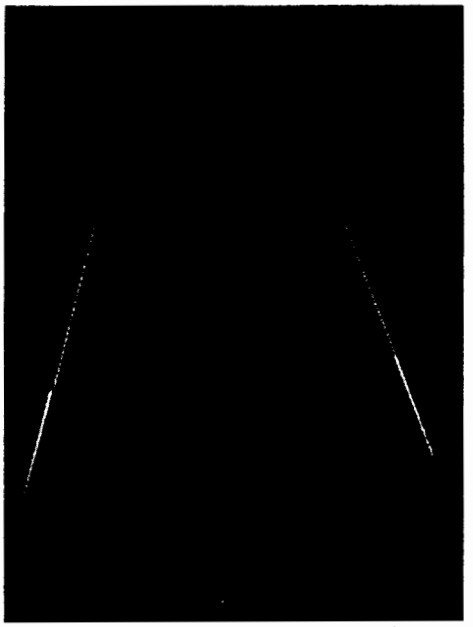
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

E. Gould

RRBZP

Mission Vision & Values



The mission of Genesis Behavioral Health is to provide essential services that enhance the emotional and mental health of our communities.

(Revised June 2012)

Our Vision

Genesis Behavioral Health is the leading health care provider recognized for its excellence in delivering accessible, quality mental health care and support in our communities.

Our Values

RESPECT	We conduct our business and provide services with respect and professionalism.
ADVOCACY	We advocate for those we serve through enhanced collaborations, community relations and political action.
INTEGRITY	We work with integrity and transparency, setting a moral compass for the agency.
STEWARDSHIP	We are effective stewards of our resources for our clients and our agency's health.
EXCELLENCE	We are committed to excellence in all programming and services.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health

FINANCIAL STATEMENTS

June 30, 2014

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
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June 30, 2014

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KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License #167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health

We have audited the accompanying financial statements of Lakes Region Mental Health Center, Inc.d/b/a Genesis Behavioral Health (a nonprofit organization) which comprise the statement of financial position as of June 30, 2014, and the related statement of activities and cash flows 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.

Auditor's 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health 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 Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Analysis of Accounts Receivables, the Analysis of BBH Revenues, Receipts & Receivables and schedules of functional public support, revenues and expenses on pages 11-14 are presented for purposes of additional analysis and are 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.

Kittell Branagan & Sargent

St. Albans, Vermont
August 28, 2014

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FINANCIAL POSITION
June 30, 2014

ASSETS

CURRENT ASSETS	
Cash	$ 244,521
Investments	1,226,817
Accounts receivable (net of $508,000 allowance)	1,185,882
Prepaid expenses and other current assets	43,865
TOTAL CURRENT ASSETS	2,701,085
PROPERTY AND EQUIPMENT - NET	1,379,226
OTHER ASSETS	
Restricted cash	47,448
TOTAL ASSETS	$ 4,127,759

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable	$ 187,606
Current portion--long-term debt	44,994
Line of credit	649,863
Deferred income	21,612
Accrued vacation	276,071
Accrued expenses	267,291
TOTAL CURRENT LIABILITIES	1,447,437
LONG-TERM DEBT, less current portion	462,631
TOTAL LIABILITIES	1,910,068
NET ASSETS	
Temporarily restricted	34,687
Unrestricted	2,183,004
TOTAL NET ASSETS	2,217,691
TOTAL LIABILITIES AND NET ASSETS	$ 4,127,759

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2014

	Unrestricted Funds	Temporarily Restricted Funds	All Funds
PUBLIC SUPPORT AND REVENUES			
Public support -			
Federal	$ 378,910	$ -	$ 378,910
State of New Hampshire - DBH	264,117	-	264,117
Other public support	250,229	-	250,229
Total Public Support	893,255	-	893,255
Revenues -			
Program service fees	9,079,446	-	9,079,446
Rental income	62,328	-	62,328
Other revenue	35,084	5,000	40,084
Net assets released from restriction	12,802	(12,802)	-
Total Revenues	9,189,660	(7,802)	9,181,858
TOTAL PUBLIC SUPPORT AND REVENUES	10,082,915	(7,802)	10,075,113
EXPENSES			
BBH funded program services -			
Children Services	2,899,333	-	2,899,333
Intake	242,202	-	242,202
Multi-service	4,826,511	-	4,826,511
ACT	338,277	-	338,277
Emergency Services	602,408	-	602,408
Housing Services	206,439	-	206,439
Non-Eligible	661,701	-	661,701
Non-BBH funded program services	737,908	-	737,908
TOTAL EXPENSES	10,514,779	-	10,514,779
DECREASE IN NET ASSETS FROM OPERATIONS	(431,864)	(7,802)	(439,666)
OTHER INCOME AND EXPENSES			
Investment income	257,344	-	257,344
TOTAL DECREASE IN NET ASSETS	(174,520)	(7,802)	(182,322)
NET ASSETS, beginning	2,357,524	42,489	2,400,013
NET ASSETS, ending	$ 2,183,004	$ 34,687	$ 2,217,691

See Notes to Financial Statements.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	$ (182,322)
Adjustments to reconcile to net cash provided by operations:	
Depreciation	205,389
Unrealized (gain) on investments	(173,223)
Realized (gain) on investments	(26,101)
(Increase) decrease in:	
Accounts receivable	(179,276)
Prepaid expenses	12,320
Increase (decrease) in:	
Accounts payable & accrued liabilities	58,657
Deferred income	(132,610)
NET CASH (USED) IN OPERATING ACTIVITIES	(417,166)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(152,187)
Net investment activity	65,061
NET CASH (USED) IN INVESTING ACTIVITIES	(87,126)
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal payments on long-term debt	(43,585)
Net proceeds from line of credit borrowings	556,540
NET CASH PROVIDED BY FINANCING ACTIVITIES	512,955
NET INCREASE IN CASH	8,663
CASH AT BEGINNING OF YEAR	235,858
CASH AT END OF YEAR	$ 244,521
SUPPLEMENTAL DISCLOSURE	
Cash Payments for Interest	$ 48,859

See Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lakes Region Mental Health Center, Inc. (the Center) d/b/a Genesis Behavioral Health is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the Center qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

Consideration has been given to uncertain tax positions. The federal income tax returns (Form 990) for the year ended June 30, 2011, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Estimated useful lives range from 3 to 40 years.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payer coverage and are self pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payer programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2014 totaled $8,157,860, of which $7,988,738 was revenue from third-party payers and $169,122 was revenue from self-pay clients.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Third Party Contractual Arrangements
A significant portion of patient revenue is derived from services to patients insured by third-party payors. The center receives reimbursement from Medicare, Medicaid, Blue Cross, and other third-party insurers at defined rates for services rendered to patients covered by these programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when recorded. A provision for estimated contractual allowances is provided on outstanding patient receivables at the balance sheet date.

Temporarily Restricted Funds
Specific purpose funds are used to differentiate resources, the use of which is restricted by donors, from resources of general funds on which the donors place no restriction or that arise as a result of the operations of the Center for its stated purposes. Specific purpose contributions and other donor-restricted resources are recorded as additions to temporarily restricted net assets at the time they are received and as released from restrictions when expended for the purpose for which they were given. The earnings from these funds will be used to fund operations. For the year ending June 30, 2014 $12,802 was released from restrictions.

Accounts Receivable
Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

Policy for Evaluating Collectability of Accounts Receivable
In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payer source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payer source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payers experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

During 2014, the Center increased its estimated percentage in the allowance for doubtful accounts from 30% to 33%. The allowance for doubtful accounts increased to $508,000 as of June 30, 2014 from $372,000 as of June 30, 2013. This was a direct result of total trade accounts receivable increasing to $1,548,048 as of June 30, 2014 from $1,237,550 at June 30, 2013.

Advertising
Advertising costs are expensed as incurred. Total costs were $121,486 at June 30, 2014 and consisted of advertising costs of $31,558 and recruitment costs of $89,928.

NOTE 2 PROPERTY AND EQUIPMENT

The Center elects to capitalize all purchases with a useful life of greater than one year and a cost of $1,000 or more. Property and equipment, at cost, consists of the following:

Land, buildings and improvements	$ 2,528,697
Computer equipment	863,104
Furniture, fixtures and equipment	1,537,242
Vehicles	76,688
	5,005,731
Accumulated depreciation	(3,626,505)
NET BOOK VALUE	$ 1,379,226

NOTE 3 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE – TRADE	
Due from clients	$ 253,045
Receivable from insurance companies	173,864
Medicaid receivables	888,761
Medicare receivables	232,378
	1,548,048
Allowance for doubtful accounts	(508,000)
Total Receivable - Trade	1,040,048
ACCOUNTS RECEIVABLE – OTHER	
Housing Rent	11,564
UNH (IOD)	9,000
HUD	31,675
Grafton County	5,750
LDS	6,350
Belknap County	8,550
Mount Prospect Academy	10,400
Town Appropriations	32,700
NFI North, Inc.	5,875
BBH	17,907
Other Grants	12,413
Total Receivable - Other	145,834
TOTAL ACCOUNTS RECEIVABLE	$ 1,185,882

NOTE 4 LINE OF CREDIT

As of June 30, 2014, the Center had available a line of credit with an upper limit of $1,400,000 with a local area bank. At that date, $649,863 had been borrowed against the line of credit. These funds are available at a variable rate of interest, with a floor no less than 4.5% per annum. This line of credit expires November 27, 2014, and is secured by all business assets.

NOTE 5 COMMITMENTS

The corporation leases real estate and equipment under various operating leases. Minimum future rental payments under non cancelable operating leases as of June 30, 2014 for each of the next four years and in the aggregate are:

June 30,	Amount
2015	$ 275,825
2016	201,820
2017	136,211
2018	48,095
2019	7,998

Total rent expense for the year ended June 30, 2014, including rent expense for leases with a remaining term of one year or less was $266,577.

The Center entered into a subscription agreement with a software vendor and is obligated to pay $5,950 per month through May 31, 2016 in exchange for software subscription services. The amount is included in the above obligations.

NOTE 6 EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a defined contribution 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2014 the total contributions into the plan were $88,799. Total administrative fees paid into the plan for the year ended June 30, 2014 were $9,346.

NOTE 7 RESTRICTED CASH

The Center maintains restricted depository accounts. At the balance sheet date the amounts are as follows:

Rural Development *	$ 47,448

* Balance will accumulate per loan agreement to $47,448 at a required monthly deposit of $395. As of June 30, 2014 this required total had been accumulated and monthly deposits were no longer required.

NOTE 8 LONG-TERM DEBT

As of June 30, 2014, long-term debt consisted of the following:

5% mortgage note payable - Rural Development due in monthly aggregate installments of $3,357 (including principal and interest) secured by land and buildings through May, 2027.	$ 383,699
5% mortgage note payable - Rural Development due in monthly installments of $597 (including principal and interest) secured by land and buildings through December, 2030.	79,970
1% note payable - NH Health and Education Facilities due in monthly installments of $1,709 (including principal and interest) secured by equipment through September, 2016.	43,956
	507,625
Less: Current Portion	(44,994)
	$ 462,631

Expected maturities for the next five years are as follows:

Year Ending June 30,	
2015	$ 44,994
2016	46,467
2017	30,857
2018	28,838
2019	30,313
Thereafter	326,157
	$ 507,625

NOTE 9 CONTINGENT LIABILITIES

The Center receives money under various State and Federal grants. Under the terms of these grants, the Center is required to use the money within the grant period for purposes specified in the grant proposal and is subject to compliance reviews and audits by the grantor agencies. It is the opinion of management that any liability, resulting from future grantor agency audits of completed grant contracts, would not be material in relation to the overall financial statements.

NOTE 10 INVESTMENTS

Investments consist of amounts invested in various Vanguard Equity and Bond Funds. At June 30, 2014, the status of these funds were as follows:

	Cost	Unrealized Gain (Loss)	Market
Large Blend	$ 293,091	$ 112,263	$ 405,354
Health	153,212	47,698	200,910
Large Growth	149,090	(287)	148,803
Mid-Cap Value	141,764	80,171	221,935
Short-Term Bond	165,132	84,483	249,615
Cash	200	-	200
	$ 902,489	$ 324,328	$ 1,226,817

The related unrealized gain (losses) have been included in the investment income line on the accompanying statement of activities. Investment income is as follows:

Interest and Dividends	$ 58,020
Realized Gains	26,101
Unrealized Gains	173,223
	$ 257,344

NOTE 11 FAIR VALUE MEASUREMENTS

Professional accounting standards require a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under these professional accounting standards are described below:

Basis of Fair Value Measurement

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

NOTE 11 FAIR VALUE MEASUREMENTS (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

All investments are categorized as Level 1 and recorded at fair value, as of June 30, 2014. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 12 CONCENTRATIONS OF CREDIT RISK

The Center maintained cash balances at three financial institutions as of June 30, 2014. Accounts with these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of June 30, 2014, there were no cash balances at either of these institutions greater than the $250,000 threshold and therefore all balances were fully insured by the FDIC.

