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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC HEALTH SERVICES

Lori A. Shibinette
Commissioner

Lisa M. Morris
Director

29 HAZEN DRIVE, CONCORD, NH 03301
603-271-4501 1-800-852-3345 Ext. 4501
Fax: 603-271-4827 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

March 15, 2021

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Public Health Services, to enter into a **Sole Source** amendment to an existing contract with Northern Human Services (VC #177222-B004), Conway, NH, to continue activities for the North Country Community Collaborations to Strengthen and Preserve Families program that conducts trainings for staff who provide Home Visiting Services to young children and families as well as direct services to families, by exercising a contract renewal option by increasing the price limitation by $100,000 from $300,000 to $400,000 and extending the completion date from June 30, 2021 to June 30, 2023 effective July 1, 2021 or upon Governor and Council approval, whichever is later. 100% Federal Funds.

The original contract was approved by Governor and Council on June 19, 2019, item #78B and most recently amended with Governor and Council approval on October 7, 2020, item #9.

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

05-95-042-421010-29580000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES DIV, CHILD PROTECTION. CHILD-FAMILY SERVICES (100% General Funds)

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2019	643-504191	Contracts for Prog Svc	42105756	$100,000	$0	$100,000
2020	643-504191	Contracts for Prog Svc	42105756	$0	$0	$0
2021	643-504191	Contracts for Prog Svc	42105756	$200,000	$0	$200,000
			Subtotals:	*$300,000*	*$0*	*$300,000*

05-95-090-902010-70470000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: PUBLIC HEALTH DIV, COMMUNITY COLLABORATION (100% Federal Funds)

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2022	102-500731	Contracts for Prog Svc	90070470	$0	$50,000	$50,000
2023	102-500731	Contracts for Prog Svc	90070470	$0	$50,000	$50,000
			Subtotals:	*$0*	*$100,000*	*$100,000*
			Totals:	**$300,000**	**$100,000**	**$400,000**

EXPLANATION

This request is **Sole Source** because the contract was originally approved as sole source and MOP 150 requires any subsequent amendments to be labelled as sole source. Northern Human Services is the Fiscal Agent for the Coos Coalition for Young Children and Families (Coos Coalition), which is the coordinating body in Coos and Northern Grafton Counties for child maltreatment prevention utilizing evidence based practices. The Coos Coalition is the only coalition in Coos and Northern Grafton counties whose primary purpose is to promote the optimal social and emotional development of children from birth through eight (8) years of age.

The purpose of this request is to continue the activities in the North Country Community Collaborations to Strengthen and Preserve Families program by providing training for staff who provide Home Visiting Services in the North Country Region through the network and work of the Coos Coalition.

Funds support the Social and Emotional Learning Coaching System in Coos Country as part of the strategy to support and maintain a high quality early childhood serving workforce. Coaching will be provided to a minimum of twenty-eight (28) home visiting staff from the Family Resource Center, Northern Human Services Infant Mental Health and Early Supports and Services programs and Head Start.

The Coos Coalition's leadership team will continue utilizing Boundary Spanning Leadership practices to support the community implementation team further develop collective impact strategies to enhance the early childhood system.

The Contractor will continue utilizing funding to increase capacity to provide evidence based, universal home visiting services to families with young children; to deliver coaching to home visiting staff who provide services to children; and to provide consistent parent engagement opportunities for families to connect with one another to build resource networks and increase parenting skills. The Contractor will collect data and outcomes data from the clients served to support a program evaluation with the University of New Hampshire. The Department anticipates linking the collected data with internal data to determine outcomes of families and children who receive community coordination of services and to determine child maltreatment outcomes.

The target population served is overburdened families, caregivers with substance misuse and young families with children eight (8) years of age or younger who are at risk of child abuse or neglect and other adverse childhood experiences. The geographic region served includes all of Coos County and North Grafton County above Franconia Notch. Approximately 500 children and their families will be served from July 1, 2021 to June 30, 2023.

The Department will monitor contracted services to ensure:

- The number of home visitors who are trained and implementing evidence-based parenting education in their work is not less than 52.
- The number of children actively receiving home visits is not less than 350.
- The number of caregivers actively receiving home visits is not less than 184.
- Protective Factors Survey-2 instruments that measure increases in parenting skills demonstrate increases no less than 25% upon families receiving services.

As referenced in Exhibit C-1, Revisions to Standard Contract Language, Paragraph 2 of the original contract, the parties have the option to extend the agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is exercising its option to renew services for two (2) of the two (2) years available.

Should the Governor and Council not authorize this request, home visiting staff who provide services to caregivers with substance abuse as well as families with young children at risk of child abuse and neglect may not receive appropriate evidence-based training and follow-up coaching activities, which are imperative to teaching positive parenting and family structure to those in need of services.

Area served: Coos County and Northern Grafton County north of Franconia Notch

Source of Funds: CFDA #93.670, FAIN 90CA1858.

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

Respectfully submitted,

Lori Shibinette

Lori A. Shibinette
Commissioner

State of New Hampshire
Department of Health and Human Services
Amendment #2

This Amendment to the North Country Community Collaboration to Strengthen and Preserve Families contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Northern Human Services ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019 (Item #78B), as amended on October 7, 2020 (Item #9), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18 and Exhibit C-1, Paragraph 2, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

   June 30, 2023.

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

   $400,000.

3. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 2, to read:

   2. This agreement is funded with:

      2.1. 25% Federal Funds from the Community Collaboration to Strengthen and Preserve Families in NH: A Prevention, Public Health, Cross-Sector Approach; as awarded on June 25, 2020 by the US Department of Health and Human Services, Administration on Children, Youth & Families, Children's Bureau; CFDA #93.670; Federal Award Identification Number (FAIN) 90CA1858.

      2.2. 75% General Funds.

4. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 4, Subsection 4.1, to read:

   4.1 Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement in accordance with Exhibit A and Exhibit B-1, Budget Sheet through Exhibit B-4 Budget – Amendment #2.

5. Add Exhibit B-3 Budget – Amendment #2, which is attached hereto and incorporated by reference herein.

6. Add Exhibit B-4 Budget – Amendment #2, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective July 1, 2021 or upon the date of Governor and Executive Council approval, whichever is later.

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

State of New Hampshire
Department of Health and Human Services

3/30/2021
Date

DocuSigned by:
Lisa M. Morris
D038DBFB8CA64A0...
Name: Lisa M. Morris
Title: Director, Division of Public Health Srvcs.

Northern Human Services

3/23/2021
Date

DocuSigned by:
Eric Johnson
284E15CCE3D9F8...
Name: Eric Johnson
Title: CEO

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

OFFICE OF THE ATTORNEY GENERAL

3/31/2021
Date

DocuSigned by:
Name: Catherine Pinos
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

Exhibit B-3 Budget - Amendment #2

New Hampshire Department of Health and Human Services

Contractor name Northern Human Services

Budget Request for: North Country Community Collaboration to Strengthen and Preserve Families

Budget Period: SFY 2022 (July 1, 2021 - June 30, 2022)

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2. Employee Benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12. Subcontracts/Agreements	$ 45,455.00	$ -	$ 45,455.00	$ -	$ -	$ -	$ 45,455.00	$ -	$ 45,455.00
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NHS Grant Contractor Fee @ 10%		$ 4,545.00	$ 4,545.00	$ -	$ -	$ -		$ 4,545.00	$ 4,545.00
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 45,455.00	$ 4,545.00	$ 50,000.00	$ -	$ -	$ -	$ 45,455.00	$ 4,545.00	$ 50,000.00
Indirect As A Percent of Direct								10.0%	

Contractor Initials EJ DS

Date 3/23/2021

Exhibit B-3 Budget - Amendment #2

New Hampshire Department of Health and Human Services

Contractor name: Northern Human Services

Budget Request for: North Country Community Collaboration to Strengthen and Preserve Families

Budget Period: SFY 2023 (July 1, 2022 - June 30, 2023)

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2. Employee Benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12. Subcontracts/Agreements	$ 45,455.00	$ -	$ 45,455.00	$ -	$ -	$ -	$ 45,455.00	$ -	$ 45,455.00
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NHS Grant Contractor Fee @ 5.5%		$ 4,545.00	$ 4,545.00	$ -	$ -	$ -		$ 4,545.00	$ 4,545.00
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 45,455.00	$ 4,545.00	$ 50,000.00	$ -	$ -	$ -	$ 45,455.00	$ 4,545.00	$ 50,000.00
Indirect As A Percent of Direct								10.0%	

Contractor Initials EJ (DS)

Date 3/23/2021

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 NORTHERN HUMAN SERVICES is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 03, 1971. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **62362**
Certificate Number : **0004890870**

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 6th day of April A.D. 2020.

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Madelene Costello, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Northern Human Services.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on January 25, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Eric Johnson, CEO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Northern Human Services to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: March 16, 2021

Madelene P Costello

Signature of Elected Officer
Name: Madelene Costello
Title: President

Client#: 1010836 NORTHHUM

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 04/01/2021

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

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

PRODUCER	CONTACT NAME: Christine.skehan
USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS: Christine.skehan@usi.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Philadelphia Insurance Company	32204
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED: Northern Human Services, Inc.
87 Washington Street
Conway, NH 03818-6044

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	X COMMERCIAL GENERAL LIABILITY			PHPK2255726	03/31/2021	03/31/2022	EACH OCCURRENCE	$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
							MED EXP (Any one person)	$5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY	$1,000,000
	X POLICY PRO-JECT LOC						GENERAL AGGREGATE	$3,000,000
	OTHER:						PRODUCTS - COMP/OP AGG	$3,000,000
								$
A	AUTOMOBILE LIABILITY			PHPK2255722	03/31/2021	03/31/2022	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			PHUB761993	03/31/2021	03/31/2022	EACH OCCURRENCE	$10,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$10,000,000
	DED X RETENTION $10000							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Profession Liab			PHPK2255726	03/31/2021	03/31/2021	$1,000,000/$3,000,000	
A	Physician Prof			PHPK2255726	03/31/2021	03/31/2022	$1,000,000/$3,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Evidence of Insurance

CERTIFICATE HOLDER

State of NH Department of Health
and Human Services (DHHS)
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

CASCA

NORTHHUM

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/06/2020

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.

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PRODUCER	CONTACT NAME: Christine.Skehan
USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS: Christine.Skehan@usi.com

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

INSURED
Northern Human Services, Inc.
87 Washington Street
Conway, NH 03818-6044

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	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	☐ OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
A	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		ECC60040004322020A	09/30/2020	09/30/2021	☐ PER STATUTE ☐ OTH-ER	
							E.L. EACH ACCIDENT	$500,000
							E.L. DISEASE - EA EMPLOYEE	$500,000
							E.L. DISEASE - POLICY LIMIT	$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Evidence of Insurance.

CERTIFICATE HOLDER

State of NH Department of Health
and Human Services (DHHS)
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

BYPZP

Statement of Mission

"To assist and advocate for people affected by mental illness, developmental disabilities and related disorders in living meaningful lives."

Statement of Vision

Everyone who truly needs our services can receive them, as we strive to meet ever-changing needs through advocacy, innovation, collaboration and skill.

Financial Statements

NORTHERN HUMAN SERVICES, INC.

FOR THE YEARS ENDED JUNE 30, 2020 AND 2019
AND
INDEPENDENT AUDITORS' REPORT

Leone, McDonnell & Roberts
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

NORTHERN HUMAN SERVICES, INC.

JUNE 30, 2020 AND 2019

TABLE OF CONTENTS

	Page(s)
Independent Auditors' Report	1 - 2
Financial Statements:	
Statements of Financial Position	3
Statement of Activities	4
Statements of Cash Flows	5
Statement of Functional Expenses, Totals for All Programs	6
Statement of Functional Expenses, Mental Health	7 - 11
Statement of Functional Expenses, Developmental Services	12 - 14
Notes to Financial Statements	15 - 25
Supplementary Information:	
Schedule of Functional Revenues and Expenses, Totals for All Programs	26
Schedule of Functional Revenues and Expenses, Mental Health	27 - 31
Schedule of Functional Revenues and Expenses, Developmental Services	32 - 34
Schedule of Expenditures of Federal Awards	35
Notes to Schedule of Expenditures of Federal Awards	36
Independent Auditors' Reports on Internal Control and Compliance	37 - 40
Schedule of Findings and Questioned Costs	41 - 42

Leone, McDonnell & Roberts
Professional Association
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

To the Board of Directors of
Northern Human Services, Inc.
Conway, New Hampshire

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Northern Human Services, Inc. (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended June 30, 2020.