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables due from clients and third-party payors at June 30, 2014 is as follows:

Due from clients	16 %
Insurance companies	11
Medicaid	57
Medicare	15
	100 %

NOTE 13 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through August 28, 2014, which is the date the financial statement was availabe to be issued. All events requireing recognition as of June 30, 2014, have been incorporated into the financial statements herein.

SUPPLEMENTARY INFORMATION

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2014

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Accounts Receivable End of Year
CLIENT FEES	$ 249,703	$ 1,539,776	$ (1,370,655)	$ 165,779	$ 253,045
BLUE CROSS / BLUE SHIELD	54,999	557,698	(252,120)	307,313	53,264
MEDICAID	679,291	11,847,475	(4,892,854)	6,745,151	888,761
MEDICARE	167,610	1,335,961	(861,180)	410,013	232,378
OTHER INSURANCE	85,947	613,243	(357,360)	221,230	120,600
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(372,000)	-	-	-	(508,000)
TOTAL	$ 865,550	$ 15,894,153	$ (7,734,169)	$ 7,849,486	$ 1,040,048

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
ANALYSIS OF BBH REVENUES, RECEIPTS AND RECEIVABLES
For the Year Ended June 30, 2014

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2014	$ -	$ 264,117	$ (264,117)	$ -

Analysis of Receipts

Date of Receipt Deposit Date	Amount
07/23/13	$ 18,186
09/03/13	9,093
09/03/13	1,575
09/27/13	9,093
09/27/13	1,530
10/24/13	9,093
11/04/13	810
11/20/13	9,093
11/20/13	1,085
12/11/13	44,529
12/26/13	9,093
01/22/14	9,093
02/21/14	80,849
02/28/14	9,093
04/02/14	9,093
04/04/14	24,622
04/29/14	9,093
06/02/14	9,094
Less: Federal Monies	-
	$ 264,117

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES
For the Year Ended June 30, 2014

	Total Agency	Admin.	Total Programs	Children
Program Service Fees:				
Net Client Fee	$ 169,122	$ -	$ 169,122	$ 6,829
Blue Cross/Blue Shield	305,578	-	305,578	54,120
Medicaid	6,954,621	-	6,954,621	3,409,406
Medicare	474,781	-	474,781	-
Other Insurance	253,758	-	253,758	21,929
Program Sales:				
Service	921,585	-	921,585	13,290
Public Support - Other:				
United Way	1,216	1,216	-	-
Local/County Government	161,720	-	161,720	-
Donations/Contributions	77,540	64,540	13,000	10,400
Bureau Development	966	-	966	-
Other Public Support	7,017	2,075	4,942	3,261
DCYF	1,770	-	1,770	1,770
Federal Funding:				
HUD Grant	144,192	-	144,192	-
Other Federal Grants	234,718	-	234,718	31,015
Rental Income	62,328	-	62,328	-
Investement Income	-	-	-	-
DBH & DS:				
Community Mental Health	264,117	-	264,117	-
Other Revenues	35,084	3,777	31,307	8,191
Net Assets Released From Restriction	12,802	-	12,802	3,074
	10,082,915	71,608	10,011,307	3,563,285
Administration	0	(71,608)	71,608	25,487
TOTAL PUBLIC SUPPORT AND REVENUES	$ 10,082,915	$ 0	$ 10,082,915	$ 3,588,772

Multi -Service	ACT	Intake	Emergency Services	Housing Services Apts. S.L. McGrath	Housing Services Apts. S.L. Summer	Non Eligible	Non BBH Funded Programs
$ 72,832	$ 2,591	$ 9,655	$ 7,158	$ -	$ -	$ 70,057	$ -
60,741	-	31,312	21,151	-	-	138,254	-
3,012,276	222,599	86,599	125,301	-	-	98,440	-
349,229	7,338	13,047	3,250	-	-	101,917	-
70,748	-	25,938	9,001	-	-	126,142	-
29,635	400	-	-	-	-	7,555	870,705
-	-	-	-	-	-	-	-
-	-	-	104,520	-	-	57,200	-
-	-	-	-	-	-	-	2,600
966	-	-	-	-	-	-	-
1,222	114	37	159	-	-	149	-
-	-	-	-	-	-	-	-
-	-	-	-	42,154	102,038	-	-
199,761	3,233	13	40	-	-	656	-
-	-	-	-	34,757	27,571	-	-
-	-	-	-	-	-	-	-
5,000	150,000	-	109,117	-	-	-	-
15,114	255	380	1,334	-	2,419	1,633	1,981
8,762	-	-	966	-	-	-	-
3,826,286	386,530	166,981	381,997	76,911	132,028	602,003	875,286
27,368	2,765	1,194	2,733	550	944	4,306	6,261
$ 3,853,654	$ 389,295	$ 168,175	$ 384,730	$ 77,461	$ 132,972	$ 606,309	$ 881,547

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2014

	Total Agency	Administration	Total Programs	Children
Personnel Costs:				
Salary and wages	$ 6,575,286	$ 553,161	$ 6,022,125	$ 1,644,270
Employee benefits	1,489,188	159,131	1,330,057	361,237
Payroll Taxes	456,618	37,964	418,654	114,315
Substitute Staff	217,398	-	217,398	2,964
Client Evaluation/Services	679	-	679	579
PROFESSIONAL FEES AND CONSULTANTS:				
Accounting/audit fees	32,575	32,575	-	-
Legal fees	17,396	-	17,396	5,440
Other professional fees	28,621	22,069	6,552	1,122
Staff Devel. & Training:				
Journals & publications	5,451	369	5,082	1,525
In-Service training	3,941	-	3,941	1,195
Conferences & conventions	34,484	1,545	32,939	12,130
Other staff development	15,820	2,579	13,241	7,780
Occupancy costs:				
Rent	105,201	8,776	96,425	40,800
Mortgage (Interest)	24,375	2,681	21,694	6,638
Heating Costs	33,000	618	32,382	3,812
Other Utilities	81,165	4,180	76,985	19,987
Maintenance & repairs	124,558	9,462	115,096	29,060
Consumable Supplies:				
Office	39,117	2,986	36,131	11,256
Building/household	23,535	-	23,535	6,071
Medical	-	-	-	-
Other	96,856	9,180	87,676	27,508
Depreciation-Equipment	118,470	8,689	109,781	28,514
Depreciation-Building	86,919	4,710	82,209	15,595
Equipment rental	18,396	1,346	17,050	5,093
Equipment maintenance	34,743	996	33,747	10,569
Advertising	121,487	6,992	114,495	62,904
Printing	-	-	-	-
Telephone/communications	251,852	10,483	241,369	72,407
Postage/shipping	25,440	234	25,206	9,432
Transportation:				
Staff	193,744	1,772	191,972	75,830
Clients	35,918	-	35,918	85
Assist to Individuals:				
Client services	71,579	-	71,579	43,714
Insurance:				
Malpractice/bonding	31,099	8,699	22,400	5,652
Vehicles	2,020	65	1,955	301
Comp. Property/liability	22,908	1,372	21,536	4,970
Membership Dues	22,972	890	22,082	132
Other Expenditures	47,487	35,841	11,646	3,433
Interest Expense	24,483	24,483	-	-
	10,514,780	953,848	9,560,932	2,636,320
Admin. Allocation	-	(953,848)	953,848	263,013
TOTAL PROGRAM EXPENSES	$ 10,514,780	$ 0	$ 10,514,779	$ 2,899,333

Multi-Service	ACT	Intake	Emergency Services	Housing Services: Apts. S.L. McGrath	Housing Services: Apts. S.L. Summer	Non-Eligible	Non BBH Funded Programs
$ 2,726,067	$ 198,178	$ 159,064	$ 363,200	$ 14,552	$ 34,890	$ 416,365	$ 465,539
607,550	47,039	32,666	84,571	3,496	8,393	84,818	100,287
194,381	13,996	10,863	25,353	1,031	2,472	28,857	27,386
155,054	1,748	528	7,343	-	-	19,518	30,243
100	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,024	624	265	1,053	-	-	990	-
1,941	124	97	236	-	-	229	2,803
2,803	182	61	235	-	-	276	-
2,059	165	67	228	-	-	227	-
18,780	502	104	981	-	-	442	-
3,873	4	1	1,374	-	-	209	-
47,107	437	1,856	1,047	-	-	5,178	-
12,655	1,096	259	159	-	-	887	-
7,053	678	127	183	11,307	8,687	535	-
30,893	1,967	835	298	11,858	8,626	2,521	-
49,641	3,497	1,195	1,449	6,455	19,821	3,978	-
19,464	1,318	528	1,595	-	-	1,970	-
9,384	605	287	956	1,453	3,712	1,067	-
-	-	-	-	-	-	-	-
45,023	3,257	1,404	5,259	-	-	5,225	-
55,764	3,595	2,441	7,006	1,471	5,200	5,790	-
25,354	1,744	1,117	553	12,823	22,922	2,101	-
8,088	593	303	1,737	-	-	1,236	-
16,906	1,224	520	1,874	149	557	1,948	-
27,096	1,955	1,003	3,218	-	-	3,119	15,200
-	-	-	-	-	-	-	-
114,320	6,820	2,848	33,014	390	762	8,891	1,917
12,607	544	436	764	-	-	1,423	-
98,451	12,310	209	2,051	-	-	1,349	1,772
35,787	13	3	15	-	-	15	-
27,679	186	-	-	-	-	-	-
8,100	2,074	741	751	-	-	1,016	4,066
1,265	32	14	35	130	130	48	-
8,680	688	235	692	2,739	2,686	846	-
153	6	6	9	-	-	20	21,756
5,572	391	148	521	-	1,000	581	-
-	-	-	-	-	-	-	-
4,388,674	307,591	220,231	547,760	67,854	119,858	601,675	670,969
437,837	30,687	21,971	54,648	6,769	11,958	60,026	66,939
$ 4,826,511	$ 338,277	$ 242,202	$ 602,408	$ 74,623	$ 131,816	$ 661,701	$ 737,908

Genesis Behavioral Health
Board of Directors Listing
October, 2014

President:	Susan Stearns
Vice President:	Deborah Pendergast
Treasurer:	Jim Hundrieser
Secretary:	Jannine Sutcliffe
Members at Large:	Lori Boelig
	Joe Driscoll
	Miller Lovett
	Ed McFarland
	Liz Merry
	Carol Pierce
	Jennifer Sereni
	Cinda Shepard
	Matthew Soza
	Kim Sperry
	Cinde Warmington
	Kelley White, MD
Honorary Member:	Esther Peters

Rosemary Schraeder

SKILLS

- Strong clinical judgment
- Excellent communication and critical thinking skills
- Ability to work independently
- Strong crisis management skills
- Supervisory, staff training, budget management skills
- Trained in CPT and DBT

EMPLOYMENT HISTORY

Clinical Coordinator 12/31/14 to present
Genesis Behavioral Health, 111 Church Street, Laconia, NH
Responsibilities include oversight of an interdisciplinary team that provides services to adult consumers in the Adult Services Department. Duties include however not limited to facilitating of team meetings on a weekly basis, providing individual supervision with clinical staff, conducting annual performance reviews. Assurance of quality and timely documentation of staff according to established standards. Educates and orients staff to program philosophy/values and goals to ensure understanding of, commitment to, and cohesiveness of program goals and vision. Have a general knowledge of programs costs, revenues and overall service delivery. Participate in the development of clinical programs designed to meet the needs of the client population. Individual therapy with a small caseload and intakes as needed.

Therapist 12/30/13 to 12/30/14
01/01/12 to 04/2013
Genesis Behavioral Health, 111 Church St, Plymouth, NH
Responsibilities include initial intake, evaluations, individual psychotherapy and facilitation of emergency mental health assessments including hospitalizations with adults who experience severe symptoms of mental illness. Development and facilitation of psychotherapy and skills training groups. Ongoing trainings and experience providing evidence based practices such as CPT and DBT

Adult Protective Social Worker III 4/2013 to 12/27/13
State of New Hampshire, Bureau of Elderly and Adult Services
3 Pine Street, Nashua, NH
Receives and records reports of adult abuse including assessing for investigation of abuse, exploitation or criminal neglect. Performs collateral and clinical interviews and gathers data relating to allegations to determines if there is imminent danger to the alleged victim. Analyzes and interprets complex data, policies and laws, to resolve investigated situations. Collaborates with law enforcement, legal authorities, courts, administrative hearings and other entities before, during and post investigation. Performs clinical and forensic assessments and follow up social work for problem resolution. Provides preventative education to families, facilities providers and collaborative organizations.

Case Manager
Genesis Behavioral Health, Tenney Mtn. Hwy, Plymouth, NH 7/2002 to 1/12
Moore Center Services, Titus Ave., Manchester, NH 1997 - 1998
White Mtn. Mental Health, Maple St., Littleton, NH 1993 - 1997
Case management responsibilities include the ongoing service of assessment, linking, monitoring and advocacy in a community setting to adults who suffer with mental illness and developmental disabilities that lack an adequate support system. Responsibilities include treatment planning, crisis management and psychotherapeutic intervention. Duties include facilitation of groups, ongoing trainings of various disorders, treatment modalities and evidence based practices.

Residential Coordinator
Moore Center Services, Titus Ave., Manchester, NH 1998 - 2000
The Residential Coordinator's responsibilities include hiring, training, evaluating and supervising residential staff. Responsibilities include coordinating the upkeep and maintenance of assigned properties including agency vehicles and equipment. The Coordinator is required to participate in development and monitoring of assigned program budgets in addition to understanding He-M laws in order to run the programs in a manner consistent with agencies policies and procedures.

Family Service Worker
NFI, Davenport School, Rte. 2, Jefferson, NH
FSW works closely with families, youth and foster families to provide intensive services directed towards the reunification of the child with his or her family or community in transitioning from shelter placement. FSW serves as liaison to link/network community resources with family's needs, consult with JSO/CPSW regarding case plans, updates, visitation plans and maintain active orientation towards family-centered treatment model.

EDUCATION

Master of Science in Mental Health Counseling 2011/ license eligible
New England College, Henniker, NH

BSHS 1993
Springfield College of Human Services, St. Johnsbury, VT

VOLUNTEER

Support Center for Domestic Violence and Sexual Assault, Littleton, NH
24 hour crisis line and advocacy 1993-1995

References available upon request

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Rosemary Schraeder	Clinical Coordinator	$45,000	Zero	None

FORM NUMBER P-37 (version 1/09)

Subject: Continuum of Care Program, Permanent Housing

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Seacoast Mental Health Center, Inc.		**1.4 Contractor Address** 1145 Sagamore Avenue Portsmouth, NH 03801	
1.5 Contractor Phone Number (603) 431-6703	**1.6 Account Number** 05-95-42-423010-7927-102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $14,596
1.9 Contracting Officer for State Agency Eric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature		**1.12 Name and Title of Contractor Signatory** John Pendleton, President, BOD	

1.13 Acknowledgement: State of NH, County of Rockingham

On 4/21/2015, 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] Lorraine Mansfield

LORRAINE MANSFIELD
Justice of the Peace - New Hampshire
My Commission Expires February 28, 2019

1.13.2 Name and Title of Notary or Justice of the Peace

Lorraine Mansfield, JP

1.14 State Agency Signature	**1.15 Name and Title of State Agency Signatory** MaryAnn Cooley Associate Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution)

By: Megan A. Lyon, Attorney On: 5/11/15

1.18 Approval by the Governor and Executive Council

By: On:

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials: _____
Date: 9/24/15

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

Contractor Initials: JTP
Date: 4/21/15

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.

Contractor Initials: _____
Date: 4/21/15

Exhibit A

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

   1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

   2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve six (6) homeless individuals and families with disabilities.

   2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

   2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

   2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

   2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

   3.1. The Contractor shall submit the following reports:

      3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

      3.1.2. Other Reports as requested by the State.

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

   3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016: not to exceed $14,596

Funds allocation under this agreement for Continuum of Care Program;

Operating Cost: $14,239

Administrative Costs: $357

Total program amount: $14,596

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.
2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

Contractor Initials JP
Date 4-21-15

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $5,000,000 per occurrence; and

4. Subparagraph 9 of Exhibit C, Special Provisions of this contract, is deleted and the following paragraph is added:

9. **Audit:** Contractor shall submit an annual audit to the Department within 120 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.

9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted

1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

4/21/15
Date

Name: John Pendleton
Title: PRESIDENT, BOD

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

4/21/15
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

Name: John Pendleton
Title: President, BOD

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

4/21/15
Date

Name: John Pendleton
Title: President, BOD

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.

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: SEACOAST MENTAL HEALTH CENTER, INC

4/21/15
Date

Name: John Pendleton
Title: President, BoD

Contractor Initials
Date 4/21/15

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

4/21/15
Date

Name: John Pendleton
Title: President, BoD

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NH DHHS	SEACOAST MENTAL HEALTH CENTER, INC
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Name of Authorized Representative	John Pendleton
Associate Commissioner	President, BOD
Title of Authorized Representative	Title of Authorized Representative
5/1/15	4/21/15
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC.

4/21/15
Date

Name: John Pendleton
Title: President, BOD

FORM A

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

1. The DUNS number for your entity is: 188996185

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

   X NO _____ YES

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

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

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

   _____ NO X YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

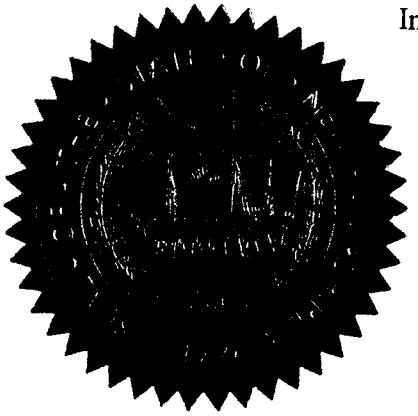
   Name: _____ Amount: _____

   Name: _____ Amount: _____

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 SEACOAST MENTAL HEALTH CENTER, INC. is a New Hampshire nonprofit corporation formed January 21, 1963. 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 8th day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of SEACOAST MENTAL HEALTH CENTER, 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 4/21/2015:
(Date)

RESOLVED: That the PRESIDENT, BOARD OF DIRECTORS
(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 21 day of APRIL, 2015.
(Date Contract Signed)

4. JOHN PENDLETON is the duly elected PRESIDENT, BOD
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Carole L Bunting
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Rockingham

The forgoing instrument was acknowledged before me this 21 day of April, 2015,

By CAROLE BUNTING.
(Name of Elected Officer of the Agency)

Lorraine Mansfield
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: LORRAINE MANSFIELD
Justice of the Peace - New Hampshire
My Commission Expires February 28, 2019

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 04/13/2015

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).

PRODUCER Fred C. Church, Inc. 41 Wellman Street Lowell, MA 01851 (800) 225-1865	**CONTACT NAME:** Jennifer Norton **PHONE (A/C, No, Ext):** 978 3227255 **FAX (A/C, No):** (978) 454-1865 **E-MAIL ADDRESS:** jnorton@fredcchurch.com
INSURED Seacoast Mental Health; Seacoast Mental Health Center, Inc. 1145 Sagamore Avenue Portsmouth, NH 03801	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** Philadelphia Indemnity Insurance Company / 18058 **INSURER B :** Wesco Insurance Company / 25011 **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 53083 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	**GENERAL LIABILITY** X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC			PHPK1139356	3/1/2015	3/1/2016	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 20,000 $ 1,000,000 $ 3,000,000 $ 3,000,000
A	**AUTOMOBILE LIABILITY** X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS			PHPK1139356	3/1/2015	3/1/2016	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000.00 $ $ $
A	**UMBRELLA LIAB** X OCCUR X **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ 10,000			PHUB451019	3/1/2015	3/1/2016	EACH OCCURRENCE AGGREGATE	$ 5,000,000 $ 5,000,000
B	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WWC3123129	3/1/2015	3/1/2016	WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 500,000 $ 500,000 $ 500,000
A	Professional Liability			PHPK1139356	3/1/2015	3/1/2016	Professional Liability Limit $1,000,000 per occurence $3,000,000 annual aggregate	

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

CERTIFICATE HOLDER

New Hampshire Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301-3857

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Client # 3334 Mst # 53083 Cert Holder # 22699

SEACOAST MENTAL HEALTH CENTER, INC.

MISSION STATEMENT

Seacoast Mental Health Center Inc. is a private, not-for-profit, comprehensive mental health facility serving the eastern half of Rockingham County, New Hampshire. The mission of the Center is to provide a broad, comprehensive array of high quality, effective and accessible mental health services to residents of the eastern half of Rockingham County. Some of these services seek to promote positive mental well-being and prevent occurrences of mental illness. Some of these services endeavor to address problematic emotional functioning, treating those directly or indirectly affected by mental illness. Other services strive to care for and improve the quality of lives of those with severe or persistent mental illness.

Seacoast Mental Health Center, Inc.

FINANCIAL STATEMENTS

June 30, 2014

Seacoast Mental Health Center, Inc.
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June 30, 2014

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KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Seacoast Mental Health Center, Inc.
Portsmouth, New Hampshire

We have audited the accompanying financial statements of Seacoast Mental Health Center, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2014, and the related statement of activities and cash flows 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.

Auditor's 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient 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 Seacoast Mental Health Center, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors of
Seacoast Mental Health Center, Inc.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on Pages 10 through 13 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 audits 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 statement 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.

Kittell Branagan & Sargent

St. Albans, Vermont
August 19, 2014

Seacoast Mental Health Center, Inc.
STATEMENT OF FINANCIAL POSITION
June 30, 2014

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalents	$ 726,400
Accounts receivable (net of $500,000 allowance)	997,217
Prepaid expenses	170,395
TOTAL CURRENT ASSETS	1,894,012
PROPERTY AND EQUIPMENT - NET	32,683
TOTAL ASSETS	$ 1,926,695

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable	$ 94,696
Deferred income	20,725
Accrued vacation	133,176
Accrued expenses	148,539
TOTAL CURRENT LIABILITIES	397,136
NET ASSETS	
Unrestricted Net Assets	1,529,559
TOTAL LIABILITIES AND NET ASSETS	$ 1,926,695

See Notes to Financial Statements

Seacoast Mental Health Center, Inc.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2014

PUBLIC SUPPORT AND REVENUES	
Public support -	
Federal	$ 437,407
State of New Hampshire - BBH	653,517
Other public support	493,448
Total Public Support	1,584,372
Revenues -	
Program service fees	8,448,768
Rental income	79,779
Interest Income	3,365
Other revenue	367,431
Total Revenues	8,899,343
TOTAL PUBLIC SUPPORT AND REVENUES	10,483,715
OPERATING XPENSES	
BBH funded program services -	
Children services	3,055,399
Emergency services	807,904
Vocational services	207,568
Adult services	3,709,715
Act Team	821,540
Fairweather Lodge	660,454
Springbrook	58,583
Drug Court	133,049
REAP	233,696
Non-DMH funded program services	249,911
TOTAL EXPENSES	9,937,819
INCREASE IN NET ASSETS	545,896
NET ASSETS, beginning	983,663
NET ASSETS, ending	$ 1,529,559

See Notes to Financial Statements

Seacoast Mental Health Center, Inc.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	$ 545,896
Adjustments to reconcile to net cash provided by operations:	
Depreciation	18,050
(Increase) decrease in:	
Accounts receivable - trade	(220,177)
Prepaid expenses	(91,895)
Increase (decrease) in:	
Accounts payable & accrued liabilities	62,157
Deferred income	(113,568)
NET CASH PROVIDED BY OPERATING ACTIVITIES	200,463
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(23,788)
NET INCREASE IN CASH	176,675
CASH AT BEGINNING OF YEAR	549,725
CASH AT END OF YEAR	$ 726,400

See Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization
Seacoast Mental Health Center, Inc. (the Center) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Income Taxes
Consideration has been given to uncertain tax positions. The federal income tax returns for the years ended after June 30, 2011, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Related Organizations
The Center leases property and equipment from Seacoast Mental Health Center Resource Group, Inc. - a related non-profit corporation formed in 1985 for the benefit of Seacoast Mental Health Center, Inc. Seacoast Mental Health Center Resource Group was formed to support the operations of Seacoast Mental Health Center, Inc. by managing and renting property and raising other funds on its behalf.