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

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

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

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Human Services, Inc. as of June 30, 2020 and 2019, and its cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2020 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information
We have previously audited Northern Human Services, Inc.'s June 30, 2019 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated October 22, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of functional revenues and expenses on pages 26 – 34 and schedule of expenditures of federal awards on page 35, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2021, on our consideration of Northern Human 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 solely 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 the effectiveness of Northern Human Services, Inc.'s 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 Northern Human Services, Inc.'s internal control over financial reporting and compliance.

Leone, McDonnell & Roberts
Professional Association

January 20, 2021
North Conway, New Hampshire

NORTHERN HUMAN SERVICES, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

ASSETS

	2020	2019
CURRENT ASSETS		
Cash and cash equivalents, undesignated	$ 13,898,376	$ 11,282,632
Cash and cash equivalents, board designated	318,202	318,202
Accounts receivable, less allowance of $311,000 and $328,000 for 2020 and 2019, respectively	2,431,296	1,965,991
Grants receivable	515,878	227,519
Assets, limited use	724,596	501,911
Prepaid expenses and deposits	193,859	295,077
Total current assets	18,082,207	14,591,332
PROPERTY AND EQUIPMENT, NET	261,407	364,455
OTHER ASSETS		
Investments	2,064,316	1,966,886
Cash value of life insurance	452,278	432,585
Total other assets	2,516,594	2,399,471
Total assets	$ 20,860,208	$ 17,355,258

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 1,589,607	$ 490,183
Accrued payroll and related liabilities	1,522,001	1,506,716
Compensated absences payable	794,893	743,136
Other grants payable	187,352	112,182
Refundable advances	132,500	197,017
Deferred revenue	101,857	431,341
Refundable advances, maintenance of effort	339,562	391,458
Client funds held in trust	397,289	169,364
Due to related party	58,112	48,423
Total liabilities	5,123,173	4,089,820
NET ASSETS		
Net assets without donor restrictions		
Undesignated	15,162,607	12,691,772
Board designated	318,202	318,202
Total net assets without donor restrictions	15,480,809	13,009,974
Net assets with donor restrictions	256,226	255,464
Total net assets	15,737,035	13,265,438
Total liabilities and net assets	$ 20,860,208	$ 17,355,258

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Summarized
PUBLIC SUPPORT				
State and federal grants	$ 2,169,389	$ -	$ 2,169,389	$ 1,131,728
Other public support	591,205	-	591,205	603,307
Local and county support	405,607	-	405,607	442,733
Donations	22,671	-	22,671	26,990
Total public support	3,188,872	-	3,188,872	2,204,758
REVENUES				
Program service fees	41,907,391	-	41,907,391	38,997,170
Production income	327,416	-	327,416	456,617
Other revenues	266,938	-	266,938	382,737
Total revenues	42,501,745	-	42,501,745	39,836,524
Total public support and revenues	45,690,617	-	45,690,617	42,041,282
EXPENSES				
Program Services:				
Mental health	11,370,057	-	11,370,057	11,010,994
Developmental services	25,774,536	-	25,774,536	24,129,392
Total program services	37,144,593	-	37,144,593	35,140,386
General management	6,283,048	-	6,283,048	5,128,004
Total expenses	43,427,641	-	43,427,641	40,268,390
EXCESS OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES	2,262,976	-	2,262,976	1,772,892
NON-OPERATING INCOME				
Investment return	113,984	-	113,984	93,900
Gain on sale of property	3,500	-	3,500	-
Change in cash value of life insurance	19,693	-	19,693	18,808
Interest income	69,233	2,211	71,444	92,269
Net assets released from restrictions	1,449	(1,449)	-	-
Total non-operating income	207,859	762	208,621	204,977
Change in net assets	2,470,835	762	2,471,597	1,977,869
NET ASSETS, BEGINNING OF YEAR	13,009,974	255,464	13,265,438	11,287,569
NET ASSETS, END OF YEAR	$ 15,480,809	$ 256,226	$ 15,737,035	$ 13,265,438

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 2,471,597	$ 1,977,869
Adjustments to reconcile change in net assets		
to net cash from operating activities:		
Depreciation	181,884	203,721
Unrealized (gain) loss on investments	(9,790)	30,002
Realized gain on investments	(57,410)	(81,524)
Gain on sale of property	(3,500)	-
Change in cash value of life insurance	(6,288)	(6,129)
(Increase) decrease in assets:		
Accounts receivable	(465,305)	(534,267)
Grants receivable	(288,359)	(123,775)
Assets, limited use	(222,685)	118,040
Prepaid expenses and deposits	101,218	(814)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	1,099,424	119,731
Accrued payroll and related liabilities	15,285	(204,854)
Compensated absences payable	51,757	39,110
Other grants payable	75,170	42,381
Refundable advances	(64,517)	(140,909)
Deferred revenue	(329,484)	315,656
Refundable advances, maintenance of effort	(51,896)	(580,064)
Client funds held in trust	227,925	(125,503)
Due to related party	9,689	3,734
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,734,715	1,052,405
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property	(83,336)	(40,833)
Proceeds from sale of property	8,000	-
Purchases of investments	(302,115)	(449,908)
Proceeds from sales of investments	318,669	457,019
Reinvested dividends	(46,784)	(42,378)
Change in cash value of life insurance	(13,405)	(12,679)
NET CASH USED IN INVESTING ACTIVITIES	(118,971)	(88,779)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,615,744	963,626
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	11,600,834	10,637,208
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 14,216,578	$ 11,600,834

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
TOTALS FOR ALL PROGRAMS

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Mental Health	Developmental Services	Subtotals	General Management	2020 Total	2019 Summarized
EXPENSES						
Salaries and wages	$ 7,256,309	$ 7,288,247	$ 14,544,556	$ 3,803,080	$ 18,347,636	$ 18,504,225
Employee benefits	1,443,451	2,006,173	3,449,624	862,879	4,312,503	4,031,156
Payroll taxes	511,611	505,954	1,017,565	242,248	1,259,813	1,297,577
Client wages	108,499	98,994	207,493	-	207,493	266,295
Professional fees	206,342	13,952,776	14,159,118	770,902	14,930,020	11,428,062
Staff development and training	19,191	19,969	39,160	5,295	44,455	69,802
Occupancy costs	604,577	510,258	1,114,835	183,890	1,298,725	1,306,350
Consumable supplies	196,136	206,721	402,857	59,328	462,185	515,745
Equipment expenses	105,910	141,286	247,196	45,942	293,138	302,932
Communications	131,115	118,675	249,790	47,935	297,725	283,129
Travel and transportation	189,477	646,801	836,278	30,874	867,152	1,100,741
Assistance to individuals	1,961	77,038	78,999	140	79,139	113,138
Insurance	51,989	73,139	125,128	27,835	152,963	150,487
Membership dues	24,205	16,785	40,990	87,476	128,466	127,194
Bad debt expense	508,139	108,562	616,701	-	616,701	750,495
Other expenses	11,145	3,158	14,303	115,224	129,527	21,062
Total expenses	$ 11,370,057	$ 25,774,536	$ 37,144,593	$ 6,283,048	$ 43,427,641	$ 40,268,390

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Non-Specialized Outpatient	State Eligible Adult Outpatient	Outpatient Contracts	Children and Adolescents
EXPENSES				
Salaries and wages	$ 305,785	$ 895,118	$ 277,034	$ 845,154
Employee benefits	51,579	117,088	55,526	146,560
Payroll taxes	21,592	60,436	19,730	59,273
Client wages	-	-	-	-
Professional fees	15,807	21,234	7,117	32,118
Staff development and training	885	6,337	728	3,136
Occupancy costs	30,785	56,343	19,900	44,634
Consumable supplies	15,456	11,165	3,185	10,122
Equipment expenses	8,260	9,410	3,201	7,617
Communications	22,116	19,573	2,874	9,403
Travel and transportation	48	1,588	4,351	23,661
Assistance to individuals	57	70	-	375
Insurance	3,556	7,493	2,719	6,053
Membership dues	2,277	4,753	1,350	4,675
Bad debt expense	10,441	67,115	301	24,825
Other expenses	64	130	646	187
Total expenses	$ 488,708	$ 1,277,853	$ 398,662	$ 1,217,793

See Notes to Financial Statements

Continued

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Emergency Services	Other Non-BBH	Integrated Health Grant	Bureau of Drug & Alcohol Services
EXPENSES				
Salaries and wages	$ 505,435	$ 283,877	$ 28,654	$ 134,646
Employee benefits	93,382	67,793	4,005	25,594
Payroll taxes	34,701	19,752	2,206	9,531
Client wages	-	-	-	-
Professional fees	11,933	9,757	11,273	1,282
Staff development and training	778	2,067	-	761
Occupancy costs	29,465	13,355	32,920	4,227
Consumable supplies	5,302	3,872	16,827	635
Equipment expenses	7,086	2,270	320	636
Communications	24,475	2,340	-	639
Travel and transportation	1,145	7,452	239	491
Assistance to individuals	47	6	-	-
Insurance	4,062	1,675	-	569
Membership dues	1,270	567	-	884
Bad debt expense	29,523	1,242	-	4,566
Other expenses	52	40	-	7
Total expenses	$ 748,656	$ 416,065	$ 96,444	$ 184,468

See Notes to Financial Statements

Continued

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Drug Court	Vocational Services	Restorative Partial Hospital	Case Management
EXPENSES				
Salaries and wages	$ 249,297	$ 144,044	$ 50,325	$ 801,809
Employee benefits	43,679	33,545	13,087	163,766
Payroll taxes	17,304	14,036	3,796	57,497
Client wages	-	49,568	-	-
Professional fees	3,125	3,251	902	20,513
Staff development and training	696	108	8	578
Occupancy costs	-	12,105	2,288	44,080
Consumable supplies	2,532	3,870	19,248	11,920
Equipment expenses	6,233	2,020	622	9,417
Communications	2,911	1,827	239	8,461
Travel and transportation	5,482	10,523	-	41,138
Assistance to individuals	-	-	-	63
Insurance	-	1,312	474	6,908
Membership dues	-	419	148	2,263
Bad debt expense	1,598	1,772	4,400	151,290
Other expenses	8,859	580	7	171
Total expenses	$ 341,716	$ 278,980	$ 95,544	$ 1,319,874

See Notes to Financial Statements

Continued

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Supportive Living	Community Residences	Bridge Grant	Victims of Crime Act Program
EXPENSES				
Salaries and wages	$ 641,565	$ 749,341	$ 36,098	$ 377,776
Employee benefits	173,092	200,077	6,857	68,157
Payroll taxes	45,567	52,339	2,599	24,593
Client wages	-	-	-	-
Professional fees	15,281	5,383	570	8,559
Staff development and training	463	61	221	1,480
Occupancy costs	39,828	43,829	117,842	22,749
Consumable supplies	12,497	27,012	1,075	4,227
Equipment expenses	7,698	10,894	131	3,878
Communications	6,425	11,231	-	3,524
Travel and transportation	41,185	4,565	1,991	6,297
Assistance to individuals	684	624	-	21
Insurance	6,671	2,134	-	3,114
Membership dues	2,123	645	-	972
Bad debt expense	52,421	13,832	-	8,403
Other expenses	164	91	-	39
Total expenses	$ 1,045,664	$ 1,122,058	$ 167,384	$ 533,789