Depreciation
The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Assets deemed to have a useful life greater than three years are deemed capital in nature. Estimated useful lives range from 3 to 30 years.

State Grants
The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits
Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Center considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Revenue
Revenue from federal, state and other sources is recognized in the period earned.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable
Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

Policy for Evaluating Collectability of Accounts Receivable
In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payor source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payors experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

During 2014, the Center increased its estimate in the allowance for doubtful accounts to $500,000 as of June 30, 2014 from $380,000 as of June 30, 2013. This was a direct result of self-pay patient accounts receivable increasing to $334,607 as of June 30, 2014 from $298,043 as of June 30, 2013 and Medicaid accounts receivable increasing to $767,963 as of June 30, 2014 from $490,857 as of June 30, 2013.

Client Service Revenue
The Center recognizes client service revenue relating to services rendered to clients that have third-party payor coverage and are self pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payor programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2014 totaled $8,448,768, of which $8,088,868 was revenue from third-party payors and $359,901 was revenue from self-pay clients.

NOTE 2 CLIENT SERVICE REVENUES FROM THIRD PARTY PAYORS

The Center has agreements with third-party payors that provide payments to the Center at established rates. These payments include:

New Hampshire Medicaid
The Center is reimbursed for services rendered to Medicaid clients on the basis of fixed Fee for Service rates.

Approximately 79% of net client service revenue is from participation in the state-sponsored Medicaid programs for the year ended June 30, 2014. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonable possible that recorded estimates could change materially in the near term.

NOTE 3 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE - TRADE	
Due from clients	$ 334,607
Insurance companies	205,599
Medicaid receivable	767,963
Medicare receivable	128,611
	1,436,780
Allowance for doubtful accounts	(500,000)
	936,780
ACCOUNTS RECEIVABLE - OTHER	
ACT	5,825
BIP Training Funds	20,047
CTRS Training	5,100
Employee	1,088
Healthy Choices	22,119
Lamprey Healthcare	500
Transport & gym fees	5,758
	60,437
TOTAL ACCOUNTS RECEIVABLE	$ 997,217

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment, at cost, consists of the following:

Computer equipment	$ 338,694
Furniture, fixtures and equipment	1,035,012
	1,373,706
Accumulated Depreciation	(1,341,023)
Net Book Value	$ 32,683

NOTE 5 DEFERRED INCOME

Cogswell Trust	$ 10,000
NH Charitable Foundation	10,725
TOTAL	$ 20,725

NOTE 6 LINE OF CREDIT

As of June 30, 2014, the Center had available a line of credit from a bank with an upper limit of $500,000. At that date, $-0- had been borrowed against the line of credit. These funds are available with an interest rate of The Wall Street Journal Prime Rate, floating. This line of credit expires on September 12, 2015.

NOTE 7 RELATED PARTY TRANSACTIONS

During the year ended June 30, 2014, the Center collected $72,000 from Seacoast Mental Health Center Resource Group, Inc. (Resource Group) in management fees for administrative services.

A line of credit is available to the Center from Resource Group with a limit of $500,000. Interest is charged at prime plus 1%. As of June 30, 2014 $-0- had been borrowed against the line of credit and the interest rate was 4.25%. During the year ended June 30, 2014 $-0- was paid to the Resource Group in interest related to this line of credit.

The Center guarantees mortgages totaling $777,340 for the Resource Group as of June 30, 2014.

Operating Leases

During the year ended June 30, 2014, the Center rented properties and equipment from the Resource Group. Total rent paid for the year for property and equipment was $369,648 and $88,007, respectively. The Center is obligated to the Resource Group under cancelable leases to continue to rent these facilities and equipment at an annual rate of approximately $466,100. The annual rates of rents are revisited on an annual basis.

NOTE 8 EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a tax-sheltered annuity on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2014, contribution of $44,135 were made by the Center to the plan.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Center has entered into a subscription agreement with a software vendor and is obligated to pay $5,950 per month through May 31, 2016 in exchange for software subscription services.

NOTE 10 CONCENTRATIONS OF CREDIT RISK

Cash deposits in the Center's accounts at June 30, 2014 consist of the following:

	Book Balance	Bank Balance
Insured by FDIC	$ 250,000	$ 250,000
Uninsured/Collateralized*	476,400	635,213
	$ 726,400	$ 885,213

The differences between book and bank balances are reconciling items such as deposits in transit and outstanding checks.

* The Center has entered into a sweep agreement which invests all excess cash in a portfolio which contains short-term securities issued or guaranteed by the U.S. Government. Including in cash as of as of June 30, 2014 is $605,213 invested in treasury bills. These funds are not considered deposits of the bank therefore they are not covered by FDIC insurance.

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables due from clients and third-party payors at June 30, 2014 is as follows:

Due from clients	23 %
Insurance companies	14
Medicaid	54
Medicare	9
	100 %

NOTE 11 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through August 19, 2014, which is the date these basic financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2014, have been incorporated into these basic financial statements herein.

SUPPLEMENTARY INFORMATION

Seacoast Mental Health Center, Inc.
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2014

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Accounts Receivable End of Year
CLIENT FEES	$ 298,043	$ 1,665,189	$ (1,305,289)	$ (323,336)	$ 334,607
BLUE CROSS / BLUE SHIELD	25,182	294,240	(80,514)	(200,494)	38,414
MEDICAID	490,857	8,090,308	(1,451,485)	(6,361,717)	767,963
MEDICARE	112,050	1,055,730	(594,371)	(444,798)	128,611
OTHER INSURANCE	204,838	1,266,819	(491,859)	(812,613)	167,185
ALLOWANCE FOR UNCOLLECTIBLES	(380,000)	-	(120,000)	-	(500,000)
TOTAL	$ 750,970	$ 12,372,286	$ (4,043,518)	$ (8,142,958)	$ 936,780

Seacoast Mental Health Center, Inc.
ANALYSIS OF BBH REVENUES AND RECEIVABLES
For the Year Ended June 30, 2014

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2014	$ (11,668)	$ 653,517	$ (641,849)	$ -

Analysis of Receipts:

Date of Receipt	Amount
08/01/13	$ 104,564
09/03/13	68,065
09/30/13	64,597
10/25/13	65,730
11/14/13	11,124
11/21/13	57,565
12/05/14	4,160
12/26/14	90,156
01/22/14	10,816
01/22/14	57,565
01/28/14	7,763
01/31/14	6,838
03/06/14	68,054
03/19/14	11,099
04/03/14	57,565
04/04/14	17,359
05/06/14	68,678
05/20/14	1,455
06/02/14	78,880
06/10/14	19,465
06/16/14	14,815
06/18/14	11,208
06/25/14	45
06/27/14	2,346
06/30/14	7,891
Less: Federal Monies	(265,954)
	$ 641,849

Seacoast Mental Health Center, Inc.
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES
For the Year Ended June 30, 2014

	Total Agency	Admin.	Total Programs	Children	Emergency Services
Program Service Fees:					
Net Client Fee	$ 359,900	$ -	$ 359,900	$ 129,143	$ 5,036
Blue Cross/Blue Shield	213,726	-	213,726	69,917	7,588
Medicaid	6,638,823	-	6,638,823	3,427,532	63,165
Medicare	461,359	-	461,359	2,293	12,975
Other Insurance	774,960	-	774,960	313,838	58,283
Public Support - Other:					
United Way	10,150	-	10,150	-	-
Local/County Government	60,903	-	60,903	-	-
Donations/Contributions	37,812	17,038	20,774	-	1,500
Other Public Support	383,919	2,343	381,576	29,412	161,547
DPHS (DADAPR)	63,000	-	63,000	-	-
DCYF	664	-	664	664	-
Federal Funding:					
Block Grants	5,000	-	5,000	-	-
HUD Grant	14,626	-	14,626	-	-
Other Federal Grants	329,781	-	329,781	24,273	-
PATH	25,000	-	25,000	-	-
BBH					
Community Mental Health	653,517	-	653,517	-	437,789
Rental Income	79,779	6,257	73,522	-	-
Other Revenues	367,431	84,865	282,566	77,580	15,062
Interest Income	3,365	3,365	-	-	-
	10,483,715	113,868	10,369,847	4,074,652	762,945
Administration	-	(113,868)	113,868	46,681	8,741
TOTAL PUBLIC SUPPORT AND REVENUES	$ 10,483,715	$ -	$ 10,483,715	$ 4,121,333	$ 771,686

Vocational Services	Adult Services	Act Team	Fairweather Lodges	Springbrook	Drug Court	REAP	Other Non/BBH
$ 5,266	$ 147,487	$ 47,714	(661)	$ -	$ 3,848	$ -	$ 22,067
-	120,226	3,139	-	-	-	-	12,856
169,117	2,011,783	581,420	320,520	-	-	-	65,286
-	407,091	32,866	-	-	-	-	6,134
(450)	327,135	782	-	-	-	-	75,372
-	10,150	-	-	-	-	-	-
-	60,903	-	-	-	-	-	-
-	1,100	-	-	-	-	-	18,174
743	98,809	2,463	2,169	21	10,378	58,132	17,902
-	-	-	-	-	-	63,000	-
-	-	-	-	-	-		-
-	5,000	-	-	-	-	-	-
-	-	-	-	14,626	-	-	-
6,818	178,424	605	-	-	84,661	35,000	-
-	25,000	-	-	-	-	-	-
-	-	75,728	-	-	-	140,000	-
-	-	-	60,817	12,705	-	-	-
20	150,286	1,137	3,263	20,037	12	4	15,165
-	-	-	-	-	-	-	-
181,514	3,543,394	745,854	386,108	47,389	98,899	296,136	232,956
2,079	40,595	8,545	4,423	543	-	-	2,261
$ 183,593	$ 3,583,989	$ 754,399	$ 390,531	$ 47,932	$ 98,899	$ 296,136	$ 235,217

Seacoast Mental Health Center, Inc.
STATEMENT OF PROGRAM SERVICE EXPENSES
For the Year Ended June 30, 2014

	Total Agency	Admin.	Total Programs	Children	Emergency Services
Personnel Costs:					
Salary and wages	$ 6,743,465	628,701	$ 6,114,764	$ 1,887,274	$ 578,576
Employee benefits	776,719	89,639	687,080	234,012	30,146
Payroll Taxes	496,832	44,495	452,337	138,409	42,304
Professional Fees:					
Accounting/audit fees	27,835	23,382	4,453	1,544	264
Legal fees	13,640	13,640	-	-	-
Other professional fees	306,408	25,527	280,881	41,487	6,581
Staff Devel. & Training:					
Journals & publications	1,563	326	1,237	15	85
Conferences & conventions	19,690	5,385	14,305	4,672	508
Other staff development	5,395	157	5,238	3,830	477
Occupancy costs:					
Rent	369,997	30,177	339,820	105,786	17,177
Other Utilities	130,399	9,950	120,449	35,053	5,726
Maintenance & repairs	112,200	7,520	104,680	26,298	4,286
Taxes	7,990	-	7,990	-	-
Consumable Supplies:					
Office	14,568	993	13,575	4,524	716
Building/household	21,969	1,964	20,005	4,886	809
Food	46,003	1,147	44,856	5,341	816
Medical	10,036	342	9,694	1,425	239
Other	64,496	4,305	60,191	17,621	3,009
Depreciation	18,050	1,365	16,685	5,549	946
Equipment rental	59,663	4,486	55,177	18,253	3,112
Equipment maintenance	1,236	-	1,236	498	-
Advertising	6,529	335	6,194	1,570	1,122
Printing	15,659	837	14,822	4,175	585
Telephone/communications	143,983	10,695	133,288	38,202	19,167
Postage/shipping	16,031	1,252	14,779	5,125	875
Transportation:					
Staff	289,142	14,512	274,630	121,370	7,089
Clients	16,738	-	16,738	2,878	207
Assist to Individuals:					
Client services	7,978	-	7,978	1,168	-
Insurance:					
Malpractice/bonding	46,853	-	46,853	12,129	1,265
Vehicles	3,245	-	3,245	487	-
Comp. Property/liability	87,005	6,519	80,486	26,684	4,557
Membership Dues	52,622	20,959	31,663	10,189	(23)
Other Expenditures	3,880	650	3,230	2,671	-
Interest Expense	-	-	-	-	-
	9,937,819	949,260	8,988,559	2,763,125	730,621
Admin. Allocation	-	(949,260)	949,260	292,274	77,283
TOTAL PROGRAM EXPENSES	$ 9,937,819	$ -	$ 9,937,819	$ 3,055,399	$ 807,904

Vocational Services	Adult Services	Act Team	Fairweather Lodges	Springbrook	Drug Court	REAP	Other Non/BBH
$ 119,994	$ 2,341,887	$ 517,987	$ 372,509	$ 4,334	$ 89,491	$ 31,749	$ 170,963
21,921	270,714	65,509	54,925	180	2,914	736	6,023
8,906	173,280	38,204	28,284	335	7,030	2,576	13,009
107	1,659	397	326	3	61	21	71
-	-	-	-	-	-	-	-
4,384	50,875	9,927	7,941	83	1,485	156,032	2,086
-	-	-	296	-	-	-	841
-	3,310	-	-	-	-	300	5,515
28	677	102	84	1	16	5	18
6,517	146,374	14,671	40,473	134	2,673	1,537	4,478
2,182	48,040	5,111	14,396	7,019	917	509	1,496
1,627	36,481	3,679	12,833	17,306	669	383	1,118
-	-	-	-	7,990	-	-	-
279	4,436	971	1,338	8	302	534	467
329	5,448	1,476	5,286	10	187	555	1,019
440	5,863	1,163	23,487	10	179	1,909	5,648
97	1,514	360	314	3	55	19	5,668
2,158	19,061	4,525	3,715	39	694	8,553	816
384	6,034	1,398	1,132	694	215	77	256
1,263	19,807	4,612	6,286	39	710	252	843
-	498	-	240	-	-	-	-
95	2,539	352	289	3	54	19	151
238	3,850	965	722	8	135	3,023	1,121
2,648	51,028	15,369	4,088	42	844	486	1,414
356	5,505	1,316	1,081	11	202	71	237
11,920	77,884	39,320	3,861	10	9,319	1,456	2,401
-	8,137	-	5,516	-	-	-	-
-	215	3,053	43	2,374	1,125	-	-
-	28,189	5,270	-	-	-	-	-
-	441	370	1,947	-	-	-	-
1,853	28,662	6,852	5,626	3,598	1,052	367	1,235
(13)	11,977	(6)	144	8,745	(7)	172	485
-	465	-	94	-	-	-	-
-	-	-	-	-	-	-	-
187,713	3,354,850	742,953	597,276	52,979	120,322	211,341	227,379
19,855	354,865	78,587	63,178	5,604	12,727	22,355	22,532
$ 207,568	$ 3,709,715	$ 821,540	$ 660,454	$ 58,583	$ 133,049	$ 233,696	$ 249,911

Seacoast Mental Health Center, Inc.

Board of Directors Listing

First	*Last*	*Term Begin*	*Term End*	*Officer*	*Committees*
John	Pendleton	Feb-06	Feb-18	President	Audit/Finance Board Governance/Nomination Development Facilities
Carole	Bunting	Nov-07	Nov-16	Vice President	Audit/Finance Chair -Board Governance/Nomination Development Facilities
Jason	Coleman	Feb-03	Feb-18	Treasurer	Chair - Audit/Finance Board Governance/Nomination Development Facilities
Paul	Sorli	Feb-00	Feb-18	Secretary	Audit/Finance Chair - Facilities
Timothy	Black	Jan-12	Jan-18	N/A	Development
Susan	Craig	Jan-13	Jan-16	N/A	Nonc
Kathleen	Dwyer	Aug-13	Aug-16		
Kimberly	Hyer	Apr-97	Jun-17	N/A	Facilities
Lindsay	Josephs	Jan-13	Jan-16	N/A	None
Lillian	Kirkland Kann	Mar-15	Mar-18		Development
Monica	Kieser	Jan-12	Jan-18	N/A	Audit/Finance
Ed	Miller	Apr-12	Apr-15	N/A	Audit/Finance
Ned	Raynolds	May-14	May-17		
Nike	Speltz	Apr-04	Apr-16		Audit/Finance Development
Robert	Stomierosky	Aug-94	Aug-16	N/A	Facilities

Revised 03/18/15
Board Resignation:
Tim Graff
Newly Elected Board Member:
Lillian Kirkland Kann

Geraldine A. Couture

Professional Experience

Seacoast Mental Health Center, Inc., Portsmouth, NH
Executive Director, April 2002

Seacoast Mental Health Center, Inc., Portsmouth, NH
Associate Director, March 1993 – April 2002
Interim Director of Child Adolescent and Family Services, November 2000 – Compliance Officer
Oversee fiscal and administrative functions of large community mental health center.
Coordinate development and monitoring of annual budget and state contract.
Facilitate ongoing development of team model Child, Adolescent and Family Services Department including direct supervision of management staff, regional planning and inter-agency collaboration.
Chair: Compliance Committee.
Member: Personnel, Staff Growth and Development and Quality Improvement Committees

Strafford Guidance Center, Inc., Dover, NH
Business Manager, December 1991 - March 1993
Assistant Business Manager, January 1991 - December 1991
Accounts Receivable Manager, August 1987 - January 1991
Actively oversee daily operations of Accounts Receivable Department in a community mental health center.
Participate in development and monitoring of annual budget and contract with the New Hampshire Division of Mental Health.

Rochester Site Office Manger, December 1986 - August 1987
Responsible for all daily operations of satellite office.

Administrative Assistant, June 1986 - December 1986
Provided administrative support services to the Director of the Community Support Program.

Fradco Holdings, Inc., Greensburg, PA
President, June 1984 - April 1986
Administered all functions of company dealing in coal, timber and natural gas holdings.

Educational Experience

University of New Hampshire, Durham, NH
Master of Health Administration, May 2001.

University of New Hampshire, Durham, NH
Bachelor of Science, College of Life Sciences and Agriculture, Family and Consumer Studies, May 1984

Honors and Awards

Federal Traineeship in Health Management and Policy, Academic Year 2000-2001

Membership

National Association of Reimbursement Officers, Past President

Linda S. Every

EMPLOYMENT:

2002-Present: Associate Director, Seacoast Mental Health Center, Inc. 1145 Sagamore Ave, Portsmouth, NH 03801. Responsible for fiscal and administrative functions; Oversee development of annul budget and contract; Monitor and ensure proper financial controls are in place. Supervision of Management Staff. Member: Personnel, Compliance, and Quality Improvement Committees.

1993-2002: Business Office Manager, Seacoast Mental Health Center, Inc. 1145 Sagamore Avenue, Portsmouth, NH 03801. Responsible for all the accounting functions, non-client Accounts Receivable, Accounts Payable, Payroll and Purchasing. Duties include supervision and annual appraisal of accounting staff; preparation and analysis of financial statements; grants management; cash management; and coordinating the annual financial audit; prepare financial reports for various funding sources; Write and review polices and procedures as they pertain to the business functions. Ensure proper accounting controls are in place.

1989-1993: Promoted to Business Office Manager, Seacoast Mental Health Center Inc., 1145 Sagamore Ave., Portsmouth, NH 03801. Responsible for Accounts Payable, Payroll, Purchasing, non-client Accounts Receivable. Assisted with preparation of financial statements, and year end audit. Participated in the selection of new computer system, both hardware and software, and the implementation of that system. Provided backup up for the computer department.

1986-1989: Accountant, Seacoast Mental Health Center, Inc. 1145 Sagamore Ave., Portsmouth, NH 03801, Responsible for processing semimonthly Payroll and Accounts payable. Prepared daily deposits, maintained fixed assets, posted all non-client cash receipts. Streamlined the accounts payable process. Assisted with month end close.

1985-1986: Accountant, G&M Construction Corporation. 205 Lafayette Rd., North Hampton, NH. Responsible for processing Accounts Payable, Accounts Receivable, Payroll, Job Costing and Equipment Charges. Verified accuracy of financial information.

1984-1985: Accounts Payable/Payroll Clerk, Griffin Construction Company Inc., PO Box 149 Portsmouth, NH. Responsible for verifying and processing all incoming invoices, processed weekly-computerized payroll for 60 employees. Assisted in preparing audit work papers.

EDUCATION:

Bachelors Degree, June 1989, in Business administration. New Hampshire College, Greenleaf Ave.

Portsmouth, NH 03801.

Associate Degree, August 1983, in Accounting and Business Management, McIntosh College, Cataract Ave. Dover, NH 03820.

MEMBERSHIPS:

Member Institute of Management Accountants.

REFERENCES: Available on request

PATRICIA A. DRISCOLL, LICSW

WORK HISTORY

Jun 2008 to Present

Senior Clinician
Amesbury Psychological Center, Inc
24 Morrill Place Amesbury, MA 01913

Provide outpatient mental health and substance abuse treatment to adolescents and adults with a range of severity of symptoms; assist the Center Director with clinical and administrative duties.

- Function as the Multi-Disciplinary Treatment Team Chairperson with duties including: development and monitoring of internal audit and quality assurance systems; oversee all preparation for external audits; ensure compliance with all regulatory requirements
- Supervise other masters level clinicians
- Assist the Center Director with administrative duties including facilitation of group supervision meeting; coverage in his absence; attendance at off-site conferences/trainings; in-house training of clinical staff; interview and orient new clinical staff
- Function is the Chairperson of the Multi-Disciplinary Treatment Team: developed and oversee internal Quality Assurance review process; ensure compliance with all regulatory requirements; lead all audit preparation activities
- Take the lead in continuous quality improvement activities including evaluating and revising clinical documents; agency policies/procedures and leadership role in a state wide project to standardize clinical documentation; chosen to pilot project to develop full electronic health record

Sep 2004 to May 2008

Director of Merrimack Valley Services
Bridgewell, Inc.
Lynnfield, MA

As a member of the Executive Leadership Team of a large, innovative agency providing a variety of services to adults with mental health issues and developmental disabilities, oversaw all operations of the services in the Merrimack Valley. Services included residential, outpatient, day treatment, supportive living and homeless services.

- Supervised Senior and Middle Management staff responsible to run a total of 20 programs, employing 250 staff
- Managed an annual operating budget of $12M; negotiated contracts with State Department of Mental Health and Developmental Services
- Responsible for compliance with all internal and external regulatory requirements; participated in quality assurance activities
- Collaborated with State Department of Mental Health and Developmental Services to ensure quality services/treatment for individuals

May 1989 *Master of Social Work*

Sep 1983 **Hobart and William Smith Colleges**
to *Geneva, New York 14456*
May 1987 *BA in Psychology*

MEMBERSHIPS

National Association of Social Workers

REFERENCES

Will be furnished upon request.

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Geradine Couture	Executive Director	$155,195	0	0
Linda Every	Associate Director	$ 95,000	0	0
Patty Driscoll	Adult Services Director	$ 75,748	2%	$1,515

Subject: Continuum of Care Program, Cheshire County Permanent Housing

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services Office of Human Services		**1.2 State Agency Address** 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Southwestern Community Services, Inc.		**1.4 Contractor Address** 63 Community Way P.O. Box 603 Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	**1.6 Account Number** 05-95-42-423010-7927 102-500731	**1.7 Completion Date** June 30, 2016	**1.8 Price Limitation** $79,694
1.9 Contracting Officer for State Agency Eric D. Borrin		**1.10 State Agency Telephone Number** (603) 271-9558	
1.11 Contractor Signature John A Manning		**1.12 Name and Title of Contractor Signatory** John A. Manning, Chief Executive Officer	

1.13 Acknowledgement: State of NH, County of Cheshire

3/30/15

On _____, 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

JILL A. TOMLIN NOTARY PUBLIC [Seal] COMMISSION EXPIRES DECEMBER 9, 2018 NEW HAMPSHIRE

1.13.2 Name and Title of Notary or Justice of the Peace

Tomlin- Notary

1.14 State Agency Signature	**1.15 Name and Title of State Agency Signatory** MaryAnn Cooley Associate Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution)

By: Megan A. Yuk- Attorney On: 5/11/15

1.18 Approval by the Governor and Executive Council

By: On:

GM 3/30/15

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

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

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

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

Contractor Initials: JM
Date: 3/30/15

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

Contractor Initials: JM
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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.