See Notes to Financial Statements

Continued

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	ACT Team	Other Mental Health Programs	Total Mental Health Programs	2019 Summarized
EXPENSES				
Salaries and wages	$ 877,567	$ 52,784	$ 7,256,309	$ 6,877,783
Employee benefits	169,573	10,091	1,443,451	1,347,375
Payroll taxes	58,250	8,409	511,611	485,191
Client wages	-	58,931	108,499	126,389
Professional fees	37,016	1,221	206,342	232,781
Staff development and training	843	41	19,191	25,417
Occupancy costs	66,852	23,375	604,577	534,882
Consumable supplies	8,038	39,153	196,136	210,246
Equipment expenses	6,331	19,886	105,910	108,075
Communications	7,288	7,789	131,115	124,747
Travel and transportation	35,310	4,011	189,477	248,647
Assistance to individuals	14	-	1,961	3,676
Insurance	4,964	285	51,989	53,176
Membership dues	1,771	88	24,205	27,022
Bad debt expense	135,984	426	508,139	604,579
Other expenses	47	61	11,145	1,008
Total expenses	$ 1,409,848	$ 226,551	$ 11,370,057	$ 11,010,994

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Service Coordination	School District Contracts	Day Programs	Early Supports & Services	Independent Living Services
EXPENSES					
Salaries and wages	$ 611,199	$ 62,146	$ 2,706,030	$ 474,436	$ 86,624
Employee benefits	173,293	10,827	910,093	85,514	19,059
Payroll taxes	41,854	4,497	194,832	34,127	6,481
Client wages	-	-	87,760	-	-
Professional fees	188,830	257	151,700	162,415	17,303
Staff development and training	862	20	3,463	3,459	167
Occupancy costs	47,971	1,916	244,066	10,098	4,459
Consumable supplies	12,294	574	56,198	7,432	865
Equipment expenses	6,925	465	87,752	3,955	1,160
Communications	4,605	230	40,746	18,682	721
Travel and transportation	17,314	1,399	431,982	74,034	2,204
Assistance to individuals	1	-	25,799	45	-
Insurance	5,769	458	31,646	4,378	1,090
Membership dues	16	4	11,587	97	3
Bad debt expense	-	-	4,203	93,990	7,099
Other expenses	396	6	1,960	55	30
Total expenses	$ 1,111,329	$ 82,799	$ 4,989,817	$ 972,717	$ 147,265

See Notes to Financial Statements

Continued

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Family Residence	Combined Day/ Residential Vendor	Individual Supported Living	Consolidated Services	Combined Day/ Residential Services
EXPENSES					
Salaries and wages	$ 1,897,667	$ -	$ 227,899	$ 834,567	$ 15,082
Employee benefits	502,042	-	64,731	155,677	4,309
Payroll taxes	135,041	-	16,066	45,411	1,060
Client wages	11,155	-	79	-	-
Professional fees	3,428,066	1,773,295	21,881	1,331,284	1,576,834
Staff development and training	8,694	-	387	1,547	58
Occupancy costs	132,775	-	41,130	3,903	1,613
Consumable supplies	93,846	-	10,528	4,241	10,707
Equipment expenses	28,300	-	2,007	7,043	358
Communications	27,319	-	4,476	16,664	175
Travel and transportation	50,755	-	4,903	54,024	-
Assistance to individuals	461	-	1,093	25,940	515
Insurance	16,029	-	2,292	7,540	316
Membership dues	91	-	3	4,176	-
Bad debt expense	3,270	-	-	-	-
Other expenses	536	-	29	96	4
Total expenses	$ 6,336,047	$ 1,773,295	$ 397,504	$ 2,492,113	$ 1,611,031

See Notes to Financial Statements

Continued

NORTHERN HUMAN SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Acquired Brain Disorder	Other Developmental Services Programs	Total Developmental Services Programs	2019 Summarized
EXPENSES				
Salaries and wages	$ 18,056	$ 354,541	$ 7,288,247	$ 8,271,846
Employee benefits	10,260	70,368	2,006,173	1,938,195
Payroll taxes	1,186	25,399	505,954	586,023
Client wages	-	-	98,994	139,906
Professional fees	130,609	5,170,302	13,952,776	10,927,612
Staff development and training	51	1,261	19,969	20,925
Occupancy costs	1,111	21,216	510,258	570,870
Consumable supplies	323	9,713	206,721	240,950
Equipment expenses	300	3,021	141,286	159,725
Communications	173	4,884	118,675	116,259
Travel and transportation	899	9,287	646,801	809,689
Assistance to individuals	-	23,184	77,038	108,288
Insurance	269	3,352	73,139	72,670
Membership dues	-	808	16,785	18,036
Bad debt expense	-	-	108,562	145,916
Other expenses	3	43	3,158	2,482
Total expenses	$ 163,240	$ 5,697,379	$ 25,774,536	$ 24,129,392

See Notes to Financial Statements

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Northern Human Services, Inc. (the Organization), is a New Hampshire nonprofit corporation, and was created to develop and provide a comprehensive program of mental health, developmental disabilities, and rehabilitative care to the residents of Northern New Hampshire.

Basis of Accounting

The financial statements of Northern Human Services, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the following net asset classifications. The classes of net assets are determined by the presence or absence of donor restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

As of June 30, 2020 and 2019, the Organization had net assets with donor restrictions and net assets without donor restrictions.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Contributions

All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as support with donor restrictions, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as without donor restrictions.

Cash Equivalents

The Organization considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to activities and a credit to a valuation allowance based on historical account write-off patterns by the payor, adjusted as necessary to reflect current conditions. 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 accounts receivable. The Organization has no policy for charging interest on overdue accounts nor are its accounts receivable pledged as collateral.

It is the policy of the Organization to provide services to all eligible residents of Northern New Hampshire without regard to ability to pay. As a result of this policy, all charity care write-offs are recorded as reductions of revenue in the period in which services are provided. The accounts receivable allowance includes the estimated amount of charity care and contractual allowances included in the accounts receivable balances. The computation of the contractual allowance is based on historical ratios of fees charged to amounts collected.

Property and Depreciation

Property and equipment are recorded at cost or, if contributed, at estimated fair value at the date of contribution. Material assets with a useful life in excess of one year are capitalized. 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:

Vehicles	5 – 10 years
Equipment	3 – 10 years

Costs 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.

Investments

Investments consist of mutual funds and interest-bearing investments and are stated at fair value on the statements of financial position based on quoted market prices. The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility, which may substantially impact the fair value of such investments at any given time.

Accrued Earned Time

The Organization has accrued a liability for future compensated absences that its employees have earned and which is vested with the employees.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are provided or costs are incurred.

Program Service Fee Revenue

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. Payment arrangements include reimbursed costs, discounted charges, and per diem payments. Program service fee revenue is reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with the third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Advertising
The Organization expenses advertising costs as incurred.

Summarized Financial Information
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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

Functional Allocation of Expenses
The costs of providing the various programs and other activities have been summarized on a functional basis. Natural expenses are defined by their nature, such as salaries, rent, supplies, etc. Functional expenses are classified by the type of activity for which expenses are incurred, such as management and general and direct program costs. Expenses are allocated by function using a reasonable and consistent approach that is primarily based on function and use. The costs of providing certain program and supporting services have been directly charged.

Income Taxes
The Organization is exempt from federal 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.

FASB ASC 740, Accounting for Income Taxes, establishes the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements, and is effective for Northern Human Services' current year. Management has analyzed Northern Human Services' tax positions taken on its information returns for all open tax years (tax years ending June 30, 2018 – 2020), and has concluded that no additional provision for income tax is required in Northern Human Services' financial statements.

New Accounting Pronouncement
During the year, the Organization adopted the provisions of FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958). This accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. Results for reporting the year ending June 30, 2020 are presented under FASB ASU 2018-08. The comparative information has not been restated and continues to be reported under the accounting standards in effect in those reporting periods. There was no material impact to the financial statements as a result of adoption. Accordingly, no adjustment to opening net assets was recorded.

2. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets as of June 30, 2020 and 2019:

	2020	2019
Financial assets at year end:		
Cash and cash equivalents	$ 14,243,428	$ 11,600,834
Accounts receivable, net	2,431,296	1,965,991
Grants receivable	515,878	227,519
Assets, limited use	697,746	501,911
Investments	2,064,316	1,966,886
Cash value of life insurance	452,278	432,585
Total financial assets	20,404,942	16,695,726
Less amounts not available to be used within one year:		
Cash and cash equivalents, board designated	318,202	318,202
Client funds held in trust	397,289	169,364
Net assets with donor restrictions	256,226	255,464
Total amounts not available within one year	971,717	743,030
Financial assets available to meet general expenditures over the next twelve months	$ 19,433,225	$ 15,952,696

The Organization's goal is generally to maintain financial assets to meet 120 days of operating expenses (approximately $14,100,000).

3. ASSETS, LIMITED USE

As of June 30, 2020 and 2019, assets, limited use consisted of the following:

	2020	2019
Donor restricted cash	$ 256,226	$ 255,464
Client funds held in trust	370,403	170,366
Employee benefits	71,117	76,081
Total assets, limited use	$ 697,746	$ 501,911

4. PROPERTY AND DEPRECIATION

As of June 30, 2020 and 2019, property and equipment consisted of the following:

	2020	2019
Vehicles	$ 633,548	$ 647,048
Equipment	2,779,836	2,696,501
Total property and equipment	3,413,384	3,343,549
Less accumulated depreciation	3,151,977	2,979,094
Property and equipment, net	$ 261,407	$ 364,455

Depreciation expense totaled $181,884 and $203,721 for the years ended June 30, 2020 and 2019, respectively.

5. INVESTMENTS

The Organization's investments are presented in the financial statements in the aggregate at fair value and consisted of the following as of June 30, 2020 and 2019:

	2020		2019	
	Fair Value	Cost	Fair Value	Cost
Money Market Funds	$ 51,642	$ 51,642	$ 19,601	$ 19,601
Mutual Funds:				
Domestic equity funds	721,852	649,349	690,460	599,516
International equity funds	305,407	298,585	302,374	289,349
Fixed income funds	949,227	900,785	901,146	882,426
Other mutual funds	36,188	39,192	53,305	58,506
Total	$ 2,064,316	$ 1,939,553	$ 1,966,886	$ 1,849,398

Investments in common stock and U.S. government securities are valued at the closing price reported in the active market in which the securities are traded. Management considers all investments to be long term in nature.

	2020	2019
Components of Investment Return:		
Interest and dividends	$ 46,784	$ 42,378
Unrealized gains (losses) on investments	9,790	(30,002)
Realized gains on investments	57,410	81,524
	$ 113,984	$ 93,900

Investment management fees for the years ended June 30, 2020 and 2019 were $15,350 and $14,064, respectively, and were netted with investment return.

6. FAIR VALUE MEASUREMENTS

FASB ASC Topic No. 820-10 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 *FASB 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, *ASC Topic 820* 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* 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 Organization's financial instruments consist of cash, short-term receivables and payables, and refundable advances. The carrying value for all such instruments, considering the terms, approximates fair value at June 30, 2020 and 2019.

The following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at June 30, 2020 and 2019.

Mutual Funds: All actively traded mutual funds are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price. All mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission.

Life Insurance: The surrender value of life insurance is valued at the cash value guaranteed to the policyowner upon cancellation of the life insurance policy. The surrender value is the value of investments less any surrender charges.

The table below segregates all financial assets and liabilities as of June 30, 2020 and 2019 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

	2020			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 51,642	$ -	$ -	$ 51,642
Mutual Funds				
Domestic equity funds	721,852	-	-	721,852
International equity funds	305,407	-	-	305,407
Fixed income funds	949,227	-	-	949,227
Other funds	36,188	-	-	36,188
Cash Value of Life Insurance	-	452,278	-	452,278
Total investments at fair value	$ 2,064,316	$ 452,278	$ -	$ 2,516,594

	2019			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 19,601	$ -	$ -	$ 19,601
Mutual Funds				
Domestic equity funds	690,460	-	-	690,460
International equity funds	302,374	-	-	302,374
Fixed income funds	901,146	-	-	901,146
Other funds	53,305	-	-	53,305
Cash Value of Life Insurance	-	432,585	-	432,585
Total investments at fair value	$ 1,966,886	$ 432,585	$ -	$ 2,399,471

7. RETIREMENT PLAN

The Organization maintains a retirement plan for all eligible employees. Under the plan employees can make voluntary contributions to the plan of up to 100% of pretax or after tax annual compensation up to the maximum annual limit provided by the Internal Revenue Service. All employees who work one thousand hours per year are eligible to participate after one year of employment, as defined by the plan. During the year ended June 30, 2015, the Organization implemented a 2% discretionary contribution allocated each pay period. During the year ended June 30, 2020, the Organization increased the discretionary contribution from 2% to 3%. Contributions by the organization totaled $422,993 and $276,510 for the years ended June 30, 2020 and 2019, respectively.

8. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances that, at times, may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 for the years ended June 30, 2020 and 2019. At June 30, 2020 and 2019, cash balances in excess of FDIC coverage aggregated $14,030,868 and $11,239,183, respectively. In addition to FDIC coverage, the Organization maintains a tri-party collateralization agreement with its primary financial institution and a trustee. The trustee maintains mortgage-backed collateralization of 102% of the Organization's deposits at its financial institution. 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.

9. CONCENTRATION OF RISK

For the years ended June 30, 2020 and 2019, approximately 87% of the total revenue was derived from Medicaid. The future existence of the Organization is dependent upon continued support from Medicaid.

In order for the Organization to receive Medicaid funding, they must be formally approved by the State of New Hampshire, Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, and Bureau of Developmental Services as the provider of services for individuals with mental health illnesses and developmentally disabled individuals, for that region. During the year ended June 30, 2017, the Organization was reapproved as a provider of mental health services with the Bureau of Behavioral Health through August 2021.

Medicaid receivables comprise approximately 87% and 75% of the total accounts receivable balances at June 30, 2020 and 2019, respectively.

10. LEASE COMMITMENTS

The Organization has entered into various operating lease agreements to rent certain facilities and office equipment. The terms of these leases range from one to five years. Rent expense under these agreements aggregated $1,030,701 and $901,993 for the years ended June 30, 2020 and 2019, respectively.

The approximate future minimum lease payments on the above leases as of June 30, 2020 is as follows:

Year Ending June 30	Amount
2021	$ 941,622
2022	38,973
Total	$ 980,595

See Note 11 for information regarding lease agreements with a related party.

11. RELATED PARTY TRANSACTIONS

The Organization is related to the nonprofit corporation Shallow River Properties, Inc. (Shallow River) as a result of common board membership. Shallow River was incorporated under the laws of the State of New Hampshire on September 13, 1988, for the purpose of owning, maintaining, managing, selling, and leasing real property associated with the provision of residential, treatment, and administrative services for the clients and staff of the Organization.

The Organization has transactions with Shallow River during its normal course of operations. The significant related party transactions are as follows:

Due to/from Related Party

At June 30, 2020 and 2019, the Organization had a due to Shallow River balance in the amount of $58,112 and $48,423, respectively.

Rental Expense

The Organization leases various properties, including office space, and properties occupied by the Organization's clients from Shallow River under the terms of tenant at will agreements. The Organization has the perpetual right to extend the leases. Total rental expense paid under the terms of the leases was $770,034 and $766,575 for the years ended June 30, 2020 and 2019, respectively. The Organization also leases space from a board member for $1,000 per month.

Management Fee

The Organization charges Shallow River for administrative expenses incurred on its behalf. Management fee revenue aggregated $74,649 for each of the years ended June 30, 2020 and 2019.

Donation

Although not required by agreement between Shallow River and the Organization, Shallow River generally donates the excess of its revenues over expenses to the Organization in order to maintain its 501(c)(2) tax-exempt status with the Internal Revenue Service. At June 30, 2020 and 2019, Shallow River did not make a donation to the Organization but retained its surplus of $254,448 and $246,624, respectively, due to future plans of acquiring a new building and for use in future renovation projects and maintenance costs.

12. REFUNDABLE ADVANCES, MAINTENANCE OF EFFORT

The Organization maintains contracted arrangements with multiple Medicaid managed care organizations (MCOs) that provide a set per member per month payment for health care services provided. This system helps manage costs, utilization, and quality of services. The Organization is paid prior to services being provided each month and is required to maintain certain levels of performance. A reconciliation is calculated at year end between the Organization and the MCOs to determine if the Organization has been overpaid compared to actual utilization and services performed, which the Organization would then be required to repay. At June 30, 2020 and 2019, the outstanding capitated payment liability totaled $339,562 and $391,458, respectively.

13. COMMITMENTS AND CONTINGENCIES

The Organization receives funding under various state and federal grants. Under the terms of these grants, the Organization is required to use the money within the grant period for purposes specified in the grant proposal. If expenditures for the grant were found not to have been made in compliance with the proposal, the Organization may be required to repay the grantor's funds.

Excess funds generated from state and/or Medicaid funded programs may be expended, at the Organization's discretion, to increase or improve service delivery within the program. The excess funds may not be used to increase spending for personnel, professional fees, fringe benefits, or capital expenditures without prior written approval of the State of New Hampshire.

The Organization has contracts with certain third-party payors requiring specific performance to supervise and document certain events relating to client treatment. These agencies periodically audit the performance of the Organization in fulfilling these requirements. If the payments were found not to have been made in compliance with the contracts, the Organization may be required to repay the funds received under the contract.

The Organization ensures its medical malpractice risks on a claims-made basis under a policy, which covers all of its employees. The Organization intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

Contracts with the State of New Hampshire and various federal agencies require that the properties supported be used for certain programs and/or to serve specified client populations. If Shallow River or the Organization should stop using the property to provide services acceptable to these grantors, the grantors would be entitled to all or part of the proceeds from the disposition of the property. These stipulations affect substantially all of the properties owned by Shallow River. The affected amount and the disposition are determined by negotiation with the granting authority at the time the property is sold.

14. NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2020 and 2019, net assets with donor restrictions consisted of the following:

	2020	2019
Certificates of Deposit – Memorial Fund	$ 252,417	$ 252,417
Dream Team Fund	2,962	2,832
Income earned on the Memorial Fund	847	215
Total net assets with donor restrictions	$ 256,226	$ 255,464

15. ENDOWMENT FUND AND NET ASSETS WITH DONOR RESTRICTIONS

As a result of the June 30, 2006 merger of The Center of Hope for Developmental Disabilities, Inc. (Center of Hope), with and into the Organization, the Organization assumed responsibility for certain assets of Center of Hope that are subject to charitable restrictions and designated for particular purposes, namely the Memorial Fund (the Fund).

The Fund was created by the Center of Hope in 1989 for the purpose of seeking out and funding experiences that make life more interesting and full for people with disabilities. In or around 1992, additional funds were added to the Fund as a result of a testamentary bequest of Dorothy M. Walters, for the purpose of providing "maintenance funds" for programs for individuals with mental and developmental disabilities. The Center of Hope interpreted the terms of this bequest as consistent with the purpose of the Fund, and the bequest meets the definition of an endowment fund.

The Not-for-Profit Entities Topic of the *FASB ASC (ASC 958-205* and subsections) intends to improve the quality of consistency of financial reporting of endowments held by not-for-profit organizations. This Topic provides guidance on classifying the net assets associated with donor-restricted endowment funds held by organizations that are subject to an enacted version of the Uniform Prudent Management Institutional Funds Act (UPMIFA). New Hampshire has adopted UPMIFA. The Topic also requires additional financial statement disclosures on endowments and related net assets.

The Organization has followed an investment and spending policy to ensure a total return (income plus capital change) necessary to preserve the principal of the fund and at the same time, provide a dependable source of support for life-enhancing activities of eligible individuals. The Organization will only distribute income generated by the fund, leaving the original corpus intact.

In recognition of the prudence required of fiduciaries, the Organization only invests the fund in certificates of deposits, which ensures that a majority of the balance of the Fund is covered by the FDIC. The Organization has taken a risk adverse approach to managing the Fund in order to mitigate financial market risk such as interest rate, credit and overall market volatility, which could substantially impact the fair value of the Fund at any given time.

As of June 30, 2020 and 2019, the endowment was entirely composed of net assets with donor restrictions.

Changes in endowment net assets (at fair value) as of June 30, 2020 and June 30, 2019 were as follows:

	2020	2019
Certificates of deposit, beginning of year	$ 252,417	$ 252,417
Interest income	631	555
Withdrawals	(631)	(555)
Certificates of deposit end of year	$ 252,417	$ 252,417

16. LONG TERM CARE STABILIZATION PROGRAM

In response to COVID-19, in April 2020, the State of New Hampshire established the Long Term Care Stabilization (LTCS) Program to provide stipends to certain front line Medicaid providers. The program was developed to incentivize these direct care workers to remain in or rejoin this critical workforce and continue to provide high quality care to vulnerable persons during the pandemic. Under the program, the New Hampshire Department of Employment Security (NHES) would distribute $300 per week in stipends to full time qualifying front line workers and $150 per week in stipends to part time qualifying front line workers. The funding for the LTCS Program was provided through the Coronavirus Relief Fund. During the year ended June 30, 2020, the Organization received grant revenue of $792,055 and expended $792,055 under the grant through payroll and subcontractor expenses. During its initial implementation, the program ran from April 2020 through July 31, 2020. Subsequent to year end, in November 2020, the program was reinstated.

17. RECLASSIFICATION

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

18. OTHER EVENTS

The impact of the novel coronavirus (COVID-19) and measures to prevent its spread are affecting the Organization. The significance of the impact of these disruptions, including the extent of their adverse impact on the Organization's financial and operational results, will be dictated by the length of time that such disruptions continue and, in turn, will depend on the currently unknowable duration of the COVID-19 pandemic and the impact of governmental regulations that might be imposed in response to the pandemic. The COVID-19 impact on the capital markets could also impact the Organization's cost of borrowing. There are certain limitations on the Organization's ability to mitigate the adverse financial impact of these items. As of January 20, 2021, due to the measures put in place to prevent the spread of COVID-19 we are unable to estimate the future performance of the Organization.

19. 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 20, 2021, the date the June 30, 2020 financial statements were available for issuance. See Note 18 regarding COVID-19 information.

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
TOTALS FOR ALL PROGRAMS

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Mental Health	Developmental Services	Subtotals	General Management	2020 Total	2019 Summarized
REVENUES						
Program service fees:						
Client fees	$ 572,870	$ 24,870	$ 597,740	$ -	$ 597,740	$ 778,251
Residential fees	69,223	221,166	290,389	-	290,389	322,703
Blue Cross	182,887	36,243	219,130	-	219,130	213,324
Medicaid	12,177,461	27,575,809	39,753,270	-	39,753,270	36,728,974
Medicare	527,140	-	527,140	-	527,140	491,840
Other insurance	315,887	62,045	377,932	-	377,932	321,906
Local educational authorities	-	128,424	128,424	-	128,424	130,058
Vocational rehabilitation	5,500	7,277	12,777	-	12,777	8,974
Other program fees	589	-	589	-	589	1,140
Production/service income	194,429	132,987	327,416	-	327,416	456,617
Public support:						
Local/county government	403,207	2,400	405,607	-	405,607	442,733
Donations/contributions	2,810	17,512	20,322	2,349	22,671	26,990
Other public support	312,719	-	312,719	-	312,719	343,307
Bureau of Developmental Services and Bureau of Behavioral Health	890,611	296,362	1,186,973	-	1,186,973	848,453
Other federal and state funding:						
HUD	75,565	-	75,565	-	75,565	129,535
Other	109,947	-	109,947	796,904	906,851	153,740
Private foundation grants	273,486	-	273,486	5,000	278,486	260,000
Other revenues	89,605	66,433	156,038	110,900	266,938	382,737
Total revenues	16,203,936	28,571,528	44,775,464	915,153	45,690,617	42,041,282
EXPENSES						
Salaries and wages	$ 7,256,309	$ 7,288,247	$ 14,544,556	$ 3,803,080	$ 18,347,636	$ 18,504,225
Employee benefits	1,443,451	2,006,173	3,449,624	862,879	4,312,503	4,031,156
Payroll taxes	511,611	505,954	1,017,565	242,248	1,259,813	1,297,577
Client wages	108,499	98,994	207,493	-	207,493	266,295
Professional fees	206,342	13,952,776	14,159,118	770,902	14,930,020	11,428,062
Staff development and training	19,191	19,969	39,160	5,295	44,455	69,802
Occupancy costs	604,577	510,258	1,114,835	183,890	1,298,725	1,306,350
Consumable supplies	196,136	206,721	402,857	59,328	462,185	515,745
Equipment expenses	105,910	141,286	247,196	45,942	293,138	302,932
Communications	131,115	118,675	249,790	47,935	297,725	283,129
Travel and transportation	189,477	646,801	836,278	30,874	867,152	1,100,741
Assistance to individuals	1,961	77,038	78,999	140	79,139	113,138
Insurance	51,989	73,139	125,128	27,835	152,963	150,487
Membership dues	24,205	16,785	40,990	87,476	128,466	127,194
Bad debt expense	508,139	108,562	616,701	-	616,701	750,495
Other expenses	11,145	3,158	14,303	115,224	129,527	21,062
Total expenses	11,370,057	25,774,536	37,144,593	6,283,048	43,427,641	40,268,390
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 4,833,879	$ 2,796,992	$ 7,630,871	$ (5,367,895)	$ 2,262,976	$ 1,772,892

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Non-Specialized Outpatient	State Eligible Audit Outpatient	Outpatient Contracts	Children and Adolescents
REVENUES				
Program service fees:				
Client fees	$ 58,882	$ 112,440	$ -	$ 33,774
Residential fees	-	-	-	-
Blue Cross	58,228	48,033	-	61,522
Medicaid	131,890	1,262,868	553,216	2,981,930
Medicare	118,267	336,943	-	-
Other insurance	91,394	146,561	-	49,366
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	-	-	-
Other program fees	-	-	269	-
Production/service income	-	-	-	-
Public support:				
Local/county government	104,246	-	-	-
Donations/contributions	2,310	500	-	-
Other public support	-	-	21,980	-
Bureau of Developmental Services and Bureau of Behavioral Health	55,146	-	-	-
Other federal and state funding:				
HUD	-	-	-	-
Other	-	20	-	-
Private foundation grants	10,500	-	-	-
Other revenues	26,237	149	-	-
Total revenues	657,100	1,907,514	575,465	3,126,592
EXPENSES				
Salaries and wages	$ 305,785	$ 895,118	$ 277,034	$ 845,154
Employee benefits	51,579	117,088	55,526	146,560
Payroll taxes	21,592	60,436	19,730	59,273
Client wages	-	-	-	-
Professional fees	15,807	21,234	7,117	32,118
Staff development and training	885	6,337	728	3,136
Occupancy costs	30,785	56,343	19,900	44,634
Consumable supplies	15,456	11,165	3,185	10,122
Equipment expenses	8,260	9,410	3,201	7,617
Communications	22,116	19,573	2,874	9,403
Travel and transportation	48	1,588	4,351	23,661
Assistance to individuals	57	70	-	375
Insurance	3,556	7,493	2,719	6,053
Membership dues	2,277	4,753	1,350	4,675
Bad debt expense	10,441	67,115	301	24,825
Other expenses	64	130	646	187
Total expenses	488,708	1,277,853	398,662	1,217,793
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 168,392	$ 629,661	$ 176,803	$ 1,908,799

Continued

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Emergency Services	Other Non-BBH	Integrated Health Grant	Bureau of Drug & Alcohol Services
REVENUES				
Program service fees:				
Client fees	$ 17,472	$ 383	$ -	$ 1,919
Residential fees	-	-	-	-
Blue Cross	9,105	1,202	-	2,468
Medicaid	97,410	428,961	-	16,027
Medicare	5,300	-	-	2,736
Other insurance	12,642	1,252	-	5,157
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	-	-	-
Other program fees	-	-	-	-
Production/service income	-	-	-	-
Public support:				
Local/county government	-	-	-	-
Donations/contributions	-	-	-	-
Other public support	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	98,304	-	-	-
Other federal and state funding:				
HUD	-	-	-	-
Other	-	-	109,927	-
Private foundation grants	-	210,000	-	-
Other revenues	-	-	-	234
Total revenues	240,233	641,798	109,927	28,541
EXPENSES				
Salaries and wages	$ 505,435	$ 283,877	$ 28,654	$ 134,646
Employee benefits	93,382	67,793	4,005	25,594
Payroll taxes	34,701	19,752	2,206	9,531
Client wages	-	-	-	-
Professional fees	11,933	9,757	11,273	1,282
Staff development and training	778	2,067	-	761
Occupancy costs	29,465	13,355	32,920	4,227
Consumable supplies	5,302	3,872	16,827	635
Equipment expenses	7,086	2,270	320	636
Communications	24,475	2,340	-	639
Travel and transportation	1,145	7,452	239	491
Assistance to individuals	47	6	-	-
Insurance	4,062	1,675	-	569
Membership dues	1,270	567	-	884
Bad debt expense	29,523	1,242	-	4,566
Other expenses	52	40	-	7
Total expenses	748,656	416,065	96,444	184,468
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ (508,423)	$ 225,733	$ 13,483	$ (155,927)

Continued

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Drug Court	Vocational Services	Restorative Partial Hospital	Case Management
REVENUES				
Program service fees:				
Client fees	$ 1,221	$ 4,542	$ 5,476	$ 138,601
Residential fees	-	-	-	-
Blue Cross	-	-	-	-
Medicaid	56,430	146,487	194,273	1,606,842
Medicare	-	-	-	4,664
Other insurance	-	-	-	3,660
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	5,500	-	-
Other program fees	320	-	-	-
Production/service income	-	37,579	-	-
Public support:				
Local/county government	298,961	-	-	-
Donations/contributions	-	-	-	-
Other public support	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-
Other federal and state funding:				
HUD	-	-	-	-
Other	-	-	-	-
Private foundation grants	-	-	-	-
Other revenues	29,896	-	-	26,775
Total revenues	386,828	194,108	199,749	1,780,542
EXPENSES				
Salaries and wages	$ 249,297	$ 144,044	$ 50,325	$ 801,809
Employee benefits	43,679	33,545	13,087	163,766
Payroll taxes	17,304	14,036	3,796	57,497
Client wages	-	49,568	-	-
Professional fees	3,125	3,251	902	20,513
Staff development and training	696	108	8	578
Occupancy costs	-	12,105	2,288	44,080
Consumable supplies	2,532	3,870	19,248	11,920
Equipment expenses	6,233	2,020	622	9,417
Communications	2,911	1,827	239	8,461
Travel and transportation	5,482	10,523	-	41,138
Assistance to individuals	-	-	-	63
Insurance	-	1,312	474	6,908
Membership dues	-	419	148	2,263
Bad debt expense	1,598	1,772	4,400	151,290
Other expenses	8,859	580	7	171
Total expenses	341,716	278,980	95,544	1,319,874
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 45,112	$ (84,872)	$ 104,205	$ 460,668

Continued

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Supportive Living	Community Residences	Bridge Grant	Victims of Crime Act
REVENUES				
Program service fees:				
Client fees	$ 41,158	$ 22,607	$ -	$ 5,551
Residential fees	-	48,593	-	-
Blue Cross	-	-	-	1,903
Medicaid	2,200,893	1,213,319	-	69,779
Medicare	(158)	-	-	6,025
Other insurance	236	-	-	5,298
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	-	-	-
Other program fees	-	-	-	-
Production/service income	-	-	-	-
Public support:				
Local/county government	-	-	-	-
Donations/contributions	-	-	-	-
Other public support	-	-	-	290,739
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	184,017	-
Other federal and state funding:				
HUD	-	75,565	-	-
Other	-	-	-	-
Private foundation grants	-	-	-	-
Other revenues	-	60	5,901	-
Total revenues	2,242,129	1,360,144	189,918	379,295
EXPENSES				
Salaries and wages	$ 641,565	$ 749,341	$ 36,098	$ 377,776
Employee benefits	173,092	200,077	6,857	68,157
Payroll taxes	45,567	52,339	2,599	24,593
Client wages	-	-	-	-
Professional fees	15,281	5,383	570	8,559
Staff development and training	463	61	221	1,480
Occupancy costs	39,828	43,829	117,842	22,749
Consumable supplies	12,497	27,012	1,075	4,227
Equipment expenses	7,698	10,894	131	3,878
Communications	6,425	11,231	-	3,524
Travel and transportation	41,185	4,565	1,991	6,297
Assistance to individuals	684	624	-	21
Insurance	6,671	2,134	-	3,114
Membership dues	2,123	645	-	972
Bad debt expense	52,421	13,832	-	8,403
Other expenses	164	91	-	39
Total expenses	1,045,664	1,122,058	167,384	533,789
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 1,196,465	$ 238,086	$ 22,534	$ (154,494)

Continued

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	ACT Team	Other Mental Health Programs	Total Mental Health Programs	2019 Summarized
REVENUES				
Program service fees:				
Client fees	$ 128,844	$ -	$ 572,870	$ 700,461
Residential fees	20,630	-	69,223	69,379
Blue Cross	426	-	182,887	186,499
Medicaid	1,217,136	-	12,177,461	11,890,220
Medicare	53,363	-	527,140	491,840
Other insurance	321	-	315,887	248,966
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	-	5,500	1,863
Other program fees	-	-	589	1,140
Production/service income	-	156,850	194,429	253,865
Public support:				
Local/county government	-	-	403,207	440,833
Donations/contributions	-	-	2,810	5,573
Other public support	-	-	312,719	343,307
Bureau of Developmental Services and Bureau of Behavioral Health	553,144	-	890,611	523,328
Other federal and state funding:				
HUD	-	-	75,565	129,535
Other	-	-	109,947	150,121
Private foundation grants	-	52,986	273,486	220,000
Other revenues	350	3	89,605	68,661
Total revenues	1,974,214	209,839	16,203,936	15,725,591
EXPENSES				
Salaries and wages	$ 877,567	$ 52,784	$ 7,256,309	$ 6,877,783
Employee benefits	169,573	10,091	1,443,451	1,347,375
Payroll taxes	58,250	8,409	511,611	485,191
Client wages	-	58,931	108,499	126,389
Professional fees	37,016	1,221	206,342	232,781
Staff development and training	843	41	19,191	25,417
Occupancy costs	66,852	23,375	604,577	534,882
Consumable supplies	8,038	39,153	196,136	210,246
Equipment expenses	6,331	19,886	105,910	108,075
Communications	7,288	7,789	131,115	124,747
Travel and transportation	35,310	4,011	189,477	248,647
Assistance to individuals	14	-	1,961	3,676
Insurance	4,964	285	51,989	53,176
Membership dues	1,771	88	24,205	27,022
Bad debt expense	135,984	426	508,139	604,579
Other expenses	47	61	11,145	1,008
Total expenses	1,409,848	226,551	11,370,057	11,010,994
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 564,366	$ (16,712)	$ 4,833,879	$ 4,714,597

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Service Coordination	School District Contracts	Day Programs	Early Supports & Services	Independent Living Services
REVENUES					
Program service fees:					
Client fees	$ -	$ -	$ -	$ 24,870	$ -
Residential fees	-	-	-	-	-
Blue Cross	-	-	-	36,243	-
Medicaid	1,012,043	-	4,117,964	1,021,236	315,499
Medicare	-	-	-	-	-
Other insurance	-	-	-	62,045	-
Local educational authorities	-	128,424	-	-	-
Vocational rehabilitation	-	-	7,277	-	-
Other program fees	-	-	-	-	-
Production/service income	-	-	117,035	1,544	-
Public support:					
Local/county government	-	-	2,400	-	-
Donations/contributions	-	-	17,512	-	-
Other public support	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	64,456	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	-	-	-	-	-
Private foundation grants	-	-	-	-	-
Other revenues	49,765	-	5,011	38	-
Total revenues	1,061,808	128,424	4,267,199	1,210,432	315,499
EXPENSES					
Salaries and wages	$ 611,199	$ 62,146	$ 2,706,030	$ 474,436	$ 86,624
Employee benefits	173,293	10,827	910,093	85,514	19,059
Payroll taxes	41,854	4,497	194,832	34,127	6,481
Client wages	-	-	87,760	-	-
Professional fees	188,830	257	151,700	162,415	17,303
Staff development and training	862	20	3,463	3,459	167
Occupancy costs	47,971	1,916	244,066	10,098	4,459
Consumable supplies	12,294	574	56,198	7,432	865
Equipment expenses	6,925	465	87,752	3,955	1,160
Communications	4,605	230	40,746	18,682	721
Travel and transportation	17,314	1,399	431,982	74,034	2,204
Assistance to individuals	1	-	25,799	45	-
Insurance	5,769	458	31,646	4,378	1,090
Membership dues	16	4	11,587	97	3
Bad debt expense	-	-	4,203	93,990	7,099
Other expenses	396	6	1,960	55	30
Total expenses	1,111,329	82,799	4,989,817	972,717	147,265
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ (49,521)	$ 45,625	$ (722,618)	$ 237,715	$ 168,234