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Date: 3/30/15

SCOPE OF SERVICES

Continuum of Care Program

1. CONDITIONAL NATURE OF AGREEMENT

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. SERVICES

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve twenty eight (28) homeless individuals and families with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. PROGRAM REPORTING REQUIREMENTS

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

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

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

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

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

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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

5. FINANCIAL

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

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

5.1.2. Supportive Services

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

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed

attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.

5.1.3.6. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.

5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance

provided under the Rapid ReHousing program component must be tenant based rental assistance.

5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.1.4. Administrative Costs

5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

5.2.2. Match requirements are to be documented with each payment request.

5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5.1 Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.

5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.

5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund:	Not applicable
Federal Funds:	
CFDA #:	14.267
Federal Agency:	U.S. Department of Housing & Urban Development
Program Title:	Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2015 – June 30, 2016: not to exceed $79,694

Funds allocation under this agreement for Continuum of Care Program;

Operating:	$77,746
Administrative costs:	$1,948
Total program amount:	$79,694

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part578.

4. USE OF GRANT FUNDS

4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.

4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.

5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 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. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current 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. Non-profit 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.

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

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

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

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

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

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

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

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

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

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:

   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 $1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than $2,000,000 per occurrence; and

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted

1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name: Southwestern Community Services, Inc.

3/30/15
Date

Name: John A. Manning
Title: Chief Executive Officer

CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name: Southwestern Community Services, Inc.

Date 3/30/15

Name: John A. Manning
Title: Chief Executive Officer

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Southwestern Community Services, Inc.

Date 3/30/15

Name: John A. Manning
Title: Chief Executive Officer

Contractor Initials JM
Date 3/30/15

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.

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: Southwestern Community Services, Inc.

Date 3/30/15

Name: John A. Manning
Title: Chief Executive Officer

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Southwestern Community Services, Inc.

Date 3/30/15

Name: John A. Manning
Title: Chief Executive Officer

HEALTH INSURANCE PORTABLITY 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, TitleXIII, 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.

l. "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

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:

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

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

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

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

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

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate 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.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

NH DHHS	Southwestern Community Services, Inc.
The State	Name of the Contractor
Signature of Authorized Representative	Signature of Authorized Representative
Mary Ann Cooney	John A. Manning
Name of Authorized Representative	Name of Authorized Representative
Associate Commissioner	Chief Executive Officer
Title of Authorized Representative	Title of Authorized Representative
5/1/15	03/30/2015
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Southwestern Community Services, Inc.

Date 03/30/15

Name: John A. Manning
Title: Chief Executive Officer

Contractor Initials JM
Date 3/30/15

FORM A

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

1. The DUNS number for your entity is: 081251381

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

   x NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

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 SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire nonprofit corporation formed May 19, 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 3rd day of April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Elaine M. Amer, Clerk/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 Southwestern Community Services, 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 4/27/12:
(Date)

RESOLVED: That the Chief Executive 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 30th day of March, 20 15.
(Date Contract Signed)

4. John A. Manning is the duly elected Chief Executive Officer
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Elaine M. Amer
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 30th day of March, 20 15,

By Elaine M. Amer.
(Name of the Elected Officer of the Agency)

LEISA PERROTTA NOTARY PUBLIC NEW HAMPSHIRE EXP. 02/06/2018

(Notary Public/Justice of the Peace)

Commission Expires: 2/6/2018

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/16/2015

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).

PRODUCER	CONTACT NAME:	
Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	PHONE (A/C, No, Ext): 603-352-2121	FAX (A/C, No): 603-357-8491
	E-MAIL ADDRESS: csr24@clark-mortenson.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Philadelphia Insurance Company	0
INSURED SOUTHWESTERNCOM Southwestern Comm Services Inc PO Box 603 Keene NH 03431	INSURER B : Maine Employer Mutual Insurance Co.	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** 71059072 **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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			PHPK1189961	6/30/2014	6/30/2015	EACH OCCURRENCE	$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
							MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$2,000,000
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$2,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY			PHPK1189961	6/30/2014	6/30/2015	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			PHUB462959	6/30/2014	6/30/2015	EACH OCCURRENCE	$2,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$2,000,000
	DED X RETENTION $ 10,000							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			3102800768	4/1/2015	4/1/2016	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N	N/A					E.L. EACH ACCIDENT	$500,000
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$500,000
							E.L. DISEASE - POLICY LIMIT	$500,000
A	Professional Liability			PHPK1189961	6/30/2014	6/30/2015	$1,000,000 $2,000,000	Per Occurrence General Aggregate

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

Workers Compensation Statutory coverage provided for State of NH
All Executive Officers are included in the Workers Compensation coverage

CERTIFICATE HOLDER

NH -DHHS
129 Pleasant Street
Concord NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Southwestern Community Services

Southwestern Community Services (SCS), one of New Hampshire's five community action agencies, has served the needs of Cheshire and Sullivan county citizens since 1965. Our **history** began when President Lyndon Johnson commenced waging his war on poverty. As the battles continue, so do our efforts as advocates for those in need. Southwestern Community Services is a tax-exempt organization under section 501(c)3 of the Internal Revenue Code.

Our vision: SCS seeks to create and support a climate within the communities of southwestern New Hampshire wherein poverty is never accepted as a chronic or permanent condition of any person's life.

Our mission: SCS strives to empower low income people and families. With dignity and respect, SCS will provide direct assistance, reduce stressors, and advocate for such persons and families as they lift themselves toward self-sufficiency. In partnership and in close collaboration with local communities, SCS will provide leadership and support to develop resources, programs, and services to further aid this population.

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

FOR THE YEAR ENDED
MAY 31, 2014
AND
INDEPENDENT AUDITORS' REPORTS

Leone, McDonnell & Roberts
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2014

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Leone, McDonnell & Roberts
Professional Association
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. and related companies (a New Hampshire nonprofit corporation), which comprise the consolidated statement of financial position as of May 31, 2014, and the related consolidated statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. as of May 31, 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 Information

Our audit was conducted for the purpose of forming an opinion on the consolidated 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 consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidatded financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 26, 2015, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

Leone, McDonnell & Roberts,
Professional Association

January 26, 2015
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MAY 31, 2014

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	$ 96,654
Accounts receivable	976,196
Inventory	312,064
Prepaid expenses	8,836
Advances to unrelated third parties	100,700
Notes receivable	112,000
Interest receivable	27,627
Total current assets	1,634,077
PROPERTY	
Land and buildings	12,526,948
Vehicles and equipment	761,283
Furniture and fixtures	29,791
Total property	13,318,022
Less accumulated depreciation	4,495,141
Property, net	8,822,881
OTHER ASSETS	
Due from related parties	877,025
Cash escrow and reserve funds	182,837
Security deposits	11,628
Other assets	591
Total other assets	1,072,081
Total assets	$ 11,529,039

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable	$ 550,886
Accrued expenses	97,294
Accrued payroll and payroll taxes	113,546
Accrued compensated balances	125,564
Other current liabilities	4,569
Refundable advances	132,114
Demand notes payable	338,953
Current portion of long term debt	245,959
Total current liabilities	1,608,885
NONCURRENT LIABILITIES	
Long term debt, less current portion shown above	6,324,881
Total liabilities	7,933,766
NET ASSETS	
Unrestricted	3,561,476
Temporarily restricted	33,797
Total net assets	3,595,273
Total liabilities and net assets	$ 11,529,039

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2014

	Unrestricted	Temporarily Restricted	Total
REVENUES AND OTHER SUPPORT			
Government contracts	$ 8,893,510		$ 8,893,510
Program service fees	2,103,765		2,103,765
Rental income	361,492		361,492
Developer income	694,246		694,246
Support	283,259	$ 33,797	317,056
Fundraising	146,366		146,366
Interest income	4,722		4,722
Forgiveness of debt	772,915		772,915
Miscellaneous	56,565		56,565
In-kind contributions	110,864		110,864
Total revenues and other support	13,427,704	33,797	13,461,501
NET ASSETS RELEASED FROM RESTRICTIONS	91,715	(91,715)	
Total revenues, other support, and net assets released from restrictions	13,519,419	(57,918)	13,461,501
EXPENSES			
Program services			
Home energy programs	4,171,970		4,171,970
Education and nutrition	2,037,363		2,037,363
Homeless programs	1,888,171		1,888,171
Housing services	1,824,635		1,824,635
Economic development services	503,259		503,259
Other programs	783,808		783,808
Total program services	11,209,206		11,209,206
Supporting activities			
Management and general	1,680,806		1,680,806
Total expenses	12,890,012		12,890,012
CHANGES IN NET ASSETS	629,407	(57,918)	571,489
NET ASSETS, BEGINNING OF YEAR AS ORIGINALLY STATED	2,956,093		2,956,093
PRIOR PERIOD ADJUSTMENT	(24,024)	91,715	67,691
NET ASSETS, BEGINNING OF YEAR AS RESTATED	2,932,069	91,715	3,023,784
NET ASSETS, END OF YEAR	$ 3,561,476	$ 33,797	$ 3,595,273

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MAY 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 571,489
Adjustments to reconcile changes in net assets to net cash from operating activities:	
Depreciation and amortization	470,112
Forgiveness of debt	(772,915)
(Increase) decrease in assets:	
Accounts receivable	(111,461)
Inventory	(210,123)
Prepaid expenses	9,011
Notes receivable	(112,000)
Interest receivable	(4,480)
Due from related parties	413,874
Security deposits	3,678
Increase (decrease) in liabilities:	
Accounts payable	(198,896)
Accrued expenses	68,788
Accrued payroll and payroll taxes	(19,991)
Accrued compensated absences	6,214
Other current liabilities	(19,874)
Refundable advances	(51,981)
NET CASH PROVIDED BY OPERATING ACTIVITIES	41,445
CASH FLOWS FROM INVESTING ACTIVITIES	
Decrease in escrow funds	(32,702)
Purchase of property	(83,801)
NET CASH USED IN INVESTING ACTIVITIES	(116,503)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net proceeds from demand notes payable	39,000
Proceeds from long term debt	80,782
Repayment of long term debt	(171,638)
NET CASH USED IN FINANCING ACTIVITIES	(51,856)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(126,914)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	223,568
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 96,654
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid during the year for:	
Interest	$ 140,095

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2014

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	Total
Payroll	$ 366,230	$ 995,868	$ 456,739	$ 742,481	$ 261,181	$ 398,478	$ 3,220,977	$ 704,943	$ 3,925,920
Payroll taxes	36,938	113,538	48,112	71,929	26,440	44,552	341,509	65,385	406,894
Employee benefits	105,720	272,411	163,228	116,815	49,802	132,998	840,974	152,774	993,748
Retirement	25,437	54,464	27,418	54,689	13,879	14,206	190,093	67,519	257,612
Advertising	750	15,508	430	3,322	-	129	20,139	1,190	21,329
Bank charges	455	-	19	2,457	-	4	2,935	5,041	7,976
Bad debt expense	-	-	2,023	-	-	-	2,023	-	2,023
Commercial subsidy	-	-	-	-	-	10,671	10,671	-	10,671
Computer cost	43	2,949	2,699	3,800	1,879	-	11,370	78,211	89,581
Contractual	325,048	55,175	89,472	93,879	97,225	120,497	781,296	6,151	787,447
Depreciation	7,902	11,128	249,555	145,479	-	5,604	419,668	50,444	470,112
Dues/registration	-	6,484	350	1,545	-	625	9,004	1,393	10,397
Duplicating	640	8,831	1,711	194	-	-	11,376	2,952	14,328
Insurance	6,633	13,375	23,207	44,849	581	4,537	93,182	49,750	142,932
Interest	-	10,971	12,662	24,242	-	1,142	49,017	140,095	189,112
Meeting and conference	2,110	630	10,356	8,936	-	17,909	39,941	12,303	52,244
Miscellaneous expense	41,461	2,333	2,725	62,321	80	5,899	114,819	41,884	156,703
Miscellaneous taxes	-	-	-	38,732	-	-	38,732	200	38,932
Equipment purchases	-	2,592	5,634	4,292	95	-	12,613	204	12,817
Office expense	11,464	19,310	12,954	2,655	5,018	98	51,499	13,325	64,824
Postage	29	381	139	462	429	35	1,475	20,623	22,098
Professional fees	1,000	-	1,500	30,420	-	-	32,920	82,021	114,941
Staff development and training	3,384	5,585	6,164	2,538	-	4,239	21,910	14,288	36,198
Subscriptions	-	-	-	397	135	750	1,282	1,699	2,981
Telephone	3,396	14,908	34,075	9,078	6,939	616	69,012	18,217	87,229
Fax	133	-	-	-	-	-	133	-	133
Travel	3,348	11,813	12,317	4,478	6,147	145	38,248	2,464	40,712
Vehicle	7,055	9,716	6,107	50,352	-	10,389	83,619	41,312	124,931
Rent	-	11,550	166	7,200	-	-	18,916	-	18,916
Space costs		110,000	277,330	192,082	-	1,598	581,010	106,418	687,428
Direct client assistance	3,222,794	176,979	441,079	105,011	33,429	8,687	3,987,979		3,987,979
In-kind expenses	-	110,864	-	-	-	-	110,864	-	110,864
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,171,970	2,037,363	1,888,171	1,824,635	503,259	783,808	11,209,206	1,680,806	12,890,012
Allocation of management and general expenses	625,581	305,500	283,129	273,602	75,463	117,531	1,680,806	(1,680,806)	-
TOTAL FUNCTIONAL EXPENSES	$ 4,797,551	$ 2,342,863	$ 2,171,300	$ 2,098,237	$ 578,722	$ 901,339	$ 12,890,012	$ -	$ 12,890,012

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2014

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corp., SCS Housing, Inc., Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP, and Troy Common Associates, LP. The Organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

Basis of Accounting

The financial statements of Southwestern Community Services, Inc. have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles. The financial statements include the accounts of Southwestern Community Services, Inc., SCS Management Corp., and SCS Housing, Inc. The three corporations are combined because Southwestern Community Services, Inc. controls more than 50% of the voting power. All significant intercompany items and transactions have been eliminated from the basic financial statements.

Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP and Troy Common Associates, LP have been consolidated with the Organization because the Organization owns 100% of the voting power. All significant intercompany items and transactions have been eliminated from the basic financial statements.

Basis of Presentation

Financial statement presentation follows the recommendations of the Accounting Standard Codification No. 958-210, Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958-210, 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 based upon the existence or absence of donor-imposed restrictions.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted: Net assets whose use is limited by donor imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Organization.

Permanently Restricted: Net assets reflecting the historical cost of gifts (and in certain circumstances, the earnings from those gifts), subject to donor - imposed stipulations, which require the corpus to be invested in perpetuity to produce income for general or specific purposes.

As of May 31, 2014, the Organization had unrestricted and temporarily restricted net assets.

Refundable Advances

The Organization records grant and contract revenue as refundable advances until it is expended for the purpose of the grant or contract, at which time it is recognized as revenue.

In-Kind Support

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Estimates

The presentation 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts Receivable

The Organization has adopted the allowance method for accounting for uncollectible receivables. The Organization estimated the allowance for uncollectible receivables at zero for the year ended May 31, 2014.

Notes Receivable
The Organization has two notes receivable from an unrelated third party. The notes receivable are stated at the amount that is expected to be collected at year end. Interest is accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable is $112,000 and $27,627, respectively at May 31, 2014.

Inventory
Inventory is recorded at cost or at fair value if contributed. Inventory consists of property developments, which when complete, will be held for sale.

Current Vulnerability Due to Certain Concentrations
The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the year ended May 31, 2014, approximately 65% of the Organization's total revenue was received from government agencies. The future nature of the organization is dependent upon continued support from the government.

Concentration of Credit Risk
The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts. At May 31, 2014, no balance exceeded the federally insured limits.

Property and Depreciation
Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property.

The Organization generally capitalizes and depreciates all assets with a cost greater than $5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	10 - 40 Years
Equipment and furnishing	5 - 10 Years
Vehicles	5 Years
Computer equipment and software	3 - 7 Years

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property.

Advertising
The Organization expenses advertising costs as incurred.

Revenue Recognition
Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as restricted if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

Income Taxes
The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. As such, the Organization is exempt from income tax on its exempt function income.

SCS Housing, Inc. is a C Corporation and is subject to income tax. Management does not believe this entity will have taxable income as there is net operating loss carryforward of $673,130 and therefore, there is no tax provision.

Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP, and Troy Common Associates, LP are partnerships and do not pay taxes on their income. Rather, the partners will pay the taxes on the partnership net income.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. The Organization has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2011 – 2014), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Fair Value of Financial Instruments
FASB ASC Topic No. 820-10, Financial Instruments, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with ASC 820-10, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, Topic 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under ASC Topic 820-10 are described as follows:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The carrying amount of cash, accounts receivables, prepaid expenses, inventory, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

Functional Allocation of Expenses

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

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. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through January 26, 2015, the date the financial statements were available to be issued.

NOTE 2 DEMAND NOTES PAYABLE

The Organization has a $250,000 revolving line of credit agreement (the line) with a bank that is due on demand. The line calls for monthly interest payments based on an interest rate of 4% per annum. The line is secured by all the Organization's assets. The outstanding balance at May 31, 2014 totaled $249,953.

The Organization has a $500,000 master line of credit agreement (the line) with a bank that is due on demand. The line calls for monthly interest payments based on the Wall Street Journal Prime Rate (3.25% at May 31, 2014) plus 1% per annum. The line is secured by all the Organization's assets. The outstanding balance at May 31, 2014 totaled $89,000.

NOTE 3 **LONG TERM DEBT**

The long term debt at May 31, 2014 consisted of the following:

1% mortgage payable to New Hampshire Housing Finance Authority in monthly installments for principal and interest of $891 through August 2032. The note is secured by real estate of the Organization.	$ 190,668
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization.	32,147
3.5% note payable to a bank in monthly installments for principal and interest of $959 through March 2021. The note is secured by real estate of the Organization.	70,549
Non-interest bearing mortgage payable to New Hampshire Housing Finance Authority. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization.	250,000
Non-interest bearing mortgage payable to New Hampshire Housing Finance Authority. Payment is deferred for 30 years, through July 2032, or until project is sold or refinanced. The note is secured by real estate of the Organization.	408,300
4.25% mortgage payable to a bank in monthly installments for principal and interest of $1,875 through January 2017. The note is secured by real estate of the Organization.	219,903
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of $11,050 through May 2049. The note is secured by real estate of the Organization.	2,372,857
Non-interest bearing note payable to a county in New Hampshire. Payment is not necessary unless Organization defaults on contract and the note is secured by real estate of the Organization.	460,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance is due. The note is secured by real estate of the Organization.	63,000

4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance is due. The note is secured by real estate of the Organization.	45,000
Note payable to a bank in monthly installments for principal and interest of $2,769 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.07% at May 31, 2014. The note is secured by real estate of the Organization.	461,087
6.99% note payable to a bank in monthly installments for principal and interest of $560 through October 2014. The note is secured by a vehicle of the Organization.	3,303
5.95% note payable to a bank in monthly installments for principal and interest of $934 through May 2021. The note is secured by real estate of the Organization.	119,335
6% note payable to a bank in monthly installments for principal and interest of $1,351 April 2016 at which time a balloon payment of $123,000 is due. The note is secured by real estate of the Organization.	137,167
7% note payable to a bank in monthly installments for principal and interest of $807 through December 2025. The note is secured by real estate of the Organization.	80,821
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note will be forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization.	250,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note will be forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization.	150,000

Non-interest bearing note payable to New Hampshire Finance Authority in annual payments in the amount of 50% of annual surplus cash through July 2023 at which time the remaining balance is due. The note is secured by real estate of the Organization.	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization.	446,500
3.99% note payable to a bank in monthly installments for principal and interest of $385 through April 2015. The note is secured by a vehicle of the Organization.	16,014
	6,570,840
Less current portion due within one year	245,959
Total	$ 6,324,881

The schedule of maturities of long term debt at May 31, 2014 is as follows:

Year Ending May 31	Amount
2015	$ 245,959
2016	261,173
2017	321,305
2018	130,188
2019	131,238
Thereafter	5,480,977
Total	$ 6,570,840

NOTE 4 **OPERATING LEASES**

The Organization leases vehicles, under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2016. Monthly lease payments range from $341 to $580. Lease expense for the year ended May 31, 2014 totaled $25,051.

Future minimum lease payments as of May 31, 2014 are as follows:

Year Ending May 31	Amount
2015	$ 77,650
2016	43,109
Total	$ 120,759

NOTE 5 ACCRUED COMPENSATED BALANCES

At May 31, 2014, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of $125,564.

NOTE 6 CONTINGENCIES

SCS Housing, Inc. is the general partner of ten limited partnerships (which include Drewsville Carriage House Associates, LP, North Walpole Village Housing, LP, and Troy Common Associates, LP, consolidated within the financial statements) formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc. and SCS Housing, Inc. have guaranteed repayment of liabilities of various partnerships totaling $1,120,000 at May 31, 2014. Partnership real estate with a cost basis of approximately $25,700,000 provides collateral on these loans.

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If costs were found not to have been incurred in compliance with the laws and regulations, the Organization might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2014.

NOTE 7 RELATED PARTY TRANSACTIONS

During the year ended May 31, 2014, SCS Housing, Inc. managed seven limited partnerships. Management fees charged by SCS Housing, Inc. totaled $383,457. In addition, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years. The total amount due and expected to be collected from the limited partnerships was $877,025 at May 31, 2014.

NOTE 8 ADVANCES TO UNRELATED THIRD PARTIES

The Organization has advanced funds to three unrelated entities for property development purposes. The total amount due and expected to be collected from these entities was $100,700 at May 31, 2014.

NOTE 9 RETIREMENT PLAN

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled $261,757 for the year ended May 31, 2014.

NOTE 10 **RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets consist of contributions received by the Organization that have not been used for the specified purpose of the donor. Temporarily restricted net assets at May 31, 2014 totaled $33,797.

NOTE 11 **FORGIVENESS OF DEBT**

During the year ended May 31, 2014 the Organization realized forgiveness of debt income in connection with notes payable with the Town of Troy and the Town of Walpole, and the County of Cheshire. Forgiveness of debt income totaled $772,915 for the year ended May 31, 2014.

NOTE 12 **PRIOR PERIOD ADJUSTMENT**

The beginning net assets for the year ended May 31, 2014 has been restated to correct three errors.

In previously issued financial statements, the Organization recorded donations restricted for a specific purpose as deferred revenue, rather than temporarily restricted revenue due to the purpose restriction, as required by accounting standards. As the purpose restrictions are met, an amount is reclassified from temporarily restricted net assets to unrestricted net assets. In addition, the Organization did not record accrued interest related to interest earned on a note receivable as is required by the terms of the note agreement. There was also an overstatement of inventory as a result of an oversight. Correcting these errors created an interest receivable asset of $23,147, increased temporarily restricted nets assets by $91,715, decreased inventory by $47,171, and decreased unrestricted net assets by $24,024, at May 31, 2013. The total effect of the prior period adjustment on the total change in net assets is as follows:

Donations improperly recorded as deferred revenue	$ 91,715
Understatement of interest receivable	23,147
Overstatement of inventory	(47,171)
Total prior period adjustment	$ 67,691

SUPPLEMENTAL INFORMATION

(SEE INDEPENDENT AUDITORS' REPORT)

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2014

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	Total
REVENUES									
Government contracts	$ 3,895,814	$ 2,360,191	$ 1,334,947	$ 212,643	$ 558,616	$ 94,805	$ 8,457,016	$ 436,494	$ 8,893,510
Program service fees	253,130	16,834	76,767	1,102,285	-	654,749	2,103,765	-	2,103,765
Rental income	-	-	98,632	262,860	-	-	361,492	-	361,492
Developer income	-	-	-	694,246	-	-	694,246	-	694,246
Support	63,529	4,250	114,324	-	-	132,703	314,806	2,250	317,056
Fundraising	-	-	-	-	-	146,366	146,366	-	146,366
Interest income	34	-	10	124	-	7	175	4,547	4,722
Forgiveness of debt	-	-	-	772,915	-	-	772,915	-	772,915
Miscellaneous	-	11,063	10,743	34,474	-	20	56,300	265	56,565
In-kind contributions	-	110,864	-	-	-	-	110,864	-	110,864
Total revenues	4,212,507	2,392,338	1,635,423	3,079,547	558,616	1,028,650	13,017,945	443,556	13,461,501
EXPENSES									
Payroll	$ 366,230	$ 995,868	$ 456,739	$ 742,481	$ 261,181	$ 398,478	$ 3,220,977	$ 704,943	$ 3,925,920
Payroll taxes	36,938	113,538	48,112	71,929	26,440	44,552	341,509	65,385	406,894
Employee benefits	105,720	272,411	163,228	116,815	49,802	132,998	840,974	152,774	993,748
Retirement	25,437	54,464	27,418	54,689	13,879	14,206	190,093	67,519	257,612
Advertising	750	15,508	430	3,322	-	129	20,139	1,190	21,329
Bank Charges	-	-	2,023	-	-	-	2,023	-	2,023
Bad debt expense	455	-	19	2,457	-	4	2,935	5,041	7,976
Commercial subsidy	-	-	-	-	-	10,671	10,671	-	10,671
Computer cost	43	2,949	2,699	3,800	1,879	-	11,370	78,211	89,581
Contractual	325,048	55,175	89,472	93,879	97,225	120,497	781,296	6,151	787,447
Depreciation	7,902	11,128	249,555	145,479	-	5,604	419,668	50,444	470,112
Dues/registration	-	6,484	350	1,545	-	625	9,004	1,393	10,397
Duplicating	640	8,831	1,711	194	-	-	11,376	2,952	14,328
Insurance	6,633	13,375	23,207	44,849	581	4,537	93,182	49,750	142,932
Interest	-	10,971	12,662	24,242	-	1,142	49,017	140,095	189,112
Meeting & conference	2,110	630	10,356	8,936	-	17,909	39,941	12,303	52,244
Miscellaneous expense	41,461	2,333	2,725	62,321	80	5,899	114,819	41,884	156,703
Miscellaneous taxes	-	-	-	38,732	-	-	38,732	200	38,932
Equipment purchases	-	2,592	5,634	4,292	95	-	12,613	204	12,817
Office expense	11,464	19,310	12,954	2,655	5,018	98	51,499	13,325	64,824
Postage	29	381	139	462	429	35	1,475	20,623	22,098
Professional	1,000	-	1,500	30,420	-	-	32,920	82,021	114,941
Staff development & training	3,384	5,585	6,164	2,538	-	4,239	21,910	14,288	36,198
Subscriptions	-	-	-	397	135	750	1,282	1,699	2,981
Telephone	3,396	14,908	34,075	9,078	6,939	616	69,012	18,217	87,229
Fax	133	-	-	-	-	-	133	-	133
Travel	3,348	11,813	12,317	4,478	6,147	145	38,248	2,464	40,712
Vehicle	7,055	9,716	6,107	50,352	-	10,389	83,619	41,312	124,931
Rent	-	11,550	166	7,200	-	-	18,916	-	18,916
Space costs	-	110,000	277,330	192,082	-	1,598	581,010	106,418	687,428
Direct client assistance	3,222,794	176,979	441,079	105,011	33,429	8,687	3,987,979	-	3,987,979
In-kind expenses	-	110,864	-	-	-	-	110,864	-	110,864
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,171,970	2,037,363	1,888,171	1,824,635	503,259	783,808	11,209,206	1,680,806	12,890,012
Allocation of management and general expenses	625,581	305,500	283,129	273,602	75,463	117,531	1,680,806	(1,680,806)	-
TOTAL FUNCTIONAL EXPENSES	$ 4,797,551	$ 2,342,863	$ 2,171,300	$ 2,098,237	$ 578,722	$ 901,339	$ 12,890,012	$ -	$ 12,890,012

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE ELECTRIC ASSISTANCE PROGRAM
FOR THE YEAR ENDED MAY 31, 2014

Revenues	$ 122,839
Expenditures	
Personnel	$ 87,767
Administrative	35,072
	$ 122,839

Note:

For the year ended May 31, 2014, the Electric Assistance Program, which is funded through the New Hampshire Public Utilities Commission with funds from the utility companies operating in the State of New Hampshire, was tested for compliance with the requirements of laws and regulations applicable to the contract with the Public Utilities Commission. In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the requirements outlined in the contract for the year ended May 31, 2014.

SOUTHWESTERN COMMUNITY SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2014

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURE
U.S. Department of Agriculture				
Child and Adult Care Food Program	10.558	State of NH Department of Education		$ 106,583
Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services		241,661
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-52600000-102-500734	152,056
Total U.S. Department of Agriculture				$ 500,300
U.S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	$ 77,419
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	434,898
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	241,111
Total U.S. Department of Housing and Urban Development				$ 753,428
U.S. Department of Labor				
WIA Cluster - WIA Adult	17.258	Southern NH Services		$ 71,880
WIA Cluster - WIA Dislocated	17.278	Southern NH Services		83,578
Total U.S. Department of Labor				$ 155,458
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81.042	State of NH Office of Energy & Planning	01-02-024010-7706-074-500587	$ 59,431
Total U.S. Department of Energy				$ 59,431
U.S. Department of Veterans Affairs				
VA Support Services for Veterans Families Program	64.033			$ 98,605
Total U.S. Department of Veterans Affairs				$ 98,605
U.S. Department of Health & Human Services				
Administration on Aging, Title III, Part B	93.044	State of NH Office of Energy & Planning	1035506	$ 5,408
National Family Care Giver Support, Title III, Part E	93.052	State of NH, DHHS, Div of Elderly & Adult Services	177511	94,805
Drug-Free Communities Support Program Grants	93.276			125,100
Temporary Asssistance for Needy Families	93.558	Southern NH Services		269,282
Low Income Home Energy Assistance	93.568	State of NH, Office of Energy & Planning	1025874	3,590,829
Community Services Block Grant	93.569	State of NH, DHHS, Div. of Family Assistance	500731	291,126
CSBG - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance	500731	10,484
Head Start	93.600			1,836,182
Total U.S. Department of Health & Human Services				$ 6,223,216
TOTAL				**$ 7,790,438**

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2014

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 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 Southwestern Community Services, Inc., it is not intended to and does not present the financial position, change in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 FOOD DONATION

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed.

Leone, McDonnell & Roberts
Professional Association
CERTIFIED PUBLIC ACCOUNTANTS
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SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, 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 consolidated financial statements of Southwestern Community Services, Inc. and related companies (a New Hampshire nonprofit corporation), which comprise the consolidated statement of financial position as of May 31, 2014, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated January 26, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Southwestern Community Services, 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southwestern Community Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated 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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southwestern Community Services, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated 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

January 26, 2015
Wolfeboro, New Hampshire

Leone, McDonnell & Roberts
Professional Association
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
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SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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
Southwestern Community Services, Inc.
Keene, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Southwestern Community Services, Inc.'s (a New Hampshire nonprofit corporation) 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 Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2014. Southwestern Community Services, 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 Southwestern Community Services, 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 Southwestern Community Services, 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 on Southwestern Community Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2014.

Report on Internal Control Over Compliance

Management of Southwestern Community Services, 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 Southwestern Community Services, 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 Southwestern Community Services, Inc.'s internal control over compliance.

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

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

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

Leone, McDonnell & Roberts,
Professional Associates

January 26, 2015
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MAY 31, 2014

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the consolidated financial statements of Southwestern Community Services, Inc.

2. No significant deficiencies disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.* No material weaknesses are reported.

3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133.* No material weaknesses are reported.

5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal 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 were: Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, Temporary Assistance for Needy Families, 93.558, Drug-Free Communities Support Program Grants, 93.276. United States Department of Agriculture; Commodity Supplemental Food Program, 10.565. Department of Veterans Affairs; VA Supportive Services for Veteran Families Program, 64.033.

8. The threshold for distinguishing Type A and B programs was $300,000.

9. Southwestern Community Services, Inc. was determined to not be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MAY 31, 2014

FINDINGS - FINANCIAL STATEMENTS AUDIT

2013-1
Condition: Control systems did not prevent, or detect and correct a material misstatement that was identified by the auditor. Specifically, management did not account for inventory properly as an asset.

Recommendation: Review the criteria above (FASB ASC 330-10-30-1) and incorporate it into the accounting process.

Current Status: Controls have been implemented to ensure that inventory is properly recorded.

2013-2
Condition: Control systems did not prevent, or detect and correct material misstatements that were identified by the auditor. Specifically, management did not reconcile various asset, liability, and equity accounts.

Recommendation: Implement a policy that requires the Chief Financial Officer or Fiscal Director to reconcile the accounts outside of cash, accounts receivable, and accounts payable, at least, at year end.

Current Status: Controls have been implemented to ensure that balance sheet accounts are reconciled.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

None

Southwestern Community Services, Inc. Board of Directors - 2015 -

Elaine Amer/*Clerk/Treasurer*	Dave Edkins	Vacant
Leroy Austin	Beth Fox	Mary Lou Huffling
Anne Beattie	Raymond Gagnon	Peter (Sturdy) Thomas
Scott Croteau/*Vice Chairperson*	Senator Molly Kelly	Vacant
Penny Despres	Louis Gendron	Cathy Paradis
Daisy Heath	Jessie Levine	Kevin Watterson/*Chairperson*

John A. Manning

Summary

Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Financial Officer of a large community action agency.

Experience

1990–Present Southwestern Community Services Inc. Keene, NH

Chief Financial Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Supervises a staff of 7, with an agency budget of over $ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985-1995 Keene State College Keene, NH

Adjunct Professor

Taught evening accounting classes for their continuing education program.

1978-1990 John A. Manning, Keene, NH

Certified Public Accountant

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients

1975-1978 Kostin and Co. CPA's West Hartford, Ct.

Staff Accountant

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

Education

1971–1975 University of Mass. Amherst, Ma.

- B.S. Business Administration in Accounting

Organizations

American Institute of Certified Public Accountants

NH Society of Certified Public Accountants

Laurie J. Tyler

Qualifications

Successful fundraising and grant writing skills
Managing mutiple Housing Units and Programs
Twenty years experience in leadership and administration
Strong written and oral communication ability
Strong work ethic and a self-driven passion for the cause

Professional Experience

Director of Homeless Services Program Development December 2000 – present
Southwestern Community Services, Inc., Keene, NH

- Directed and maintained staff of 16 employees and volunteers while over seeing six homeless shelters with 140+ beds within two counties. Assure quality of services provided for up to 500 Homeless individuals/families with shelter and/or voucher programs.
- Grant writing for programs such as LTTHP, SCLTTHP, EHS, SSVF, Rapid Re-housing S+C, etc. Have been awarded more than $2.5mil in Grants that are renewed via competitive proposals.
- Brick & Mortar Federal Grants for Construction/Acquisitions Monies. Awarded more than $2.3mil in monies for Shelter, PHP and 2ND Chance Programs.
- Fund Raising Charitable Contributions. Worked with business and agencies (FEMA, PSNH, Monadnock United Way, Walmart, Sprinkler Funds and Private Donors) to receive in excess of $130k in miscellaneous awards and private donations.
- Experienced with Grants that are renewed via competitive proposals, fundraising programs and compliance reporting (to include private/public foundations, local/state/federal government)
- Assure compliance with Federal, State, Local, legal and funding requirements. Participate in Community/Professional Networking events including conference trainings and public speaking.

Administrative Assistant/Assistant Office Manager May 1995 – Jan 2001
Monadnock Area Psychotherapy & Spirituality Services, Keene, NH

- Manage office staff and maintenance employees. Coordinate and manage efficient procedures for successful office operations and client intake and assignment administration
- Monitor cash flow by managing accounts receivable and accounts payable.
- Establish and maintain successful billing and tracking system. Prepare and analyze monthly and yearly financial statements to include yearly budget preparation.

Office Manager 1988-1995
Khouw & Post Professional Association, Keene, NH

- Prepared and analyzed monthly and yearly financial statements. Monitored cash flow by managing accounts receivable and accounts payable.
- Trained and supervised clerical staff. Managed and monitored personnel policies and benefits.

Education

- **Bachelor of Science, Management,** Franklin Pierce College, Keene, NH
  - 3.68 G.P.A., Magna Cum Laude, Management Departmental Honors
- **Giving Monadnock Non-Profit Fundraising Institute,** Antioch College, Keene, NH
  - Cerification on stimulating, promoting, and inspiring an increased level of philanthropy.
- **Leadership Development Training,** Tad Dwyer, Keene, NH

Other

- Experienced with both IBM PC's and Macintosh Computers with proficienies in MS Word, Quickbooks, and Excel.
- Annual trainings in CPI, Blood borne Pathogens, Mental Health, Substance Abuse, Brain Injuries, Military Culture, Housing 101, Case Management, etc.
- Published article in college science textbook.

Contractor Name: Southwestern Community Services, Inc.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	$119642	0	0
Laurie Tyler	Director of Housing Stabilization	$ 51543	0	0