Continued

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Family Residence	Combined Day/ Residential Vendor	Individual Supported Living	Consolidated Services	Combined Day/ Residential Services
REVENUES					
Program service fees:					
Client fees	$ -	$ -	$ -	$ -	$ -
Residential fees	174,144	-	38,574	-	-
Blue Cross	-	-	-	-	-
Medicaid	7,591,954	1,927,240	524,005	2,713,106	1,801,803
Medicare	-	-	-	-	-
Other insurance	-	-	-	-	-
Local educational authorities	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-
Other program fees	-	-	-	-	-
Production/service income	14,309	-	99	-	-
Public support:					
Local/county government	-	-	-	-	-
Donations/contributions	-	-	-	-	-
Other public support	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	-	-	-	-	-
Private foundation grants	-	-	-	-	-
Other revenues	11,619	-	-	-	-
Total revenues	7,792,026	1,927,240	562,678	2,713,106	1,801,803
EXPENSES					
Salaries and wages	$ 1,897,667	$ -	$ 227,899	$ 834,567	$ 15,082
Employee benefits	502,042	-	64,731	155,677	4,309
Payroll taxes	135,041	-	16,066	45,411	1,060
Client wages	11,155	-	79	-	-
Professional fees	3,428,066	1,773,295	21,881	1,331,284	1,576,834
Staff development and training	8,694	-	387	1,547	58
Occupancy costs	132,775	-	41,130	3,903	1,613
Consumable supplies	93,846	-	10,528	4,241	10,707
Equipment expenses	28,300	-	2,007	7,043	358
Communications	27,319	-	4,476	16,664	175
Travel and transportation	50,755	-	4,903	54,024	-
Assistance to individuals	461	-	1,093	25,940	515
Insurance	16,029	-	2,292	7,540	316
Membership dues	91	-	3	4,176	-
Bad debt expense	3,270	-	-	-	-
Other expenses	536	-	29	96	4
Total expenses	6,336,047	1,773,295	397,504	2,492,113	1,611,031
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 1,455,979	$ 153,945	$ 165,174	$ 220,993	$ 190,772

Continued

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES

FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Acquired Brain Disorder	Other Developmental Services Programs	Total Developmental Services Programs	2019 Summarized
REVENUES				
Program service fees:				
Client fees	$ -	$ -	$ 24,870	$ 77,790
Residential fees	-	8,448	221,166	253,324
Blue Cross	-	-	36,243	26,825
Medicaid	484,490	6,066,469	27,575,809	24,838,754
Medicare	-	-	-	-
Other insurance	-	-	62,045	72,940
Local educational authorities	-	-	128,424	130,058
Vocational rehabilitation	-	-	7,277	7,111
Other program fees	-	-	-	-
Production/service income	-	-	132,987	202,752
Public support:				
Local/county government	-	-	2,400	1,900
Donations/contributions	-	-	17,512	19,786
Other public support	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	231,906	296,362	325,125
Other federal and state funding:				
HUD	-	-	-	-
Other	-	-	-	-
Private foundation grants	-	-	-	-
Other revenues	-	-	66,433	66,068
Total revenues	484,490	6,306,823	28,571,528	26,022,433
EXPENSES				
Salaries and wages	$ 18,056	$ 354,541	$ 7,288,247	$ 8,271,846
Employee benefits	10,260	70,368	2,006,173	1,938,195
Payroll taxes	1,186	25,399	505,954	586,023
Client wages	-	-	98,994	139,906
Professional fees	130,609	5,170,302	13,952,776	10,927,612
Staff development and training	51	1,261	19,969	20,925
Occupancy costs	1,111	21,216	510,258	570,870
Consumable supplies	323	9,713	206,721	240,950
Equipment expenses	300	3,021	141,286	159,725
Communications	173	4,884	118,675	116,259
Travel and transportation	899	9,287	646,801	809,689
Assistance to individuals	-	23,184	77,038	108,288
Insurance	269	3,352	73,139	72,670
Membership dues	-	808	16,785	18,036
Bad debt expense	-	-	108,562	145,916
Other expenses	3	43	3,158	2,482
Total expenses	163,240	5,697,379	25,774,536	24,129,392
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 321,250	$ 609,444	$ 2,796,992	$ 1,893,041

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER		FEDERAL EXPENDITURES
U.S. Department of Housing and Urban Development					
Continuum of Care Program	14.267	Direct Award	N/A		$ 75,565
Total U.S. Department of Housing and Urban Development					$ 75,565
U.S. Department of Justice					
Crime Victim Assistance	16.575	New Hampshire Department of Justice	2016VOCA1, 2016VOCA2		$ 323,179
Total U.S. Department of Justice					$ 323,179
U.S. Department of Treasury					
Coronavirus Relief Fund	21.019	State of NH Governor's Office of Emergency Relief and Recovery COVID-19 Long Term Care Stabilization Program	N/A		$ 792,055
Total U.S. Department of Treasury					$ 792,055
U.S. Department of Education					
Special Education Grants for Infants and Families	84.181A	State of NH Department of Health and Human Services, Division of Long Term Supports and Services	05-95-93-930010-7852		$ 34,700
Total U.S. Department of Education					$ 34,700
U.S. Department of Health & Human Services					
Medicaid Cluster					
Medical Assistance Program	93.778	State of NH Department of Health and Human Services, Division for Behavioral Health	05-95-92-922010-4121	$ 4,849	
Medical Assistance Program	93.778	State of NH Department of Health and Human Services, Division for Behavioral Health	05-95-49-490510-2985	6,151	$ 11,000
Rural Health Care Services Outreach and Rural Health Network Development Program	93.912	North Country Health Consortium	Unknown		48,223
Total U.S. Department of Health & Human Services					$ 59,223
TOTAL					$ 1,284,722

See Notes to Schedule of Expenditures of Federal Awards

NORTHERN HUMAN SERVICES, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Northern Human Services, Inc. under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Northern Human Services, Inc., it is not intended to and does not present the financial position, changes 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Northern Human Services, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

Leone, McDonnell & Roberts
Professional Association
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
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NORTHERN HUMAN SERVICES, INC.

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
Northern Human Services, Inc.
Conway, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Northern Human Services, Inc. (a New Hampshire nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 20, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northern Human Services, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Northern Human Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Northern Human Services, Inc.'s internal control.

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

Our consideration of 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northern Human Services, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.*

Northern Human Services, Inc.'s Response to Findings

Northern Human Services, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Northern Human Services, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 20, 2021
North Conway, New Hampshire

Leone, McDonnell & Roberts
Professional Association
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

NORTHERN HUMAN SERVICES, INC.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Northern Human Services, Inc.
Conway, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Northern Human Services, Inc.'s (a New Hampshire nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Northern Human Services, Inc.'s major federal programs for the year ended June 30, 2020. Northern Human 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Northern Human 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Northern Human 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 of Northern Human Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Northern Human 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 June 30, 2020.

Report on Internal Control Over Compliance

Management of Northern Human 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 Northern Human 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 the Uniform Guidance, 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 Northern Human 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 were not 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Leone, McDonnell & Roberts
Professional Association

January 20, 2021
North Conway, New Hampshire

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the financial statements of Northern Human Services, Inc. were prepared in accordance with GAAP.

2. One material weakness disclosed during the audit of the financial statements is 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.*

3. No instances of noncompliance material to the financial statements of Northern Human 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 the Uniform Guidance.* No material weaknesses are reported.

5. The auditors' report on compliance for the major federal award programs for Northern Human Services, Inc. expresses an unmodified opinion on all major federal programs.

6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.

7. The programs tested as major programs were: U.S. Department of the Treasury; Coronavirus Relief Fund, CFDA 21.019 and U.S. Department of Justice; Crime Victim Assistance, CFDA 16.575.

8. The threshold for distinguishing Type A and B programs was $750,000.

9. Northern Human Services, Inc. was determined not to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

MATERIAL WEAKNESS

2020-001 - Reconciliation process and month end close

Criteria: Internal controls should be in place to ensure that all cash accounts are reconciled between the general ledger and bank statements every month in a timely manner.

Condition: Significant entries were required for cash as timely reconciliations were not being kept as part of the financial statement close process each month and at year end.

Cause: Internal controls are not currently in place to ensure that monthly bank reconciliations are prepared in a timely manner each month.

Effect: Financial statement information utilized by management in making decisions may not be timely or accurate; errors found in preparing bank reconciliations that required significant journal entries were not found until several months after year end.

Recommendation: Procedures should be implemented to ensure that monthly reconciliations for all cash accounts are being performed in a timely manner.

Views of Responsible Officials: Up until this fiscal year, the Organization has always had a process in place to perform the bank reconciliations in a timely manner.

The main reason these were not done timely is due to some staff turnover (retirements) NHS has had, as well as COVID. NHS had a long term staff accountant retire last summer. She was responsible for the bank reconciliations in addition to many other duties as it relates to month end closings, and backup for the payroll associate. NHS had trouble recruiting for that position and ultimately the department got behind in trying to cover that part of her duties. There was also another staff accountant position that retired and due to COVID, NHS had trouble recruiting for that position as well, further delaying the reconciliations. Now that both positions have been filled, NHS is in the process of getting caught up with that duty.

Going forward, the bank reconciliations will be done monthly during each month end closing process. This will be reviewed by Dale Heon, CFO to ensure adherence to this procedure.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

NORTHERN HUMAN SERVICES BOARD OF DIRECTORS

			Office	Home	Term
Officers:	Madelene Costello, President				10.20 - 10.22
	Dorothy Borchers, Vice President				10.20 - 10.22
	James Salmon, Treasurer				10.17 - 10.21
	TBA, Secretary				
Staff:	Eric Johnson, CEO		447-3347		
	Dale Heon, CFO		447-3347		
	Susan Wiggin, CEO Assistant		447-3347		
	Suzanne Gaetjens-Olsen, MH Reg Administrator		444-5358		
	Liz Charles, DD Reg Administrator		447-3347		
	The Mental Health Center	Kassie Eafrati	752-7404		
	3 Twelfth St., Berlin 03570	Director of BH			
Term	Community Services Center	Lynn Johnson	752-1005		
Expires	69 Willard St., Berlin 03570	Director of DS			
'22	Margaret McClellan, [redacted]				6/01
'23	*Stephen Michaud, [redacted]				11/02
'23	*Dorothy Borchers, [redacted]				05/17
	The Mental Health Center	Valeda Cerasale	447-2111		
	25 W. Main St., Conway 03818	Director of BH			
	70 Bay St., Wolfeboro 03894		569-1884		
	New Horizons (also Tamworth)	Shanon Mason	356-6310		
	626 Eastman Rd., Ctr. Conway 03813	Director of DS			
'21	*Maddie Costello, [redacted]				9/06
'23	*Carrie Duran, [redacted]				1/17
'21	James Salmon, [redacted]				11/03
	The Mental Health Center	James Michaels	237-4955		
	55 Colby St., Colebrook 03576	Director of BH			
	69 Brooklyn St., Groveton 03582		636-2555		
	Vershire Center	Lynn Johnson	237-5721		
	24 Depot Street, Colebrook, NH 03576	Director of DS			
'23	Georgia Caron, [redacted]				[5/08]
	White Mountain Mental Health	Amy Finkle	444-8501		
	29 Maple St., Box 599, Littleton 03561	Director of BH			
	Common Ground (also Littleton, Woodsville)	Mark Vincent	837-9547		
	24 Lancaster Rd., Whitefield 03584	Director of DS			
'22	Bob Fink, [redacted]				1/07, 3/13
'23	Annette Carbonneau, [redacted]				11/20

Executive Committee: S. Michaud, M. McClellan, J. Salmon, M. Costello, D. Borchers, E. Johnson
Finance Committee J. Salmon, M. McClellan, S. Michaud, B. Fink, D. Borchers, M. Costello, D. Heon
Program Committee: M. McClellan, M. Costello, G. Caron, C. Duran, S. Gaetjens-Olsen, L. Charles
Development Committee: C. Duran, D. Borchers, M. McClellan, M. Costello, K. Blake, S. Mason, S. Gaetjens-Olsen, S. Wiggin

*Member representing consumer with developmental disability / NOTE: Bylaws state that a minimum of 7 meetings, including the Annual Business Meeting, must be held.

Last revised: 12/19, 4/20, 5/20, 9/20, 10/20, 11/20

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Eric Johnson	CEO			$0
Dale Heon	CFO			$0
Suzanne Gaetjens-Olsen	MH Regional Administrator			$0

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC HEALTH SERVICES

Lori A. Shibinette
Commissioner

Lisa M. Morris
Director

29 HAZEN DRIVE, CONCORD, NH 03301
603-271-4501 1-800-852-3345 Ext. 4501
Fax: 603-271-4827 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

September 18, 2020

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Public Health Services, to amend an existing **Sole Source** contract with Northern Human Services (Vendor #177222-B004), Conway, NH to provide trainings in evidence based home visiting services for young children and families by increasing the price limitation by $200,000 from $100,000 to $300,000 with no change to the contract completion date of June 30, 2021 effective upon Governor and Council approval. 100% General Funds.

The original contract was approved by Governor and Council on June 19, 2019, (Item #78B).

05-95-042-421010 -2958 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES, CHILD PROTECTION, CHILD – FAMILY SERVICES

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2019	643-504191	Contracts for Program Services	42105745	$100,000	$0	$100,000
2020	643-504191	Contracts for Program Services	42105745	$0	$0	$0
2021	645-504004	Contracts for Program Services	42105745	$0	$200,000	$300,000
			Total	**$100,000**	**$200,000**	**$300,000**

EXPLANATION

This request is **Sole Source** because the contract was originally approved as sole source and MOP 150 requires any subsequent amendments to be labelled as sole source. Northern Human Services is the Fiscal Agent for the Coos Coalition for Young Children and Families. They are the coordinating body in Coos and Northern Grafton Counties for child maltreatment prevention utilizing evidence based practices. This is the only coalition in Coos and Northern

Grafton counties whose primary purpose is to promote the optimal social and emotional development of children from birth through eight (8) years of age. Since 2009, more than a dozen cross sector organizations including health centers, mental health providers, school districts, childcare centers, Head Start and family support programs have worked to build a coordinated and aligned system of supports for children and their families living in Coos and Northern Grafton counties. Coos Coalition for Young Children and Families will continue to use Boundary Spanning Leadership practices to support the Community Implementation Team as they develop future strategies to enhance the early childhood system.

The purpose of this request is to complement current activities in the Community Collaborations to Strengthen and Preserve Families Program by providing training for staff who provide Home Visiting Services in the North Country Region through the network and work of Coos Coalition for Young Children and Families. There are currently no child-parent psychotherapy trained practitioners in the North Country. Ten (10) new child-parent psychotherapy practitioners will be trained. Additionally, twelve (12) home visitors will be trained in GGK.

The Community Collaborations to Strengthen and Preserve Families Program provides services to families with children up to eight (8) years of age who may be at risk of child abuse and neglect and other adverse childhood experiences. The Contractor will use funding to increase capacity to provide evidence based, universal home visiting services to families with young children; to deliver child-parent psychotherapy training to mental health clinicians who provide services to children and to provide consistent parent engagement opportunities for families to connect with one another to build resource networks and increase parenting skills. The vendor will be collecting data and outcomes data from the clients served to support a program evaluation with the University of New Hampshire. The Department plans to link the collected data with internal data to determine outcomes of families and children who receive community coordination of services and determine child maltreatment outcomes.

The Department will continue to monitor contracted services using the following performance measures:

- Increase the percentage of home visitors in the North Country who are trained and implementing evidence-based parenting education practices into their work to 90%.
- Increase the percentage of families with young children, 8 years old or younger, in Coos County actively receiving home visits to 75%.
- Increase the number of caregivers actively receiving home visits by twenty (20) from 164 to 184.
- Improve on average parenting skills by 50%, up from the 2019 average of 27%.

As referenced in Exhibit C-1, Revisions to Standard Contract Language, Paragraph 2 of the original contract, the parties have the option to extend the agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is not exercising its option to renew at this time.

Should the Governor and Council not authorize this request, home visitors who provide services to caregivers with substance abuse as well as families with young children at risk of child abuse and neglect may not receive appropriate evidence based training and follow up coaching activities that are imperative to teaching positive parenting and family structure to those in need of services.

Area served: All of Coos County and Northern Grafton County above Franconia Notch.

Source of Funds: 100% General Funds.

Respectfully submitted,

Lori Shibinette

Lori A. Shibinette
Commissioner

State of New Hampshire
Department of Health and Human Services
Amendment #1 to the North Country Community Collaboration to Strengthen & Preserve Families

This 1st Amendment to the North Country Community Collaboration to Strengthen & Preserve Families contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Northern Human Services, (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 87 Washington Street, Conway, NH.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #78B) the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Paragraph 2, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

   $300,000.

2. Exhibit B, Methods and Conditions Precedent to Payment, Section 4, Subsection 4.1, to read:

   4.1 Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibit B-2 Amendment #1 Budget.

3. Exhibit B, Methods and Conditions Precedent to Payment, Section 4, Subsection 4.5, to read:

   4.5 The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month.

4. Add Exhibit B-2, Amendment #1 Budget.

New Hampshire Department of Health and Human Services
North Country Community Collaboration to Strengthen & Preserve Families

All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

6/17/2020
Date

Name: Annie Toppin
Title: Associate Commissioner

Northern Human Services

6.16.20
Date

Name: Eric Johnson
Title: CEO

New Hampshire Department of Health and Human Services
North Country Community Collaboration to Strengthen & Preserve Families

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

OFFICE OF THE ATTORNEY GENERAL

06/25/20
Date

Catherine Pinos
Name:
Title: Catherine Pinos, Attorney

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

OFFICE OF THE SECRETARY OF STATE

_____
Date

_____
Name:
Title:

New Hampshire Department of Health and Human Services

Contractor name: Northern Human Services

Budget Request for: North Country Community Collaboration to Strengthen & Preserve Families

Budget Period: SFY 21 - July 1, 2020 - June 30, 2021

Line Item	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total
1. Total Salary/Wages	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2. Employee Benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12. Subcontracts/Agreements	$ 227,000.00	$ -	$ 227,000.00	$ 45,000.00	$ -	$ 45,000.00	$ 182,000.00	$ -	$ 182,000.00
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NHS Grant Contractor Fee @ 8.3%		$ 18,000.00	$ 18,000.00	$ -	$ -	$ -		$ 18,000.00	$ 18,000.00
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 227,000.00	$ 18,000.00	$ 245,000.00	$ 45,000.00	$ -	$ 45,000.00	$ 182,000.00	$ 18,000.00	$ 200,000.00

Indirect As A Percent of Direct 8.3%

Contractor Initials EJ

Date 6.16.20

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC HEALTH SERVICES

Jeffrey A. Meyers
Commissioner

Lisa M. Morris
Director

29 HAZEN DRIVE, CONCORD, NH 03301
603-271-4501 1-800-852-3345 Ext 4501
Fax: 603-271-4827 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

June 3, 2019

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

REQUESTED ACTION

(1) Authorize the Department of Health and Human Services, Division of Public Health, to enter into a **retroactive, sole source** agreement with Northern Human Services, Vendor # 232333-R001, 87 Washington Street, Conway, NH 03818 to provide trainings in evidence-based home visiting services for young children and families in an amount not to exceed $100,000, effective retroactive to May 1, 2019 upon Governor and Executive Council approval through June 30, 2021. 100% General Funds.

(2) Contingent upon approval of Requested Action (1), authorize the Department of Health and Human Services to provide Northern Human Services, with an advance payment in an amount not to exceed $100,000, effective upon the date of Governor and Executive Council approval for the provision of start-up costs for trainings in evidence-based home visiting services. 100% General Funds.

Funds are available in the following account for State Fiscal Year 2019.

05-95-90-042-421010-29580000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES DIV, CHILD PROTECTION, CHILD-FAMILY SERVICES

Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
SFY 2019	643-504191	Contracts for Prog Svc	42105745	$100,000
SFY 2020	643-504191	Contracts for Prog Svc	42105745	$0
SFY 2021	643-504191	Contracts for Prog Svc	42105745	$0
			Total	**$100,000**

EXPLANATION

This request is **retroactive** because trainings are scheduled to take place in May of 2019. Sole source contract negotiations were not completed until the beginning of May 2019. The fully executed contract was not received from the vendor until May 29, 2019.

This request is **sole source** because Northern Human Services is the Fiscal Agent for the Coos

Coalition for Young Children and Families (CCYCF). They are the coordinating body in Coos and Northern Grafton Counties for child maltreatment prevention utilizing evidence based practices. This is the only coalition in Coos and Northern Grafton counties whose primary purpose is to promote the optimal social and emotional development for children birth through eight (8) years of age. Since 2009, more than a dozen cross sector organizations including health centers, mental health providers, school districts, childcare centers, Head Start and family support programs have worked to build a coordinated and aligned system of supports for children and their families living in Coos and Northern Grafton counties.

The purpose of this contract is to increase the ability of the CCYCF and its agency partners to facilitate community-based, evidence-based parental assistance programs in accordance with SB 592 (2018 Legislative Session). Programs are designed to reduce child maltreatment, improve parent-child interactions, improve skills for regulating behavior and coping adaptively and facilitate improved coordination of services and referrals.

CCYCF, under the fiscal auspices of Northern Human Services, will train home visitors and community health workers in the evidence-based parent education model, *Growing Great Kids* and in motivational interviewing, which is an evidence based practice. Additional training will be provided using an evidence-based framework called *Boundary Spanning Leadership* to existing and new CCYF agency partners in order to build partnerships and increase the CCYCF membership.

Services provided through this contract will target professionals including home visitors and community health workers in CCYCF member agencies who provide home based services to families and caregivers struggling with substance abuse as well as to young families with children less than eight (8) years of age who are at risk for child abuse and neglect.

Training outcome measures of this contract include, but are not limited to:

- An increase of 20% in the parenting skills of families receiving home visits in the designated service areas.
- An increase to 90% of CCYCF agencies using evidence based parenting education such as Growing Great Kids.

Requested Action (2), if approved, will enable Northern Human Services to financially support startup costs for training in evidence-based home visiting services. The advanced payment represents costs that would pose a financial hardship to the organization to carry as credit pending reimbursement upon conclusion of the trainings.

As referenced in Exhibit C-1 of this contract, the Department reserves the right to extend contracted services for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

Should the Governor and Executive Council not authorize this request, home visitors who provide services to caregivers with substance abuse as well as families with young children at risk of child abuse and neglect may not receive appropriate evidence based training and follow up coaching activities that are imperative to teaching positive parenting and family structure to those in need.

Area served Coos County,.northern Grafton County north of the Franconia Notch.

Source of Funds: 100% General Funds

Respectfully submitted,

Jeffrey A. Meyers
Commissioner

FORM NUMBER P-37 (version 5/8/15)

Subject: North Country Community Collaboration to Strengthen & Preserve Families (SS-2019-DPHS-26-NORTH)

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

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Northern Human Services		1.4 Contractor Address 87 Washington Street Conway, NH 03818	
1.5 Contractor Phone Number 603-915-7020	1.6 Account Number 05-95-042-421010-2958-643-504191	1.7 Completion Date June 30, 2021	1.8 Price Limitation $100,000
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature		1.12 Name and Title of Contractor Signatory Eric Johnson, CEO	

1.13 Acknowledgement: State of NH, County of Carroll

On June 7, 2019, 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

1.13.2 Name and Title of Notary or Justice of the Peace
Susan Riggin

1.14 State Agency Signature Date: 6/10/19	1.15 Name and Title of State Agency Signatory

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) *(if applicable)*

By: On: 6/7/19

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

FORM NUMBER P-37 (version 5/8/15)

Subject: North Country Community Collaboration to Strengthen & Preserve Families (SS-2019-DPHS-26-NORTH)

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

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Northern Human Services		1.4 Contractor Address 87 Washington Street Conway, NH 03818	
1.5 Contractor Phone Number 603-915-7020	1.6 Account Number 05-95-042-421010-2958-643-504191	1.7 Completion Date June 30, 2021	1.8 Price Limitation $100,000
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature		1.12 Name and Title of Contractor Signatory Eric Johnson, CEO	

1.13 Acknowledgement: State of NH, County of Carroll

On June 7, 2019, 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

1.13.2 Name and Title of Notary or Justice of the Peace
Susan Wiggin

1.14 State Agency Signature Date:	1.15 Name and Title of State Agency Signatory

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) *(if applicable)*

By: On:

1.18 Approval by the Governor and Executive Council *(if applicable)*

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, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("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. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. 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

Contractor Initials [illegible]
Date 6/9/17

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

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.
The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and 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 $1,000,000per occurrence and $2,000,000 aggregate ; and
14.1.2 special cause of loss coverage form 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.

Contractor Initials EJ
Date 6/7/19

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 thirty (30) 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 provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) 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 unless no such approval is required under the circumstances pursuant to State law, rule or policy.

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 EJ

Date 6/7/19

Scope of Services

1. Provisions Applicable to All Services

1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

1.3. Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 biennia.

1.4. The Contractor shall ensure trainings are available to providers in Coos and Norther Grafton Counties who provide services to the target populations.

2. Scope of Services

2.1. The Contractor shall ensure trainings and curricula focus on target populations that include, but are not limited to:

2.1.1. Overburdened families.

2.1.2. Caregivers struggling with substance abuse.

2.1.3. Young families with children less than 8 years of age, who are at risk for child abuse and neglect, and other adverse childhood experiences.

2.2. The Contractor shall conduct trainings and coaching sessions in order to increase home visiting services to the target population, The Contractor shall:

2.2.1. Provide two (2) trainings that include tuition; a trainer; travel, hotel, and meal costs associated with trainer; cost of the venue; materials; training supplies; associated shipping; and a minimum of twenty (20) hours of coaching per participant, as follows:

2.2.1.1. Growing Great Kids 0-36 months Tier 1 Certification Seminar by Great Kids Inc. over four (4) days, and

2.2.1.2. Growing Great Kids 3-5 years Training by Great Kids Inc., over four (4) days.

2.2.2. Provide a Motivational Interviewing Training by North Country Health Consortium over two (2) days that includes tuition; material and training

supplies; cost of the venue; and a minimum of five (5) hours of coaching per participant;

2.3. The Contractor shall ensure all trainings are available to a minimum of twenty-four (24) home visitors from the following organizations:

2.3.1. The Family Resource Center.

2.3.2. Northern Human Services' Infant Mental Health - Early Supports and Services programs.

2.3.3. Head Start.

2.3.4. Response: Domestic and Sexual Violence Support Center

2.4. The Contractor shall provide Motivational Interviewing and The Boundary Spanning Leadership (BSL) Training, and follow-up coaching activities, by counting partnerships with partners that include, but are not limited to:

2.4.1. North Country Health Consortium.

2.4.2. Public Health Network.

2.4.3. Response: Domestic and Sexual Violence Support Center to Domestic Violence and Sexual Abuse Coalition.

2.4.4. Other Contractor network organizations as deemed appropriate and agreed upon by the Department

2.5. The Contractor shall conduct Boundary Spanning Leadership (BSL) training and activities including, but not limited to:

2.5.1. Facilitation of BSL tools, exercises and activities

2.5.2. Facilitation of assessment of team readiness in BSL toolkit and activities in BSL toolkit, to include all network partners.

2.5.3. Facilitation of the use of the BSL Toolkit activities, and coordinate network definitions used in BSL Toolkit to span boundaries.

2.5.4. Support, creation and operationalizing of transformation across the network to arrive at shared improved outcomes for BSL Network team.

2.5.5. Support and participate in evaluating the outcomes of BSL training and submit needed data and actions to the University of New Hampshire Institute on Disability.

2.6. The Contractor shall support the evaluation of the BSL Model completed by the University of New Hampshire (UNH) in Study 1 of the Cross Site-Evaluation within the Community Collaboration to Strengthen and Preserve Families Project.

2.7. The Contractor shall collaborate with the Department to learn about and engage in national promising practices of evidenced-based or evidence-informed prevention of child abuse and neglect.

2.8. The Contractor shall provide evidence-based, culturally and linguistically

competent, prevention-focused parental assistance programs to the community, designed to:

2.8.1. Reduce child maltreatment.

2.8.2. Improve parent-child interactions.

2.8.3. Improve skills for regulating behavior and coping adaptively.

2.8.4. Improve coordination of services and referrals for young families.

2.9. The Contractor shall provide a variety of prevention services to parents of children up to eight (8) years of age, including but not limited to:

2.9.1. Home Visiting

2.9.2. Parent education.

2.9.3. Family support services, including respite or crisis care.

2.9.4. Activities that promote Protective Factors, that include, but are not limited to increasing parental resilience through parental education, that show evidence of:

2.9.4.1. Promoting social connection.

2.9.4.2. Increasing access to, or provide, concrete support systems.

2.9.4.3. Increasing knowledge of parental development.

2.9.4.4. Increasing knowledge, awareness or skills that promote resilience and increase the social and emotional competence of children.

2.10. The Contractor shall lead program-planning efforts, be present at, and participate in Community Collaboration statewide meetings.

2.11. The Contractor shall lead facilitation development of a Practice Profile as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability.

2.12. The Contractor shall facilitate and lead a Community Implementation Team as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability. This team can be made up of the BSL training participants.

2.13. The Contractor shall draft, and finalize a Community Implementation Team (CIT) project work plan, timeline, and logic model Team as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability.

2.14. The Contractor shall coordinate network /CIT data definition establishment and data collection according to network-determined definitions as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability.

3. Reporting

3.1. The Contractor, with the CIT, shall submit a Practice Profile.

3.2. The Contractor shall submit annual and interim reports on process and outcome measures for each area of study in order to determine quality improvement and recommendations upon Department request.

4. Performance Measures

4.1. The Contractor shall minimally achieve the following outcomes by the end of 12 months after contract implementation (only relates to agencies that participate in MI and EBP training. Outcomes include but are not limited to:

4.1.1. Increase the number of home visitors who are trained and implementing evidence-based parenting education into their work by ten (10) from 42 to 52.

4.1.2. Increase the number of children actively receiving home visits by 47, from 303 to 350.

4.1.3. Increase the number of caregivers actively receiving home visits by twenty (20) from 164 to 184.,

4.1.4. Improve on average parenting skills by 25% up from 2018 average of 18%.

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided pursuant to Exhibit A, Scope of Services.
2. This agreement is funded with 100% General Fund
3. Failure to meet the scope of services may jeopardize the funded Contractor's future funding.
4. Payment for said services shall be made monthly as follows:
   4.1. Upon Governor and Executive Council approval the Contractor shall submit an invoice to the Department in the amount of $100,000 for payment of services outlined in Exhibit A.
   4.2. The Contractor shall ensure the invoice is completed, signed, dated and returned to the Department in order to initiate payment.
   4.3. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to DPHScontractbilling@dhhs.nh.gov, or invoices may be mailed to:

        Financial Administrator
        Department of Health and Human Services
        Division of Public Health Services
        29 Hazen Drive
        Concord, NH 03301

   4.4. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

5. The Contractor shall keep detailed records of their activities related to Department-funded programs and services and have records available for Department review, as requested.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

Exhibit B-1, Budget Sheet

New Hampshire Department of Health and Human Services

Contractor Name: Northern Human Services

Budget Request for: Community Collaborations to Strengthen and Preserve Families

Budget Period: May 1, 2019 - June 30th, 2019

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2. Employee Benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3. Consultants - Coaches	$ 39,000.00	$ -	$ 39,000.00	$ 5,940.00	$ -	$ 5,940.00	$ 33,060.00	$ -	$ 33,060.00
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ 3,884.00	$ -	$ 3,884.00	$ -	$ -	$ -	$ 3,884.00	$ -	$ 3,884.00
Lab		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ 1,875.00	$ -	$ 1,875.00	$ -	$ -	$ -	$ 1,875.00	$ -	$ 1,875.00
7. Occupancy		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ 48,725.00	$ -	$ 48,725.00	$ -	$ -	$ -	$ 48,725.00	$ -	$ 48,725.00
12. Subcontracts/Agreements		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Facility fees	$ 2,500.00	$ -	$ 2,500.00	$ -	$ -	$ -	$ 2,500.00	$ -	$ 2,500.00
Fiscal Sponsor Fee - 12% (DHHS portion o	$ 12,000.00	$ -	$ 12,000.00	$ 1,844.00	$ -	$ 1,844.00	$ 10,156.00	$ -	$ 10,156.00
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 107,784.00	$ -	$ 107,784.00	$ 7,784.00	$ -	$ 7,784.00	$ 100,000.00	$ -	$ 100,000.00

Indirect As A Percent of Direct: 12.9%

Contractor Initials: 5/29/19
Date: 5/29/19

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 EJ
Date 5/29/19

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.

20. **Contract Definitions:**

20.1. 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.

20.2. DEPARTMENT: NH Department of Health and Human Services.

20.3. 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 and/or goods to be provided 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.

20.4. 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.

20.5. 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 time to time.

20.6. SUPPLANTING OTHER FEDERAL FUNDS: Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

Contractor Initials 5/29/19
Date RJ

REVISIONS TO STANDARD CONTRACT LANGUAGE

1. **Revisions to Form P-37, General Provisions**

   1.1. Section 4, 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.

   1.2. Section 10, 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.

2. **Renewal**

   2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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

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

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

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

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

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

Vendor Name: Northern Human Services

6/7/19
Date

Name: Eric Johnson
Title: CEO

CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

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

Vendor Name: Northern Human Services

6/7/19
Date

Name: Eric Johnson
Title: CEO

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

The Vendor 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.

Vendor Name: Northern Human Services

6/7/19
Date

Name: Eric Johnson
Title: CEO

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

The Vendor 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:

Vendor 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 Vendor 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 Vendor agrees to comply with the provisions indicated above.

Vendor Name: Northern Human Services

6/17/19
Date

Name: Eric Johnson
Title: 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 Vendor 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 Vendor 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.

Vendor Name: Northern Human Services

6/7/19
Date

Name: Eric Johnson
Title: CEO

HEALTH INSURANCE PORTABLITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Vendor 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 Vendor and subcontractors and agents of the Vendor 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.

Vendor Initials EJ

Date 5/29/19

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.

Department of Health and Human Services	Northern Human Services
The State	Name of the Vendor
Signature of Authorized Representative	Signature of Authorized Representative
USA Morris	Eric Johnson
Name of Authorized Representative	Name of Authorized Representative
Director, DPHS	CEO
Title of Authorized Representative	Title of Authorized Representative
6/10/19	6/7/19
Date	Date

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

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

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

Department of Health and Human Services	Northern Human Services
The State	Name of the Vendor
Signature of Authorized Representative	Signature of Authorized Representative
	Eric Johnson
Name of Authorized Representative	Name of Authorized Representative
	CEO
Title of Authorized Representative	Title of Authorized Representative
	6/7/19
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 Vendor 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 Vendor 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.

Vendor Name: Northern Human Services

6/7/19
Date

Name: Eric Johnson
Title: CEO

FORM A

As the Vendor 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: _____

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

   _____ NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements

A. Definitions

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

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, " Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

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

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.

5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.

8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

2. The Contractor must not disclose any Confidential Information in response to a

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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

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

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

B. Disposition

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

2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.

3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

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

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.

2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.

4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.

5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.

6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.

7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.

8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.

9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.

10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.

11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.

13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at https://www.nh.gov/doit/vendor/index.htm for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.

14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.

15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.

16. The Contractor must ensure that all End Users:

    a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.

    b. safeguard this information at all times.

    c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.

    d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

e. limit disclosure of the Confidential Information to the extent permitted by law.

f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).

g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.

h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.

i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

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

V. LOSS REPORTING

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

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

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

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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov