



Lori A. Weaver
Commissioner

Reuben T. Hampton
Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HEALTH EQUITY

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 1-800-852-3345 Ext. 9200
Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 17, 2023

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, Office of the Commissioner, Office of Health Equity, to enter into a **Sole Source** contract with Ascentria Community Services, Inc. (VC# 222201), Concord, NH, in the amount of \$251,910 to provide resettlement support and resource assistance to Ukrainian citizens displaced due to Russia's invasion of Ukraine, with the option to renew for up to (3) three additional years, effective upon Governor and Council approval through September 30, 2024. 100% Federal Funds.

Funds are available in the following account for State Fiscal Years 2024 and 2025, 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.

05-95-95-950010-72090000, Health & Social Services, Dept. of Health and Human Svcs, HHS; Commissioner's Office, Office of the Commissioner; Refugee Services – Ascentria Care Alliance (Vendor #222201)

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2024	102/500731	Contracts for Prog Svc	95070028	\$209,925
2025	102/500731	Contracts for Prog Svc	95070028	\$41,985
			Total	\$251,910

EXPLANATION

This request is **Sole Source** because it was not competitively bid. The Contractor has an agreement with the United States Department of State to resettle families and participate in the U.S. Refugee Program, possesses the linguistic and cultural expertise required to manage client cases and address complex, interrelated health and social needs of the Ukrainian population.

The purpose of this request is to assist the Office of Refugee Resettlement (ORR) eligible Ukrainians displaced from the Russia-Ukraine War by providing resettlement resources in New Hampshire. The Contractor will provide a wide range of support services including employment assistance, case management, skills training, English as a second language, assistance in applying for Employment Authorization Documents, housing and food assistance. Ukrainian citizens, nationals, or persons who last habitually resided in Ukraine who have been displaced

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and the Honorable Council
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during the Russian invasion and that have been paroled into the U.S. will have access to the services offered in the contract.

This contract is in addition to the two (2) contracts for resettlement support and resource assistance for displaced Ukrainian citizens approved by Governor and Council on May 31, 2023 (item #8A). Approximately 200-400 individuals in total will be served through September 2025.

The Contractor will provide support services ranging from employment services that focus on job development, placement, retention and re-employment to access orientation for both parents and students to American school systems with the facilitation of school enrollment including pre-school and daycare. The Contractor will also advocate and assist clients with adjustment concerns related to housing, accessing benefits and other case management issues. The Contractor will supply services and activities that promote the health and wellness of ORR-eligible Ukrainians by coordinating medical and mental health care, providing opportunities to increase health literacy, and building a capacity of health providers to address the medical, including mental health needs of ORR-eligible Ukrainians in a culturally and linguistically appropriate manner.

The Department will monitor services by:

- Progress reports submitted by each contractor that detail current performance measures and program goals and objectives.
- Analyzing key data and metrics that include client-level demographic, performance and service data of those Ukrainians who utilize the services.
- Participation in virtual and in-person meetings.

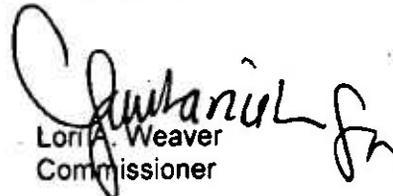
As referenced in Exhibit A, Revisions to Standard Agreement Provisions of the attached agreement, the parties have the option to extend the agreement for up to three (3) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

Should the Governor and Council not authorize this request, displaced Ukrainians will not have the necessary assistance and resources to successfully adjust to their new communities and become self-sufficient.

Source of Federal Funds: Assistance Listing Number 93.566 FAIN 2201NHRSSS, 2301NHRSSS.

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

Respectfully submitted,


Lori A. Weaver
Commissioner

Subject: SS-2023-OCOM-06-UKRAI-03 (Ukraine.Support Services)

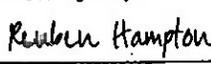
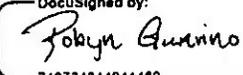
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Ascentria Community Services, Inc.		1.4 Contractor Address 261 Sheep Davis Road, Suite A1 Concord, NH 03301	
1.5 Contractor Phone Number 603-224-8111	1.6 Account Unit and Class 05-95-95-950010-7209	1.7 Completion Date 9/30/2024	1.8 Price Limitation \$251,910
1.9 Contracting Officer for State Agency Robert W. Moore, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature DocuSigned by:  <small>118472080303473</small>	8/23/2023 Date:	1.12 Name and Title of Contractor Signatory Aimee Mitchell Chief Comm Services Officer	
1.13 State Agency Signature DocuSigned by:  <small>4FE20770783542</small>	8/23/2023 Date:	1.14 Name and Title of State Agency Signatory Reuben Hampton Director, Office of Health Eq	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 8/23/2023 <small>748734844941460</small>			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

2. 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 B 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, 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 1.13 ("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.

3.3 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. 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 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 for Services provided in EXHIBIT B, in whole or in part, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source 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 C which is incorporated herein by reference.

5.2 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. 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.

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 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

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 applicable 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 employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4. The Contractor 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 this Agreement and all rules, regulations and orders pertaining to 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 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

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) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar 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 give the Contractor a written notice specifying the Event of Default and 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 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) calendar days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar 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. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, 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.

10.2 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.

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure requires prior written approval of the State.

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.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, 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 continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all Property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the Property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

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. The Contractor shall furnish the Contracting Officer identified in block 1.9, or any 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. A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

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. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. 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.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. THIRD PARTIES. This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. 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.

23. SPECIAL PROVISIONS. Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

24. FURTHER ASSURANCES. The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. 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.

26. 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 with respect to the subject matter hereof.

Contractor Initials 
Date 8/23/2023

New Hampshire Department of Health and Human Services
Ukraine Support Services

EXHIBIT A

Revisions to Standard Agreement Provisions

1. Revisions to Form P-37, General Provisions

1.1. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:

3.3. The parties may extend the Agreement for up to three (3) additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.

1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:

12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed, and if applicable, a Business Associate Agreement in accordance with the Health Insurance Portability and Accountability Act. Written agreements shall specify how corrective action shall be managed. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

New Hampshire Department of Health and Human Services
Ukraine Support Services

EXHIBIT B

Scope of Services

1. Statement of Work

1.1. The Contractor must provide both employment and health support services in this Agreement for displaced Ukrainian citizens or nationals of Ukraine, as described in subparagraphs 1.1.1.1. through 1.1.1.4., and hereafter referred to as "United for Ukraine residents of New Hampshire."

1.1.1. Pursuant to the Office of Refugee Resettlement (ORR), the Contractor must ensure that those eligible for services are:

1.1.1.1. Ukrainian Humanitarian Parolees (UHPs), who are citizens or nationals of Ukraine, who the Department of Homeland Security (DHS) has paroled into the United States between February 23, 2022, and September 20, 2023, due to urgent humanitarian reasons or for significant public benefit.

1.1.1.2. Non-Ukrainian individuals who last habitually resided in Ukraine, who DHS has paroled into the United States between February 24, 2022, and September 30, 2023, due to urgent humanitarian reasons or for significant public benefit.

1.1.1.3. A spouse or child of an individual described in 1.1.1.1. or 1.1.1.2. who is paroled into the United States after September 30, 2023.

1.1.1.4. A parent, legal guardian, or primary caregiver of an unaccompanied refugee minor or an unaccompanied child described in section 1.1.1.1. or 1.1.1.2. who is paroled into the United States after September 30, 2023.

1.2. The Contractor must ensure services are available statewide.

1.3. For the purposes of this Agreement, all references to days mean business days, excluding state and federal holidays.

1.4. Employment Services

1.4.1. The Contractor must provide employment services that focus on job development, placement, retention and re-employment for United for Ukraine residents of New Hampshire.

1.4.2. The Contractor must develop and maintain relationships with employers, which includes, but is not limited to:

1.4.2.1. Conducting American workplace orientation for clients.

1.4.2.2. Conducting client orientations for minimum of ten (10) new employers for each contract year.

1.4.2.3. Working with employers to develop on-site internships and

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EXHIBIT B

- employer-based training.
- 1.4.2.4. Collaborating with existing governmental and private job development agencies.
- 1.4.3. The Contractor must develop employment support for each employable client, which includes but is not limited to:
- 1.4.3.1. Conducting employment assessments utilizing Department-approved assessment instruments.
- 1.4.3.2. Developing and maintaining a Family Self-Sufficiency Plan for each family member with an employable adult.
- 1.4.3.3. Assisting clients with creating and completing resumes.
- 1.4.3.4. Scheduling and arranging job interviews for employable, newly arrived clients and assisting them with submitting at least three (3) job applications a year until employed.
- 1.4.3.5. Maintaining employment plans for each client eligible for employment, case notes, and progress reports in client files, to provide to the Department, upon request.
- 1.4.3.6. Providing referrals to support services.
- 1.4.3.7. Providing transportation training to increase employability, as necessary.
- 1.4.3.8. Providing interpreter services to new arrivals and service providers, as needed.
- 1.5. The Contractor must provide Case Management Services to assist Ukrainian clients to succeed in their new communities. The Contractor must ensure services include, but are not limited to:
- 1.5.1. Advocating for clients by assisting in the resolution of housing-related issues.
- 1.5.2. When sponsorships are no longer viable, providing, necessary support for emergency short-term and long-term housing for Ukrainian arrivals, to be paid directly to the landlords by the Contractor, as needed by the client.
- 1.5.3. Referring clients to appropriate ESOL or vocational ESOL programs.
- 1.5.4. Advocating on behalf of clients, to protect their civil rights and ensure access to services.
- 1.5.5. Assisting new arrivals with accessing and enrolling in mainstream public programs such as WIC, Fuel Assistance and Head Start.
- 1.5.6. Identifying conveniently located, subsidized day care providers, as appropriate.

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EXHIBIT B

- 1.5.7. Assisting new arrivals with meeting transportation needs, including direct payment for transportation such as fares and lease of vehicles by the Contractor for the purpose of transporting clients to initial employment and other appointments.
- 1.5.8. Orientation for parents and students to American school systems.
- 1.5.9. Interventions to include but not limited to cultural competences assistance for school personnel.
- 1.6. The Contractor must attend meetings with the Department at the Refugee Advisory Council on a quarterly basis and as needed.
- 1.7. **Health Promotion**
 - 1.7.1. The Contractor must provide services and activities that promote health and wellness of ORR eligible Ukrainians by:
 - 1.7.1.1. Providing opportunities to increase health literacy;
 - 1.7.1.2. Coordinating medical health care, including mental health; and
 - 1.7.1.3. Building capacity of health providers to address medical health care, including mental health, needs of ORR-eligible Ukrainians in a culturally and linguistically appropriate manner.
 - 1.7.2. The Contractor must provide services statewide to ORR-eligible Ukrainians to increase access to health care and reduce gaps in services. Services include but are not limited to:
 - 1.7.2.1. Medical and mental health care navigation and support.
 - 1.7.2.2. Health orientations
 - 1.7.2.3. Individual targeted health outreach.
 - 1.7.2.4. Health provider education.
 - 1.7.3. The Contractor must ensure all required service are:
 - 1.7.3.1. Client-centered;
 - 1.7.3.2. Trauma-informed;
 - 1.7.3.3. Strength-based; and
 - 1.7.3.4. Culturally and Linguistically Appropriate (CLAS).
 - 1.7.4. The Contractor must provide solely, or in collaboration with other organizations, individual targeted health outreach. The Contractor must:
 - 1.7.4.1. Identify topics of concern for Ukrainians and prioritize topics

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EXHIBIT B

that are most urgent or relevant on an ongoing basis.

- 1.7.4.2. Facilitate dissemination of translated materials to ORR-eligible Ukrainians on topics of concern. Topics of concern must include, but are not limited to:
 - 1.7.4.2.1. Vaccine education
 - 1.7.4.2.2. Tuberculosis risks reduction;
 - 1.7.4.2.3. Emotional wellness.
- 1.7.5. The Contactor must assist the Department's Tuberculosis Financial Assistance Program in their outreach efforts to ORR-eligible Ukrainians.
- 1.7.6. The Contractor must maintain relationships with health care providers, including mental health providers, within the refugee resettlement network including but not limited to attending at a minimum of (6) meetings with the provider(s) each contract year.
- 1.7.7. The Contractor must develop and foster relationships with at least four (4) health care/mental health care providers who are not in the refugee resettlement network through:
 - 1.7.7.1. Outreach;
 - 1.7.7.2. Educations; and
 - 1.7.7.3. Meetings.
- 1.7.8. The Contractor must ensure relationships with health care providers/mental health providers inside and outside of the refugee resettlement network focus on, but not limited to:
 - 1.7.8.1. Health needs and cultural of ORR-eligible Ukrainians.
 - 1.7.8.2. Barriers to care including, but not limited to:
 - 1.7.8.2.1. Language.
 - 1.7.8.2.2. Cultural factors.
 - 1.7.8.2.3. Transportation issues.
 - 1.7.8.2.4. National Standards for CLAS in health and healthcare.
- 1.7.9. The Contractor must ensure all written materials and resources are translated into client's preferred written language.
- 1.7.10. The Contractor must facilitate referrals to behavioral health providers as needed.
- 1.7.11. The Contractor must participate in virtual or in-person meetings with the Department upon request.
- 1.7.12. The Contractor must actively and regularly collaborate with the Department to enhance contract management, improve results and

New Hampshire Department of Health and Human Services
Ukraine Support Services

EXHIBIT B

adjust program delivery and policy based on successful outcomes.

1.8. Reporting Requirements

1.8.1. The Contractor must submit semi-annual progress reports, as required by the Office of Refugee Resettlement (ORR), in a format provided by the Department. The Contractor must:

1.8.1.1. Ensure progress reports align with reporting periods outlined by ORR.

1.8.1.2. Submit narrative reports with a summary of project outcomes to the Department no later than 15 days after the completion of a project period.

1.8.1.3. Highlight any changes in previously approved work plans or timelines.

1.8.1.4. Ensure progress reports are submitted using the following time frames:

Reporting Period	Semi-Annual Report Due Date
09/30/2023 - 03/31/2024	04/15/2024
04/01/2024 - 09/29/2024	10/15/2024

1.8.2. The Contractor must submit the Refugee Health Data Report to the Department on a semi-annual basis for reporting periods October 1 – March 31 and April 1 – September 30, no later than fifteen (15) days after the end of each reporting period, and upon request by the Department.

1.8.3. The Contractor must submit the Refugee Health Promotion Tracking Log, or data contained therein, in a format acceptable to the Department no later than the fifteenth (15th) of each month.

1.8.4. The Contractor may be requested to provide additional key data, reports and metrics to the Department on an as deemed necessary by the Department.

1.8.5. Service data will be collected through the semi-annual reports and will be reviewed during at least annual monitoring in person visits to include file and note review.

1.8.6. Notwithstanding Paragraph 8, Events of Default/Remedies and 9, Termination of the General Contract Provisions of this Agreement (P-37), the Contractor must develop and submit a corrective action plan for any performance measure(s) not on target to be achieved annually, in accordance with Subsection 1.7, to the Department on a quarterly basis until such time all measures are achievable. The

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**New Hampshire Department of Health and Human Services
Ukraine Support Services**

EXHIBIT B

corrective action plan must include:

- 1.8.6.1. The barrier(s) to achieving the measure(s) annually; and
- 1.8.6.2. A detailed plan to achieve the measure(s) that must include, but is not limited to, a timeline.

1.9. Background Checks

- 1.9.1. Prior to permitting any individual to provide services under this Agreement, the selected Vendor must ensure that said individual has undergone:
 - 1.9.1.1. A criminal background check, at the selected Vendor's expense, and has no convictions for crimes that represent evidence of behavior that could endanger individuals served under this Agreement;
 - 1.9.1.2. A name search of the Department's Bureau of Elderly and Adult Services (BEAS) State Registry, to pursuant to RSA 161-F:49, with results indicating no evidence of behavior that could endanger individuals served under this Agreement;
 - 1.9.1.3. A name search of the Department's Division for Children, Youth and Families (DCYF) Central Registry pursuant to RSA 169-C:35, with results indicating no evidence of behavior that could endanger individuals served under this Agreement.

2. Exhibits Incorporated

- 2.1. The Contractor must comply with all Exhibit D Federal Requirements, which are attached hereto and incorporated by reference herein.
- 2.2. The Contractor must manage all confidential data related to this Agreement in accordance with the terms of Exhibit E, DHHS Information Security Requirements.
- 2.3. The Contractor must use and disclose Protected Health Information in compliance with the Standards for Privacy of Individuals Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit F, Business Associate Agreement, which has been executed by the parties.

3. Additional Terms

3.1. Impacts Resulting from Court Orders or Legislative Changes

**New Hampshire Department of Health and Human Services
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3.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

3.2. Federal Civil Rights Laws Compliance: Culturally and Linguistically Appropriate Programs and Services

3.2.1. The Contractor must submit, within ten (10) days of the Agreement Effective Date, a detailed description of the communication access and language assistance services to be provided to ensure meaningful access to programs and/or services to individuals with limited English proficiency; individuals who are deaf or have hearing loss; individuals who are blind or have low vision; and individuals who have speech challenges.

3.3. Credits and Copyright Ownership

3.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Agreement must include the following statement, "The preparation of this (report, document etc.) was financed under an 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."

3.3.2. All materials produced or purchased under the Agreement must have prior approval from the Department before printing, production, distribution or use.

3.3.3. The Department must retain copyright ownership for any and all original materials produced, including, but not limited to:

3.3.3.1. Brochures.

3.3.3.2. Resource directories.

3.3.4. Protocols or guidelines.

3.3.4.1. Posters.

3.3.4.2. Reports.

3.3.5. The Contractor must not reproduce any materials produced under the Agreement without prior written approval from the Department.

3.4. Operation of Facilities: Compliance with Laws and Regulations

3.4.1. In the operation of any facilities for providing services, the Contractor

**New Hampshire Department of Health and Human Services
Ukraine Support Services**

EXHIBIT B

must 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 must 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 must 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 Agreement the facilities must comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and must be in conformance with local building and zoning codes, by-laws and regulations.

4. Records

4.1. The Contractor must keep records that include, but are not limited to:

4.1.1. Books, records, documents and other electronic or physical 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.

4.1.2. All records must 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.

4.1.3. Statistical, enrollment, attendance or visit records for each recipient of services, which records must include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

4.2. During the term of this Agreement and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives must have access to all reports and records maintained pursuant to the Agreement for purposes of audit, examination, excerpts and transcripts.

4.3. If, upon review of the Final Expenditure Report the Department must ~~disallow~~

**New Hampshire Department of Health and Human Services
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any expenses claimed by the Contractor as costs hereunder, the Department retains the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

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New Hampshire Department of Health and Human Services
Ukraine Support Services

EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 100% Federal funds, Refugee Support Services, as awarded on August 2022, by the Administration Children & Families, Refugee Support Services, CFDA 93.566, FAIN 2201NHRSSS; as awarded on November 2022, by the Administration Children & Families, Refugee Support Services, CFDA 93.566, FAIN 2301NHRSS.
2. For the purposes of this Agreement the Department has identified:
 - 2.1. The Contractor as a Subrecipient, in accordance with 2 CFR 200.331.
 - 2.2. The Agreement as NON-R&D, in accordance with 2 CFR §200.332.
3. 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 items, as specified in Exhibits C-1, Budget through Exhibit C-2, Budget.
4. The Contractor shall submit an invoice with supporting documentation to the Department no later than the fifteenth (15th) working day of the month following the month in which the services were provided. The Contractor shall ensure each invoice:
 - 4.1. Must include personnel activity reports for all hourly and salaried staff regarding payroll.
 - 4.2. Includes the Contractor's Vendor Number issued upon registering with New Hampshire Department of Administrative Services.
 - 4.3. Is submitted in a form that is provided by or otherwise acceptable to the Department.
 - 4.4. Identifies and requests payment for allowable costs incurred in the previous month.
 - 4.5. Includes supporting documentation of allowable costs with each invoice that may include, but are not limited to, time sheets, payroll records, receipts for purchases, and proof of expenditures, as applicable.
 - 4.6. Is completed, dated and returned to the Department with the supporting documentation for allowable expenses to initiate payment.
 - 4.7. Is assigned an electronic signature, includes supporting documentation, and is emailed to beth.kelly@dhhs.nh.gov or mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

**New Hampshire Department of Health and Human Services
Ukraine Support Services**

EXHIBIT C

5. The Department shall make payments to the Contractor within thirty (30) days of receipt of each invoice and supporting documentation for authorized expenses, subsequent to approval of the submitted invoice.
6. The final invoice and supporting documentation for authorized expenses shall be due to the Department no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
7. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
8. Audits
 - 8.1. The Contractor must email an annual audit to dhhs.act@dhhs.nh.gov if any of the following conditions exist:
 - 8.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 8.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 8.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 8.2. If Condition A exists, the Contractor shall submit an annual Single Audit performed by an independent Certified Public Accountant (CPA) to dhhs.act@dhhs.nh.gov within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
 - 8.2.1. The Contractor shall submit a copy of any Single Audit findings and any associated corrective action plans. The Contractor shall submit quarterly progress reports on the status of implementation of the corrective action plan.
 - 8.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.

**New Hampshire Department of Health and Human Services
Ukraine Support Services**

EXHIBIT C

- 8.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA if the Department's risk assessment determination indicates the Contractor is high-risk.
- 8.5. In addition to, and not in any way in limitation of obligations of the Agreement, 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 Agreement to which exception has been taken, or which have been disallowed because of such an exception.

Exhibit C-1 SFY24 Budget Sheet

SS-2023-OCOM-06-UKRAI-03

New Hampshire Department of Health and Human Services
 Complete one budget form for each budget period.
Contractor Name: Ascentria Community Services, Inc.
Budget Request for: Ukraine Support Services
Budget Period: Upon Governor and Council approval through June 30, 2024
Indirect Cost Rate (if applicable) 7.99%

Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$68,640
2. Fringe Benefits	\$19,219
3. Consultants	\$1
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	\$1,373
5.(a) Supplies - Educational	\$1
5.(b) Supplies - Lab	\$0
5.(c) Supplies - Pharmacy	\$0
5.(d) Supplies - Medical	\$0
5.(e) Supplies Office	\$500
6. Travel	\$4,512
7. Software	\$1
8. (a) Other - Marketing/ Communications	\$1
8. (b) Other - Education and Training	\$1,500
8. (c) Other - Other (specify below)	
Other (please specify) Interpreters and	\$2,600
Other (please specify) Occupancy	\$5,491
Other (please specify) Direct Admin - Telephone, Internet, Postage, Liability Insurance	\$2,746
Other (please specify) Laptop and desktop	\$1
Other (please specify) Client Direct Assistance (housing, basic needs, technology	\$87,805
9. Subrecipient Contracts	\$1
Total Direct Costs	\$194,392
Total Indirect Costs	\$15,533
TOTAL	\$209,925

Contractor Initials

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Exhibit C-2 SFY25 Budget Sheet
SS-2023-OCOM-06-UKRAI-03

New Hampshire Department of Health and Human Services Complete one budget form for each budget period. Contractor Name: <u>Ascentria Community Services, Inc.</u> Budget Request for: <u>Ukraine Support Services</u> Budget Period <u>July 1, 2024 through Spetember 30, 2024</u> Indirect Cost Rate (if applicable) <u>8.35%</u>	
Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$14,300
2. Fringe Benefits	\$4,004
3. Consultants	\$1
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	\$286
5.(a) Supplies - Educational	\$1
5.(b) Supplies - Lab	\$0
5.(c) Supplies - Pharmacy	\$0
5.(d) Supplies - Medical	\$0
5.(e) Supplies Office	\$100
6. Travel	\$353
7. Software	\$1
8. (a) Other - Marketing/ Communications	\$1
8. (b) Other - Education and Training	\$1
8. (c) Other - Other (specify below)	
Other (please specify) Interpreters at	\$1,300
Other (please specify) Occupancy	\$1,144
Other (please specify) Direct Admin -	\$572
Other (please specify) Laptop and dc	\$0
Other (please specify) Client Direct Assistance (housing, basic needs, technology	\$16,684
9. Subrecipient Contracts	\$1
Total Direct Costs	\$38,749
Total Indirect Costs	\$3,236
TOTAL	\$41,985

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New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

SECTION A: CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR CONTRACTORS 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 contractors (and by inference, sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a contractor (and by inference, 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 Agreement 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 Agreement. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of Agreements, 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 Contractor 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 Contractor'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 Contractor'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 Agreement 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 Agreement, 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 contract officer on whose contract activity the convicted employee was working, unless the Federal

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New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

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- agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected Agreement;
- 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 Contractor may insert in the space provided below the site(s) for the performance of work done in connection with the specific Agreement.

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.

New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

SECTION B: CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, loan, or cooperative agreement (and by specific mention 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, loan, or cooperative agreement (and by specific mention sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, see <https://omb.report/icr/201009-0348-022/doc/20388401>
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, 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.

New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

SECTION C: CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this Agreement, 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 Agreement 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 <https://www.govinfo.gov/app/details/CFR-2004-title45-vol1/CFR-2004-title45-vol1-part76/context>.
6. The prospective primary participant agrees by submitting this Agreement 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) ^{as} <https://www.ecfr.gov/current/title-22/chapter-V/part-513>.

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New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

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 (Agreement) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. Are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (l)(b) of this certification; and
 - 11.4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (Agreement), 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 (Agreement).
14. The prospective lower tier participant further agrees by submitting this proposal (Agreement) 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.

New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

SECTION D: CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS, WHISTLEBLOWER PROTECTIONS, CLEAN AIR AND CLEAN WATER ACT

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

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

1. 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;
2. 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;
3. 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);
4. 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;
5. 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;
6. 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;
7. 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;
8. 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;
9. 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}

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Exhibit D
Federal Requirements

Contractor's Initials AA
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New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

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.

10. The Clean Air Act (42 U.S.C. 7401-7671q.) which seeks to protect human health and the environment from emissions that pollute ambient, or outdoor, air.

11. The Clean Water Act (33 U.S.C. 1251-1387) which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters.

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

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

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

1. By signing and submitting this Agreement, the Contractor agrees to comply with the provisions indicated above.

New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

SECTION E: CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

SECTION F: 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 \$30,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$30,000 or more. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, 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 sub award 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 Entity Identifier (SAM UEI; DUNS#)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC. Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

FORM A

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

ER64HRTRKFY3

1. The UEI (SAM.gov) 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

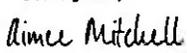
If the answer to #3 above is YES, stop here
If the answer to #3 above is NO, please answer the following:

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

Name: _____	Amount: _____

Contractor Name: Ascentria Community Services, Inc.

8/23/2023
Date: _____

DocuSigned by:

118A72DBA5D5475
 Name: Aimee Mitchell
 Title: Chief Comm Services Officer

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Exhibit D
Federal Requirements

Contractor's Initials
Date 8/23/2023

New Hampshire Department of Health and Human Services

Exhibit E

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

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New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

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.

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New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements

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.

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New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

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, antihacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.

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New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

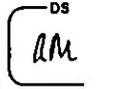
6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

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.).

Contractor Initials 

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

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

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New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

- 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/doi/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.

Contractor Initials 

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Exhibit E

DHHS Information Security Requirements

- 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;

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New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

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

Contractor Initials 

Date 8/23/2023

New Hampshire Department of Health and Human Services

Exhibit F

BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement (Form P-37) ("Agreement"), and any of its agents who receive use or have access to protected health information (PHI), as defined herein, shall be referred to as the "Business Associate." The State of New Hampshire, Department of Health and Human Services, "Department" shall be referred to as the "Covered Entity." The Contractor and the Department are collectively referred to as "the parties."

The parties agree, to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191, the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162, and 164 (HIPAA), provisions of the HITECH Act, Title XIII, Subtitle D, Parts 1&2 of the American Recovery and Reinvestment Act of 2009, 42 USC 17934, et sec., applicable to business associates, and as applicable, to be bound by the provisions of the Confidentiality of Substance Use Disorder Patient Records, 42 USC s. 290 dd-2, 42 CFR Part 2, (Part 2), as any of these laws and regulations may be amended from time to time.

(1) Definitions.

- a. The following terms shall have the same meaning as defined in HIPAA, the HITECH Act, and Part 2, as they may be amended from time to time:
 - "Breach," "Designated Record Set," "Data Aggregation," "Designated Record Set," "Health Care Operations," "HITECH Act," "Individual," "Privacy Rule," "Required by law," "Security Rule," and "Secretary."
- b. Business Associate Agreement, (BAA) means the Business Associate Agreement that includes privacy and confidentiality requirements of the Business Associate working with PHI and as applicable, Part 2 record(s) on behalf of the Covered Entity under the Agreement.
- c. "Constructively Identifiable," means there is a reasonable basis to believe that the information could be used, alone or in combination with other reasonably available information, by an anticipated recipient to identify an individual who is a subject of the information.
- d. "Protected Health Information" ("PHI") as used in the Agreement and the BAA, means protected health information defined in HIPAA 45 CFR 160.103, limited to the information created, received, or used by Business Associate from or on behalf of Covered Entity, and includes any Part 2 records, if applicable, as defined below.
- e. "Part 2 record" means any patient "Record," relating to a "Patient," and "Patient Identifying Information," as defined in 42 CFR Part 2.11.
- f. "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.

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

- a. Business Associate shall not use, disclose, maintain, store, or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under the Agreement. Further, Business Associate, including but not limited to all its directors,

Exhibit F

Contractor Initials

New Hampshire Department of Health and Human Services

Exhibit F

officers, employees, and agents, shall protect any PHI as required by HIPAA and 42 CFR Part 2, and not use, disclose, maintain, store, or transmit PHI in any manner that would constitute a violation of HIPAA or 42 CFR Part 2.

- b. Business Associate may use or disclose PHI, as applicable:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, according to the terms set forth in paragraph c. and d. below;
 - III. According to the HIPAA minimum necessary standard;
 - IV. For data aggregation purposes for the health care operations of the Covered Entity; and
 - V. Data that is de-identified or aggregated and remains constructively identifiable may not be used for any purpose outside the performance of the Agreement.
- c. To the extent Business Associate is permitted under the BAA or the Agreement to disclose PHI to any third party or subcontractor prior to making any disclosure, the Business Associate must obtain, a business associate agreement with the third party or subcontractor, that complies with HIPAA and ensures that all requirements and restrictions placed on the Business Associate as part of this BAA with the Covered Entity, are included in those business associate agreements with the third party or subcontractor.
- d. The Business Associate shall not, disclose any PHI in response to a request or demand for disclosure, such as by a subpoena or court order, on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity can determine how to best protect the PHI. If Covered Entity objects to the disclosure, the Business Associate agrees to refrain from disclosing the PHI and shall cooperate with the Covered Entity in any effort the Covered Entity undertakes to contest the request for disclosure, subpoena, or other legal process. If applicable relating to Part 2 records, the Business Associate shall resist any efforts to access part 2 records in any judicial proceeding.

(3) Obligations and Activities of Business Associate.

- a. Business Associate shall implement appropriate safeguards to prevent unauthorized use or disclosure of all PHI in accordance with HIPAA Privacy Rule and Security Rule with regard to electronic PHI, and Part 2, as applicable.
- b. The Business Associate shall immediately notify the Covered Entity's Privacy Officer at the following email address, DHHSPrivacyOfficer@dhhs.nh.gov after the Business Associate has determined that any use or disclosure not provided for by its contract, including any known or suspected privacy or security incident or breach has occurred potentially exposing or compromising the PHI. This includes inadvertent or accidental uses or disclosures or breaches of unsecured protected health information.
- c. In the event of a breach, the Business Associate shall comply with the terms of this Business Associate Agreement, all applicable state and federal laws and regulations and any additional requirements of the Agreement.
- d. The Business Associate shall perform a risk assessment, based on the information available at the time it becomes aware of any known or suspected privacy or security breach as described above and communicate the risk assessment to the Covered Entity. The risk assessment shall include, but not be limited to:

- I. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;

Exhibit F

Contractor Initials AM

New Hampshire Department of Health and Human Services

Exhibit F

- II. The unauthorized person who accessed, used, disclosed, or received the protected health information;
 - III. Whether the protected health information was actually acquired or viewed; and
 - IV. How the risk of loss of confidentiality to the protected health information has been mitigated.
- e. The Business Associate shall complete a risk assessment report at the conclusion of its incident or breach investigation and provide the findings in a written report to the Covered Entity as soon as practicable after the conclusion of the Business Associate's investigation.
 - f. 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 US Secretary of Health and Human Services for purposes of determining the Business Associate's and the Covered Entity's compliance with HIPAA and the Privacy and Security Rule, and Part 2, if applicable.
 - g. Business Associate shall require all of its business associates that receive, use or have access to PHI under the BAA to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein and an agreement that the Covered Entity shall be considered a direct third party beneficiary of all the Business Associate's business associate agreements.
 - h. Within ten (10) 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 BAA and the Agreement.
 - i. 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.
 - j. 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.
 - k. Business Associate shall document any disclosures of PHI and information related to any 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.
 - l. 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.
 - m. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within five (5)

Exhibit F

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New Hampshire Department of Health and Human Services

Exhibit F

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.

- n. Within thirty (30) 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-ups of such PHI in any form or platform.
 - I. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, or if retention is governed by state or federal law, 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 as long as the 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

Covered Entity shall post a current version of the Notice of the Privacy Practices on the Covered Entity's website: <https://www.dhhs.nh.gov/oos/hipaa/publications.htm> in accordance with 45 CFR Section 164.520.

- a. 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 BAA, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- b. 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 of Agreement for Cause

In addition to the General Provisions (P-37) of the Agreement, the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a material breach by Business Associate of the Business Associate Agreement. 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.

(6) Miscellaneous

- a. Definitions, Laws, and Regulatory References. All laws and regulations used, herein, shall refer to those laws and regulations as amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in HIPAA or 42 Part 2, means the Section as in effect or as amended.

- b. Change in law. Covered Entity and Business Associate agree to take such action as is necessary from time to time for the Covered Entity and/or Business Associate.

Exhibit F

Contractor Initials

New Hampshire Department of Health and Human Services

Exhibit F

comply with the changes in the requirements of HIPAA, 42 CFR Part 2 other 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 BAA and the Agreement shall be resolved to permit Covered Entity and the Business Associate to comply with HIPAA and 42 CFR Part 2.
- e. Segregation. If any term or condition of this BAA 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 BAA are declared severable.
- f. Survival. Provisions in this BAA regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the BAA in section (3) n.l., the defense and indemnification provisions of section (3) g. and Paragraph 13 of the General Provisions (P-37) of the Agreement, shall survive the termination of the BAA

IN WITNESS WHEREOF, the parties hereto have duly executed this Business Associate Agreement.

Department of Health and Human Services

Ascentria Community Services, Inc.

The State

Name of the Contractor

DocuSigned by:

Reuben Hampton

ASE2074078384A2

DocuSigned by:

Aimee Mitchell

11B4720B8505475

Signature of Authorized Representative

Signature of Authorized Representative

Reuben Hampton

Aimee Mitchell

Name of Authorized Representative

Name of Authorized Representative

Director, Office of Health Eq

Chief Comm Services Officer

Title of Authorized Representative

Title of Authorized Representative

8/23/2023

8/23/2023

Date

Date

Exhibit F

Contractor Initials

DS
AM

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that ASCENTRIA COMMUNITY SERVICES, INC. is a Massachusetts Nonprofit Corporation registered to transact business in New Hampshire on June 13, 2011. 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: 652197

Certificate Number: 0006278992



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 13th day of July A.D. 2023.

A handwritten signature in black ink, appearing to read "D. Scanlan", is written over a faint circular stamp.

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

I, Nicholas Sousa, hereby certify that:

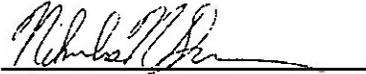
1. I am a duly elected officer of Ascentria Community Services, Inc.
2. The following is a true copy of a vote taken at a meeting of the Board of Directors, duly called and held on July 12, 2022, at which a quorum of the Directors were present and voting.

VOTED: That Executive Vice President Aimee Mitchell is duly authorized on behalf of Ascentria Community Services, Inc. to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further are authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in their 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: 8/3/2023

Signature of Elected Officer



Name: Nicholas Sousa

Title: Assistant Corporate Clerk



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/13/2022

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

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

PRODUCER Hays Companies, Inc. 980 Washington St., Suite 325 Dedham MA 02026	CONTACT NAME: Tina Housman PHONE (A/C No. Ext): FAX (A/C No): E-MAIL ADDRESS: Tina.Housman@bbrown.com													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Philadelphia Indemnity Insurance Co.</td> <td>18058</td> </tr> <tr> <td>INSURER B: The First Liberty Insurance Corp.</td> <td>33588</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Philadelphia Indemnity Insurance Co.	18058	INSURER B: The First Liberty Insurance Corp.	33588	INSURER C:		INSURER D:		INSURER E:		INSURER F:
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INSURER C:														
INSURER D:														
INSURER E:														
INSURER F:														
INSURED Ascentria Care Alliance, Inc. 11 Shattuck St. Worcester MA 01605														

COVERAGES CERTIFICATE NUMBER: 22-23 GL AUTO UMB WC REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2471905	10/1/2022	10/1/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OPAGG \$ 3,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			PHPK2471913	10/1/2022	10/1/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			PHUB35023	10/1/2022	10/1/2023	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC 1469872 - 00	12/1/2022	12/1/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			PHPK2471905 Retroactive Date: 1/1/2004	10/1/2022	10/1/2023	Each Occurrence \$1,000,000 Aggregate \$3,000,000

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

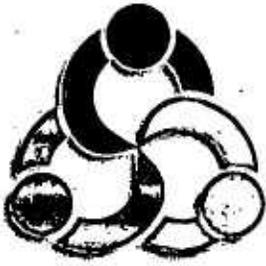
State of New Hampshire Department of Health and Human Services is included as additional insured where required by written contract.

Ascentria Community Services, Inc is included as a named insured on the above policies as required by written contract

CERTIFICATE HOLDER**CANCELLATION**

State of NH Department of Health and Human Services 129 Pleasant Street Concord, NH 03301-3857	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 James Hays/MCROSB 
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Ascentria Community Services

A member of Ascentria Care Alliance

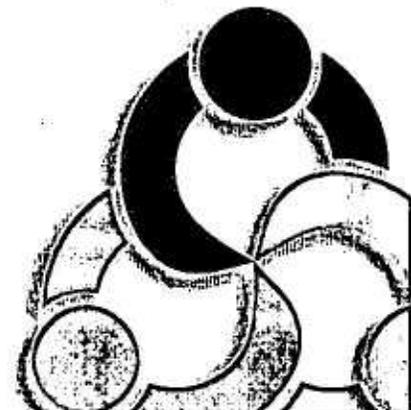
Mission statement:

We are called to strengthen communities by empowering people to respond to life's challenges.

Vision statement:

We envision thriving communities where everyone has the opportunity to achieve their full potential regardless of background or disadvantage. We become recognized leaders for innovative community services. Together with our partners, we inspire people to help one another reach beyond their current circumstances and realize new possibilities.

Empowering People. Strengthening Communities.



**ASCENTRIA COMMUNITY SERVICES, INC.
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SINGLE AUDIT COMPLIANCE REPORTS**

YEARS ENDED JUNE 30, 2022 AND 2021



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
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YEARS ENDED JUNE 30, 2022 AND 2021**

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Ascentria Community Services, Inc. and Subsidiary
Worcester, Massachusetts

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Ascentria Community Services, Inc. and Subsidiary (the Organizations), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of activities, changes in net assets; functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ascentria Community Services, Inc. and Subsidiary, as of June 30, 2022 and 2021, and the related consolidated statements of activities, changes in its net assets, functional expenses and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ascentria Community Services, Inc. and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ascentria Community Services, Inc. and Subsidiary's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Board of Directors
Ascentria Community Services, Inc. and Subsidiary

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ascentria Community Services, Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ascentria Community Services, Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors
Ascentria Community Services, Inc. and Subsidiary

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supporting information shown on page 27 is presented for purposes of additional analysis as required by the *Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP)* and is not a required part of the consolidated financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. The supporting information required by MAAP and the schedule of expenditures of federal awards is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Boston, Massachusetts
January 6, 2023

ASCENTRIA COMMUNITY SERVICES, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

ASSETS	2022	2021
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,025,602	\$ 4,380,964
Accounts Receivable, Net of Estimated Uncollectible Accounts	7,645,413	5,193,640
Prepaid Expenses	77,315	100,926
Vehicle Inventory	110,171	133,728
Total Current Assets	9,858,501	9,809,258
ASSETS LIMITED AS TO USE		
Beneficial Interest in Net Assets of Related Party	2,677,292	997,007
PROPERTY AND EQUIPMENT		
Land	45,314	45,314
Building	85,798	85,798
Building Improvements	1,082,718	975,856
Leasehold Improvements	353,467	353,467
Furniture and Equipment	246,311	246,311
Vehicles	459,810	459,810
Equipment Held Under Capital Lease	499,374	499,374
Computer Equipment and Software	147,017	147,017
Total	2,919,809	2,812,947
Less: Accumulated Depreciation	2,161,956	2,031,576
Total Property and Equipment	757,853	781,371
DUE FROM RELATED PARTIES	3,305,910	-
OTHER ASSETS		
Deposits	88,885	112,192
Total Other Assets	88,885	112,192
Total Assets	\$ 16,688,441	\$ 11,699,828

See accompanying Notes to Consolidated Financial Statements.

ASCENTRIA COMMUNITY SERVICES, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2022 AND 2021

	2022	2021
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$ 387,028	\$ 33,943
Accounts Payable	347,347	400,872
Accrued Expenses	1,945,929	1,951,115
Deferred Revenue	3,406,681	434,376
Due to State of Maine	400,035	550,526
Total Current Liabilities	6,487,020	3,370,832
 DUE TO RELATED PARTIES	-	1,820,131
 LONG-TERM DEBT, Net of Current Maturities	368,864	3,908,861
Total Liabilities	6,855,884	9,099,824
 NET ASSETS (DEFICIT)		
Without Donor Restrictions	7,064,981	1,512,713
With Donor Restrictions	2,767,576	1,087,291
Total Net Assets	9,832,557	2,600,004
Total Liabilities and Net Assets	\$ 16,688,441	\$ 11,699,828

See accompanying Notes to Consolidated Financial Statements.

ASCENTRIA COMMUNITY SERVICES, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
NET ASSET REVENUE WITHOUT DONOR RESTRICTION		
Grant and Contract Revenue	\$ 36,431,238	\$ 31,570,797
Program Service Revenue	4,573,932	3,973,733
Federal and State Relief Grant Revenue	1,749,085	856,417
Donated Vehicles	2,099,794	2,467,954
In-Kind Donations	36,118	26,216
Net Assets Released from Restriction Used for Operations	-	43,096
Other Income	136,435	168,412
Total Revenues	<u>45,026,602</u>	<u>39,106,625</u>
EXPENSES		
Salaries and Wages	20,143,580	18,397,039
Employee Benefits	4,442,769	4,106,391
Occupancy Costs	1,977,762	1,918,293
Operating Supplies and Expenses	494,373	368,797
Professional Fees	3,119,062	2,232,650
Garage Expenses	581,563	758,677
Donated Vehicle Expenses	710,400	1,063,000
Client Support Expenses	3,483,488	499,820
Translation Expenses	669,554	943,100
Repairs and Maintenance	431,268	444,249
Travel Expenses	840,137	654,494
Educational Events and Meetings	40,913	20,619
Management Fees	4,513,788	4,558,412
Taxes	542,826	521,856
Recruitment Advertising	1,968	936
Advertising	216,701	210,284
Licenses and Fees	5,045	4,380
Custodial Fees	-	5,438
Insurance	259,805	226,499
Interest	39,525	40,476
Bad Debt Expenses	383,195	39,312
Depreciation and Amortization	130,378	130,027
Total Expenses	<u>43,028,100</u>	<u>37,144,749</u>
OPERATING GAIN	1,998,502	1,961,876
NONOPERATING ACTIVITY		
Gain on Forgiveness of Debt and Accrued Interest	3,553,766	-
Equity Transfers, Net	-	(5,781)
Total Nonoperating Activity	<u>3,553,766</u>	<u>(5,781)</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ 5,552,268</u>	<u>\$ 1,956,095</u>

See accompanying Notes to Consolidated Financial Statements.

ASCENTRIA COMMUNITY SERVICES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
BALANCE - JUNE 30, 2020	\$ (443,382)	\$ 925,844	\$ 482,462
Increase in Net Assets without Donor Restrictions	1,956,095	-	1,956,095
Change in Beneficial Interest in Net Assets of Related Party	-	204,543	204,543
Net Assets Released from Restrictions - Operations	-	(43,096)	(43,096)
Change in Net Assets	<u>1,956,095</u>	<u>161,447</u>	<u>2,117,542</u>
BALANCE - JUNE 30, 2021	1,512,713	1,087,291	2,600,004
Increase in Net Assets without Donor Restrictions	5,552,268	-	5,552,268
Change in Beneficial Interest in Net Assets of Related Party	-	1,680,285	1,680,285
Change in Net Assets	<u>5,552,268</u>	<u>1,680,285</u>	<u>7,232,553</u>
BALANCE - JUNE 30, 2022	<u>\$ 7,064,981</u>	<u>\$ 2,767,576</u>	<u>\$ 9,832,557</u>

See accompanying Notes to Consolidated Financial Statements.

ASCENTRIA COMMUNITY SERVICES, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022

	Program Services					Supporting Services			Total Expenses	
	Transportation Services	Disability and Mental Health	Child and Family Programs	In-Home Services	Services For New Americans	Total Program	Management and General	Fundraising		Total Support Services
Salaries and Wages	\$ 992,151	\$ 5,781,772	\$ 2,934,946	\$ 5,751,947	\$ 4,821,573	\$ 20,082,389	\$ 61,191	\$ -	\$ 61,191	\$ 20,143,580
Employee Benefits	213,795	1,450,459	619,336	1,176,142	971,553	4,431,285	11,484	-	11,484	4,442,769
Occupancy Costs	112,220	572,325	500,053	45,264	527,111	1,756,973	220,789	-	220,789	1,977,762
Operating Supplies and Expenses	18,645	144,543	74,512	33,588	109,128	380,416	113,957	-	113,957	494,373
Professional Fees	115,882	457,657	1,353,564	-	1,137,011	3,064,114	54,948	-	54,948	3,119,062
Garage and Vehicle Expenses	579,376	2,187	-	-	-	581,563	-	-	-	581,563
Donated Vehicle Expenses	710,400	-	-	-	-	710,400	-	-	-	710,400
Client Support Expenses	447	32,623	245,546	2,902	3,200,923	3,482,441	1,047	-	1,047	3,483,488
Translation Expenses	-	18,157	4,989	-	846,408	669,554	-	-	-	669,554
Repairs and Maintenance	27,565	40,556	91,753	60,301	192,189	412,364	18,904	-	18,904	431,268
Travel Expenses	223,453	200,563	139,486	25,324	245,901	834,727	5,410	-	5,410	840,137
Educational Events and Meetings	1,644	6,755	14,205	2,576	14,494	39,674	1,239	-	1,239	40,913
Management Fees	-	-	-	-	-	-	4,513,788	-	4,513,788	4,513,788
Taxes	-	531,617	231	10,978	-	542,826	-	-	-	542,826
Recruitment Advertising	323	232	1,232	-	181	1,968	-	-	-	1,968
Advertising	-	-	-	-	-	-	216,701	-	216,701	216,701
Licenses and Fees	-	160	2,576	258	1,051	4,045	1,000	-	1,000	5,045
Insurance	9,741	80,189	49,147	47,975	67,997	255,049	4,756	-	4,756	259,805
Interest	-	-	-	-	-	-	39,525	-	39,525	39,525
Bad Debt Expenses	3,690	1,248	1,838	-	376,419	383,195	-	-	-	383,195
Total Before Depreciation and Amortization	<u>3,009,332</u>	<u>9,321,043</u>	<u>6,033,414</u>	<u>7,157,255</u>	<u>12,111,939</u>	<u>37,632,983</u>	<u>5,264,739</u>	<u>-</u>	<u>5,264,739</u>	<u>42,897,722</u>
Depreciation and Amortization	52,408	1,560	75,410	-	1,000	130,378	-	-	-	130,378
Total Functional Expenses	<u>\$ 3,061,740</u>	<u>\$ 9,322,603</u>	<u>\$ 6,108,824</u>	<u>\$ 7,157,255</u>	<u>\$ 12,112,939</u>	<u>\$ 37,763,361</u>	<u>\$ 5,264,739</u>	<u>\$ -</u>	<u>\$ 5,264,739</u>	<u>\$ 43,028,100</u>

See accompanying Notes to Consolidated Financial Statements.

ASCENTRIA COMMUNITY SERVICES, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Program Services					Supporting Services			Total Expenses	
	Transportation Services	Disability and Mental Health	Child and Family Programs	In-Home Services	Services For New Americans	Total Program	Management and General	Fundraising		Total Support Services
Salaries and Wages	\$ 836,439	\$ 5,322,401	\$ 3,003,900	\$ 5,017,853	\$ 4,082,749	\$ 18,263,342	\$ 133,697	\$ -	\$ 133,697	\$ 18,397,039
Employee Benefits	183,349	1,388,650	619,394	1,074,309	817,262	4,082,964	23,427	-	23,427	4,106,391
Occupancy Costs	97,286	610,342	450,123	42,738	495,027	1,695,516	222,777	-	222,777	1,918,293
Operating Supplies and Expenses	26,575	155,924	64,072	34,258	69,262	350,091	18,706	-	18,706	368,797
Professional Fees	7,745	397,058	1,240,048	-	532,551	2,177,402	55,248	-	55,248	2,232,650
Garage and Vehicle Expenses	758,677	-	-	-	-	758,677	-	-	-	758,677
Donated Vehicle Expenses	1,063,000	-	-	-	-	1,063,000	-	-	-	1,063,000
Client Support Expenses	422	35,341	240,023	3,900	219,695	499,381	439	-	439	499,820
Translation Expenses	-	12,179	303	-	930,618	943,100	-	-	-	943,100
Repairs and Maintenance	38,066	68,404	109,793	61,444	141,295	419,002	25,247	-	25,247	444,249
Travel Expenses	199,944	171,189	80,495	18,608	183,803	654,039	455	-	455	654,494
Educational Events and Meetings	71	4,169	7,778	1,244	3,823	17,085	3,534	-	3,534	20,619
Management Fees	-	-	-	-	-	-	4,558,412	-	4,558,412	4,558,412
Taxes	-	513,471	137	8,181	67	521,856	-	-	-	521,856
Recruitment Advertising	808	-	-	115	-	923	13	-	13	936
Advertising	-	-	-	-	-	-	210,284	-	210,284	210,284
Licenses and Fees	3	160	1,660	250	272	2,345	2,035	-	2,035	4,380
Custodial Fees	-	-	-	-	-	-	-	5,438	5,438	5,438
Insurance	6,283	72,201	42,471	44,228	55,995	221,178	5,321	-	5,321	226,499
Interest	-	-	-	-	-	-	40,476	-	40,476	40,476
Bad Debt Expenses	-	5,342	-	26,862	7,018	39,222	90	-	90	39,312
Total Before Depreciation and Amortization	3,218,668	8,756,831	5,860,197	6,333,990	7,539,437	31,709,123	5,300,161	5,438	5,305,599	37,014,722
Depreciation and Amortization	54,557	2,852	71,618	-	1,000	130,027	-	-	-	130,027
Total Functional Expenses	\$ 3,273,225	\$ 8,759,683	\$ 5,931,815	\$ 6,333,990	\$ 7,540,437	\$ 31,839,150	\$ 5,300,161	\$ 5,438	\$ 5,305,599	\$ 37,144,749

See accompanying Notes to Consolidated Financial Statements.

ASCENTRIA COMMUNITY SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 7,232,553	\$ 2,117,542
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	130,378	130,027
Bad Debts	383,195	39,312
Gain on Forgiveness of Debt and Accrued Interest	(3,553,766)	-
Change in Beneficial Interest in Net Assets of Related Party	(1,680,285)	(204,543)
(Increase) Decrease in Assets:		
Accounts Receivable	(2,834,968)	(613,973)
Prepaid Expenses	23,611	(15,951)
Deposits	23,307	(10,300)
Beneficial Interest in Net Assets of Related Party		48,536
Vehicle Inventory	23,557	(4,835)
Increase (Decrease) in Liabilities:		
Accounts Payable	(53,525)	(420,581)
Accrued Expenses	15,560	320,421
Deferred Revenue	2,972,305	122,529
Due to State of Maine	(150,491)	81,758
Net Cash Provided by Operating Activities	2,531,431	1,589,942
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(106,860)	(13,589)
Net Cash Used by Investing Activities	(106,860)	(13,589)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Debt	380,000	3,533,020
Payments on Long-Term Debt	(33,892)	(32,750)
Advanced from Related Parties, Net	(5,126,041)	(1,784,333)
Net Cash Provided (Used) by Financing Activities	(4,779,933)	1,715,937
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,355,362)	3,292,290
Cash and Cash Equivalents - Beginning of Year	4,380,964	1,088,674
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,025,602	\$ 4,380,964
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 39,525	\$ 40,476
SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING ACTIVITY		
Forgiveness of Debt and Accrued Interest	\$ 3,553,766	\$ -

See accompanying Notes to Consolidated Financial Statements.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Ascentria Community Services, Inc. (ACS) and Ascentria Community Care, Inc. (ACC) (collectively, the Organizations) are corporations exempt from tax under Section 501(c)(3) of the Internal Revenue Code as a public charity. The Organizations provide community service programs to children, families, refugees, and developmentally disabled adults throughout New England. ACS is the sole corporate member of ACC. Ascentria Care Alliance, Inc. (Ascentria) is a sole corporate member of ACS and also serves as the management agent.

The Organizations provide the following programs:

Transportation Services – provides low-income individuals with transportation, such as ownership of donated vehicles or access to shared rides, providing these individuals with access to jobs and other economic opportunities, thus helping them to achieve economic independence.

Disability and Mental Health – Disability and Mental Health comprise of a wide variety of programs that enable persons who are economically disadvantaged, have disabilities, chronic illness, mental illness, deafness and other challenges to become and remain successful contributors to the communities in which they live and work. Support services include: Access to medical resources, personal case management customized for individual needs, 24/7 supervision and support in a residential setting for individuals diagnosed with chronic and persistent mental illness, and services offered to individuals diagnosed with mental illness in the comfort and familiarity of their homes.

Child and Family Programs – through a variety of programs, the Organizations provide services related to therapeutic foster care, unaccompanied refugee minors support, housing for teen mothers and their children, housing for homeless, small group homes serving teenagers, various support services and living accommodations for developmentally, physically and mentally disabled adults and other various social support programs.

In-Home Services – In-Home Care is a licensed Home Health Care agency that offers comprehensive, non-medical personal care services to homebound individuals or those with a disability. In-Home Care caregivers assist in light housekeeping, transportation to appointments, recreational activities, bathing and personal care, meals, and exercise. Additional non-medical services supervised by a registered nurse.

Services for New Americans – through this program, the Organizations seek to provide resettlement, employment, case management, medical case management, English as a second language classes, and other support services to refugees, asylees, and immigrants.

Adoption – through this program, the Organizations provide services related to domestic and international adoptions.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Consolidation

The accompanying consolidated financial statements present the consolidated financial position, results of operations, changes in net assets, cash flows, and functional expenses of the Organizations. Material intercompany transactions and balances have been eliminated in consolidation.

Method of Accounting

The consolidated financial statements of the Organizations have been prepared on the accrual method of accounting. Accordingly, assets are recorded when the Organizations obtain the rights of ownership or is entitled to claims for receipt and liabilities are recorded when the obligation is incurred.

Cash and Cash Equivalents

The Organizations consider all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded net of an allowance of expected losses. The allowance is estimated from historical performance and projections of trends. Credit is extended to customers and collateral is not required. When the accounts become past due, historically, the Organizations have not charged interest to these accounts.

Inventory

Vehicles identified for the purpose of being delivered to program participants are valued based on the average contract reimbursement rate for the reporting period which approximates the lower of cost or net realized value.

Program vehicles expected to be sold at retail are recorded based on trade-in value.

Vehicles expected to be sold at wholesale are valued using the average sales proceeds for all vehicles sold during the reporting period.

Vehicles are recorded as donated vehicles or donated vehicles – wholesale when the vehicle is received.

Property and Equipment

Property and equipment are recorded at cost. Assets with an estimated useful life of more than one year and a historical cost in excess of \$2,500 are capitalized. The Organizations capitalize acquisitions and improvements, while expenditures for maintenance and repairs that do not extend the useful lives of the assets are charged to operations. Donated property and equipment are recorded at its fair market value at date of donation. Gifts of long-lived assets are reported as net assets without donor restriction support unless donor stipulations specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Property and Equipment (Continued)

Absent explicit donor stipulation about how long those assets must be maintained, expiration of donor restrictions are reported when the donated or acquired long-lived assets are placed into service. Depreciation is computed using the straight-line method over the estimated useful life of the assets.

Related Party Loans Receivable

The Organizations' loan portfolio is comprised on unsecured related party loans receivable that are noninterest bearing and have no fixed repayment terms, as detailed in Note 3, and is considered a single portfolio class. Related party loans receivable are recorded net of an allowance for expected loan losses (allowance). The Organizations establish an allowance as an estimate of inherent risk in the Organizations' loan portfolio. Although management believes the allowance to be adequate, ultimate losses may vary from its estimates.

The allowance is established through a provision for loan losses that is charged to expense. Loan losses are charged off against the allowance when the Organizations determine the loan balance to be uncollectible. Proceeds received on previously charged off amounts are recorded as recovery in the year of receipt. The Organizations determined that all related party loans receivable are fully collectible as of June 30, 2022 and 2021.

The Organizations review the adequacy of the allowance, including consideration of the relevant risks in the loan portfolio, current economic conditions, and other factors periodically. The Organizations internally monitor related party borrowers to assess the risk of nonperformance. The Organizations determine that changes are warranted based on those reviews, the allowance is adjusted.

All of the Organization's Beneficial Interest in Net Assets of Related Parties are measured at Level 3, as outlined in Note 12.

Net Assets

Net assets of the Organizations are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by actions of the Organizations and/or the passage of time. Other donor-imposed restrictions are perpetual in nature when the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Net assets with donor restrictions consist of \$2,677,292 and \$997,007 for beneficial interest in net assets of related party and \$90,284 other program restrictions for the years ended June 30, 2022 and 2021, respectively. There were no net assets invested in perpetuity as of June 30, 2022 and 2021.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Contract and Grant Revenue

The Organizations derive revenues through cost-reimbursable and unit rate federal and state contracts and grants, which are conditional grants based on certain performance requirements and/or the incurrence of allowable qualifying expenses. Accordingly, the Organizations are subject to the regulations and reporting requirements of the applicable governmental and grantor agencies. Amounts received are recognized as earned and are reported as revenue when the Organizations have incurred expenditures in compliance with specific contract or grant provisions. As of June 30, 2022 and 2021, there was \$10,219,967 and \$2,942,937, respectively, of conditional contributions that have yet to be recognized in the consolidated financial statements.

Donated Services

Donated services are recognized in the consolidated financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Donated Vehicle Revenue

Donated vehicle revenue includes vehicles that will be repaired and delivered to program participants. They are valued based on the average contract reimbursement rate for the reporting period. Additionally, donated vehicle revenue includes donated vehicles that do not meet the needs of program participants. These vehicles are sold at auction and valued based on average proceeds for the reporting period. Vehicle auction revenue is recognized at a point in time when the item is sold. As of June 30, 2022 and 2021, there was \$1,412,950 and \$1,400,120, respectively, included in donated vehicles on the consolidated statement of activities.

Federal and State Relief Grant Revenue

During 2022 and 2021, the Organizations received federal and state grants to provide funding to respond to the COVID-19 pandemic. The Organizations received payments from the CARES Act Provider Relief Fund (PRF), which is administered by the U.S. Department of Health and Human Services (HHS). The Organizations received PRF payments and recognized revenue in the amount of \$296,858 and \$587,171 during fiscal year 2022 and 2021, respectively. The revenues recognized are included in Federal and State Relief Grant Revenue on the consolidated statements of activities. The PRF payments have terms and conditions that the Organizations are required to follow, and these funds are subject to reporting requirements and audit. The PRF payments are subject to potential recoupment by HHS if it is determined that the funds were not spent in accordance with the terms and conditions. Management believes the amounts have been recognized appropriately as of June 30, 2022.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Federal and State Relief Grant Revenue (Continued)

The Organizations received payments from the state of New Hampshire, which is administered by the Governor's Office for Emergency Relief and Recovery (GOFERR). The Organizations received payments and recognized revenue in the amount of \$172,112 during the fiscal years 2021. The revenues recognized are included in Federal and State Relief Grant Revenue on the consolidated statements of activities. The payments have terms and conditions that the Organizations are required to follow, and these funds are subject to reporting requirements and audit. The payments are subject to potential recoupment by GOFERR if it is determined that the funds were not spent in accordance with the terms and conditions. Management believes the amounts have been recognized appropriately as of June 30, 2022.

The Organizations received payments from the state of New Hampshire, which is administered by the Division of Medicaid Services. The organization received payments of \$2,427,047 and recognized revenue in the amount of \$647,374 during the fiscal year end 2022. The revenues recognized are included in the Federal and State Relief Grant Revenue on the consolidated statements of activities. Amounts received but not year recognized are included in deferred revenue on the statement of financial position. The payments have terms and conditions that the Organizations are required to follow, and these funds are subject to reporting requirements and audit. The payments are subject to potential recoupment by the Department if it is determined that the funds were not spent in accordance with the terms and conditions. Management believes the amounts have been recognized appropriately as of June 30, 2022.

The Organizations received payments from the state of Maine, which is administered by the Office of MaineCare Services. The organization received payments of \$980,509 and recognized revenue in the amount of \$716,660 during the fiscal year end 2022. The revenues recognized are included in the Federal and State Relief Grant Revenue on the consolidated statements of activities. Amounts received but not year recognized are included in deferred revenue on the statement of financial position. The payments have terms and conditions that the Organizations are required to follow, and these funds are subject to reporting requirements and audit. The payments are subject to potential recoupment by the Department if it is determined that the funds were not spent in accordance with the terms and conditions. Management believes the amounts have been recognized appropriately as of June 30, 2022.

Additionally, the Organizations recognized payments from the Commonwealth of Massachusetts Executive Office of Health and Human Services (EOHHS) of \$88,193 and \$97,134, respectively, as revenues as of June 30, 2022 and 2021. The revenues recognized are included in Federal and State Relief Grant Revenue on the consolidated statement of activities.

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Program Service Revenue

To determine revenue recognition for the arrangements that the Organizations considers within the scope of Topic 606, the Organizations performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligation(s) in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation(s) in the contract, and (5) recognize revenue when the Organizations satisfy a performance obligation. Program service revenue is from private pay services, translation services, and interpretation services. Program service revenue is recognized as customer services are provided over time. Payments received in advance of services are reported as deferred revenue.

The Organizations contract receivables and liabilities related to exchange transactions were as follows:

	<u>2022</u>	<u>2021</u>
Beginning Balance, Contract Receivables	\$ 914,227	\$ 1,098,300
Ending Balance, Contract Receivables	1,384,711	914,227

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs paid for by the Organizations amounted to \$180,583 and \$184,067 for the years ended June 30, 2022 and 2021, respectively. Contributions of advertising are recorded at the estimated fair value on the date of the contribution. The Organizations received contributions of advertising estimated to have a value of \$36,118 and \$26,216 for the years ended June 30, 2022 and 2021, respectively.

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The cost of providing the various programs and services are summarized on a functional basis. Costs are generally identified as to program site, and are then allocated between programs and supporting services that benefited based on total direct expenses. Salaries and benefits are allocated on the basis of time and effort. The expenses that are allocated are the portions of depreciation and interest expense that are not directly attributable to specific programs or services. These expenses are allocated on a square footage basis.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Income Taxes

The Organizations are nonprofit corporations as described in Section 501(c)(3) of the IRC and are exempt from federal and state income taxes on related income pursuant to Section 501(a) of the IRC.

Fair Value Measurements

In accordance with professional standards, assets and liabilities measured and recorded at fair value are required to be categorized into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities measured and recorded at fair value by the Organizations are categorized as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in valuation methodology used at June 30, 2022 and 2021.

Change in Accounting Principles

The Financial Accounting Standard Board (FASB) issued ASU 2020-07 *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires nonprofits to present contributed nonfinancial assets and gifts-in-kind as a separate line item on the consolidated statement of activities. Additionally, gifts-in-kind are to be disaggregated into categories based on the type of gift received and additional qualitative disclosures. The ASU is effective for fiscal years beginning after June 15, 2021. The Organization's consolidated financial statements reflect the application of ASU 2020-07 using a retrospective approach to each presented period.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

New Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which is a comprehensive lease accounting standard that requires entities that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the balance sheet for leases with terms exceeding 12 months. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. The FASB issued ASU 2020-05, which deferred the effective date for the Organizations until annual periods beginning after December 15, 2021; however, early application is permitted. The Organizations are currently evaluating the impact this guidance will have on its consolidated financial statements.

Subsequent Events

In preparing these consolidated financial statements, the Organizations have evaluated events and transactions for potential recognition or disclosure through January 6, 2023, the date the consolidated financial statements were available to be issued.

NOTE 2 ASSETS LIMITED AS TO USE

Beneficial Interest in Net Assets of Related Party

The Organizations record beneficial interest in assets that are held by Ascentria in the amount of \$2,677,292 and \$997,007 at June 30, 2022 and 2021, respectively. For the years ended June 30, 2022 and 2021, the Organizations had a loan payable, included in accrued expenses, to the fund totaling \$340,524 for both years ending June 30, 2022 and 2021. Contributed assets are transferred to Ascentria by either the donor or the Organizations with the approval of Ascentria. The donors did not grant variance power to Ascentria.

NOTE 3 RELATED PARTY TRANSACTIONS

The Organizations have entered into the following transactions with related parties:

- The Organizations are charged annually by Ascentria for accounting, management services, and overhead in monthly installments. Charges to operations for these services totaled approximately \$4,432,496 and \$4,558,412 for the years ended June 30, 2022 and 2021, respectively. These expenses have been included on the consolidated statements of activities under the caption Management Fees. In addition, Ascentria is the central contracting entity for insurance coverage, and insurance costs are then billed monthly to the Organizations.
- In connection with soliciting and managing donations received, Ascentria charged the Organizations a custodial fee. The custodial fee charged to operations was \$- and \$5,438 for the years ended June 30, 2022 and 2021, respectively.

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 3 RELATED PARTY TRANSACTIONS (CONTINUED)

- The Organizations have various office space rentals to and from related parties and vehicle rentals from related parties. Rental revenue from related parties amounted to \$123,101 and \$122,592 for the years ended June 30, 2022 and 2021, respectively. Office space and vehicle related party rents amounted to \$394,307 and \$371,039 for the year ended June 30, 2022 and 2021, respectively.

Related party loans that bear no interest and have no fixed repayment terms, are as follows:

	<u>2022</u>	<u>2021</u>
Due from Related Parties:		
Ascentria Care Alliance, Inc.	\$ 3,305,910	\$ -
Total	<u>\$ 3,305,910</u>	<u>\$ -</u>
	<u>2022</u>	<u>2021</u>
Due to Related Parties:		
Ascentria Care Alliance, Inc.	\$ -	\$ 1,820,131
Total	<u>\$ -</u>	<u>\$ 1,820,131</u>

NOTE 4 DEFINED CONTRIBUTION PENSION PLAN

The Organizations participate in a defined contribution plan (the Plan) qualifying under IRC Section 403(b) maintained by Ascentria. The Plan permits discretionary employer contributions based on a specified percentage of annual compensation and employee contributions. The Organizations had no pension costs charged to operations or contributions to the plan during the years ended June 30, 2022 and 2021.

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable balance consisted of the following at June 30:

	<u>2022</u>	<u>2021</u>
Accounts Receivable - Program Services	\$ 8,057,869	\$ 5,248,189
Less: Allowance for Doubtful Accounts	(412,456)	(54,549)
Accounts Receivable, Net	<u>\$ 7,645,413</u>	<u>\$ 5,193,640</u>

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 6 CONCENTRATION OF CREDIT RISK

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

Cash and Cash Equivalents

The Organizations maintain cash and cash equivalent balances in several federally insured financial institutions in the same geographic area as well as a money market fund. During the year, there may be times when uninsured cash is significantly higher and exceeds federally insured limits.

Major Customer

The Organizations receive significant funding from various federal and state agencies. The states, through which funding was received, include Massachusetts, New Hampshire, and Maine. Approximately 87% and 84% of the Organizations' revenue was received from state and federal agencies directly or via pass through for the years ended June 30, 2022 and 2021, respectively.

Beneficial Interest in Net Assets of Related Party

The Organizations' unsecured gifts, held by a related party, amounted to \$2,677,292 and \$997,007 at June 30, 2022 and 2021, respectively.

Accounts Receivable

The Organizations extend unsecured credit to its customers. Accounts receivable amounted to \$7,643,538 and \$5,193,640 at June 30, 2022 and 2021, respectively. 43% of the Organization's receivables at June 30, 2022 are due from a related party.

NOTE 7 PROPERTY AND EQUIPMENT

The useful lives of property and equipment for purposes of computing depreciation are:

Building, Building Improvements, and Leasehold Improvements	5 to 40 Years
Equipment, Furniture and Fixtures, and Vehicles	3 to 10 Years
Equipment Under Capital Lease	3 to 5 Years
Computer Equipment and Software	3 Years

Depreciation and amortization (including amortization of equipment under capital lease) expense charged to operations was \$130,378 and \$130,027 for the years ended June 30, 2022 and 2021, respectively.

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 8 MAINE MEDICAID LIABILITY

ACS provides services for Medicaid eligible individuals under terms of costs-based contracts with the state of Maine. Accordingly, ACS provides for the estimated amount of settlements with Medicaid as a liability. Final reimbursement is not determined until the state of Maine accepts the cost report. The amount of the estimated liability was approximately \$400,000 and \$550,000 for the years ended June 30, 2022 and 2021, respectively. Adjustments to these estimates are reflected on the consolidated statement of activities under the caption Grant and Contract Revenue to the extent not previously recorded in the year the final settlement information becomes available to management.

NOTE 9 LONG-TERM DEBT

On March 19, 2021, ACS and ACC each received a loan in the amount of \$2,518,900 and \$1,014,120, respectively, to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The PPP Loans bear interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of five years, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the Organizations fail to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. The covered periods from March 2021 to September 2021, is the time that a business has to spend their PPP Loan funds. In September and November 2021, the Organization obtained full formal forgiveness from the SBA for their PPP Loans and their associated accrued interest. The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Organization's financial position.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 9 LONG-TERM DEBT (CONTINUED)

The Organizations are liable on long-term debt at June 30, 2022 and 2021 as follows:

<u>Description</u>	<u>2022</u>	<u>2021</u>
<u>Note Payable</u>		
Term note payable to Cambridge Trust Company face amount \$380,000, due June 30, 2032, secured by business assets, payable in monthly payments of principal plus interest through maturity, commencing July 29, 2022. Interest rate is fixed at 5.27% annually.	\$ 380,000	\$
Term note payable to Bank of America face amount \$350,000, due August 7, 2033, secured by business assets, payable in monthly installments of interest only through August 2008 then monthly payments of principal plus interest through maturity. Interest rate is fixed at 7.105% annually.	\$ 146,737	\$ 165,537
Mortgage payable to Bank of America face amount \$370,308, secured by real property owned by ACS at two locations, and guaranteed by Ascentria, with an interest rate of 7.01%, due August 2032. Monthly principal and interest payments of \$2,670.	229,155	244,247
Paycheck Protection Program note payable to People's United Bank, totaling \$3,533,020 for both ACS and ACC, bearing interest at 1.00%, due May 2026, subject to forgiveness by the U.S. Small Business Administration if certain performance barriers are met.	-	3,533,020
Total Long-Term Debt	755,892	3,942,804
Less: Current Maturities	(387,028)	(33,943)
Long-Term Debt, Net of Current Maturities	<u>\$ 368,864</u>	<u>\$ 3,908,861</u>

In July 2022, the Organizations paid off the term note payable and mortgage payable to Bank of America.

The agreement with Cambridge Trust Company includes a covenant to maintain a debt service coverage ratio, as defined in the agreement, of at least 1.10. The Organization believes that it has met the required ratio at June 30, 2022.

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 9 LONG-TERM DEBT (CONTINUED)

Following are current maturities for the next five years:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 387,028
2024	11,468
2025	12,150
2026	12,815
2027	13,517
Thereafter	318,914
Total	<u>\$ 755,892</u>

Interest charged to operations for the above long-term debt amounted to \$39,525 and \$40,476 for the years ended June 30, 2022 and 2021, respectively.

NOTE 10 OPERATING LEASES

The Organizations lease land, buildings, equipment, and motor vehicles under various operating lease agreements with terms of one to three years. Total rent and related expenses amounted to \$1,061,974 and \$1,069,523 for the years ended June 30, 2022 and 2021, respectively.

Future minimum lease payments under these agreements are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 446,252
2024	151,270
2025	5,316
Total	<u>\$ 602,838</u>

NOTE 11 CONTINGENCIES

A significant portion of the Organizations' net revenues and accounts receivable are derived from services reimbursable under Medicaid programs. There are numerous healthcare reform proposals being considered on federal and state levels. The Organizations cannot predict at this time whether any of these proposals will be adopted or, if adopted and implemented, what effect such proposals would have on the Organizations.

A significant portion of the Organizations' revenues are derived from services reimbursable under Medicaid programs. The base year costs utilized in calculating the Medicaid rates are subject to audit which could result in a retroactive rate adjustment for all years in which that cost base was used in calculating the rates. It is not possible at this time to determine whether the Organizations will be audited or if a retroactive rate adjustment would result.

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 11 CONTINGENCIES (CONTINUED)

The receivables of the Organizations are listed as collateral under the line of credit agreement of Ascentria. For the year ended June 30, 2021, the outstanding balance was \$2,290,000. Effective June 2022, the Organizations and subsidiaries entered into a line of credit agreement and a term note payable with a financial institute and paid off the previous line of credit balance.

The term note payable has a balance of \$2,100,000 and resides on the books of a related party as of June 30, 2022. All borrowers are jointly and severally liable for payment of the debt which is due June 30, 2027. The note is secured by certain assets, payable in monthly payments of principal plus interest through maturity, commencing on July 29, 2022. Interest rate is fixed at 5.06% annually. The line of credit has a limit of \$1,900,000 with a variable rate of interest of the Wall Street Journal published U.S. Prime Rate, with a floor of 3.25%. The rate was 4.75% at June 30, 2022. The line is collateralized by various business assets. There was no balance on the line of credit at June 30, 2022. The agreements include a covenant to maintain a debt service coverage ratio, as defined in the agreement, of at least 1.10. The Organization believes that it has met the required ratio at June 30, 2022.

The Organization is subject to legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the ultimate resolution of these matters is not expected to have a material adverse effect on the Organization's financial position, results of operations or liquidity.

NOTE 12 FAIR VALUE MEASUREMENT

The Organizations use fair value measurements to record fair value adjustments to certain assets and liabilities to determine fair value disclosures. For additional information on how the Organizations measure fair value refer to Note 1 – Organization and Summary of Significant Accounting Policies.

The following tables present the Organizations' fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2022 and 2021:

	2022			
	Total	Level 1	Level 2	Level 3
Beneficial Interest in Net Assets of Related Party:				
Total	\$ 2,765,807	\$ -	\$ -	\$ 2,765,807
	<u>\$ 2,765,807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,765,807</u>
	2021			
	Total	Level 1	Level 2	Level 3
Beneficial Interest in Net Assets of Related Party:				
Total	\$ 997,007	\$ -	\$ -	\$ 997,007
	<u>\$ 997,007</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 997,007</u>

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 12 FAIR VALUE MEASUREMENT (CONTINUED)

The following table provides a summary of changes in fair value of the Organizations' Level 3 financial assets for the years ended June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Contributions	\$ 1,680,285	\$ 204,543
Payments		(43,096)

Since these funds are held by a third party that pools the Organizations' interest with other related organization's assets, management has determined that the inputs are unobservable and therefore, valued using a Level 3 methodology. The principal valuation technique is the fair value of the underlying investments and the unobservable input is the term of distributions.

NOTE 13 AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Service considers all expenditures related to its ongoing program activities as well as the services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. The Organization considers the following to be available to meet cash needs for general expenditures:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 2,025,602	\$ 4,380,964
Accounts Receivable, Net	7,645,413	5,193,640
Total Financial Assets	9,671,015	9,574,604
Donor-Imposed Restrictions	(90,284)	(90,284)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 9,580,731</u>	<u>\$ 9,484,320</u>

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 14 COVID-19 IMPACT

In 2020, the World Health Organization declared the spread of Coronavirus (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. In response to the pandemic and in an effort to supplement lost revenues and support increased costs incurred to secure personal protective equipment, the federal and state governments issued stimulus payments to the Organizations. See Note 1 for information on funding received by the Organizations in 2022.

COVID-19 may also impact various parts of the Organizations' 2022 operations and financial results including but not limited to additional costs for emergency preparedness, disease control and containment, potential shortages of personnel, or loss of revenue due to reductions in certain revenue streams. Management believes that the Organizations are taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of June 30, 2022.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
SCHEDULE OF EXPENDITURES OF DEPARTMENT AGREEMENTS
YEAR ENDED JUNE 30, 2022**

<u>Department Office</u>	<u>Agreement Number</u>	<u>Agreement Amount</u>	<u>Agreement Period</u>	<u>Agreement Service</u>	<u>Agreement Status</u>	<u>Federal Expenses</u>	<u>State Expenses</u>	<u>Total Department Expenses</u>
DHHS:								
DPS	ADS-21-2572A	\$ 47,580	7/1/2021 - 06/30/2022	Rental Subsidy	Final	\$	\$ 48,206	\$ 48,206
DPS	MH2-22-518	45,709	7/1/2021 - 06/30/2022	Community Integration	Final		30,367	30,367
				Total		\$	\$ 76,573	\$ 76,573

Disclosures:

Is your agency required to have a Single Audit? Yes: X No:

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Agency/Grantor	Pass-Through Entity ID Number	Federal Expenditures	Amounts Provided to Subrecipient
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	Commonwealth of Massachusetts Department of Children & Families	Various	\$ 1,848,945	\$ -
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	Commonwealth of Massachusetts Office of Refugee and Immigrants	Various	502,856	224,607
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	State of New Hampshire	Various	174,072	-
Subtotal AL #93.566				<u>2,525,873</u>	<u>224,607</u>
Unaccompanied Alien Children Program	93.676	Lutheran Immigration and Refugee Services	Various	1,221,749	-
Unaccompanied Alien Children Program	93.676	Church World Services	90ZU0400	1,572	-
Unaccompanied Alien Children Program	93.676	Vera Institute for Justice	140D0422C00009	144,014	-
Subtotal AL #93.676				<u>1,367,335</u>	-
Medical Assistance Program	93.MEDICAID	State of New Hampshire	N/A	847,374	-
Medical Assistance Program	93.MEDICAID	Southern New Hampshire Health System	N/A	79,395	-
Medical Assistance Program	93.MEDICAID	State of Maine Home and Community Based Services	N/A	716,860	-
Subtotal AL # 93.MEDICAID				<u>1,443,429</u>	-
Refugee and Entrant Assistance Wilson/Fish Program	93.583	State of New Hampshire - Office of Health Equity	N/A	85,888	-
Refugee and Entrant Assistance Discretionary Grants	93.578	Church World Services	Various	121,591	-
Refugee and Entrant Assistance Discretionary Grants	93.578	State of New Hampshire - Office of Health Equity	Various	43,914	-
Refugee and Entrant Assistance Discretionary Grants	93.578	Lutheran Immigration and Refugee Services	Various	60,183	-
Subtotal AL #93.578				<u>225,688</u>	-
COVID-19: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	N/A	N/A	771,838	-
Total Department of Health and Human Services				<u>6,420,031</u>	<u>224,607</u>
DEPARTMENT OF AGRICULTURE					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Commonwealth of Massachusetts Department of Public Health	CT WEL 44003064 LSS 0001A	342,411	-
Farm to School Grant Program	10.575	N/A	N/A	27,435	-
Total Department of Agriculture				<u>369,846</u>	-
DEPARTMENT OF JUSTICE					
Crime Victim Assistance	16.575	Commonwealth of Massachusetts - Office of Victims Assistance	VOCA2017ACSN00000000	112,732	-
Services for Trafficking Victims	16.320	N/A	N/A	207,829	-
Total Department of Justice				<u>320,561</u>	-
DEPARTMENT OF TREASURY					
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	Commonwealth of Massachusetts Department of Children & Families	00092022COVID19RELIF	70,316	-
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	State of New Hampshire - NH Housing Finance Authority		8,448	-
Subtotal AL #21.027				<u>78,764</u>	-
Total Department of Treasury				<u>78,764</u>	-
DEPARTMENT OF STATE					
U.S. Refugee Admissions Program	19.510	Lutheran Immigration and Refugee Services	Various	732,012	-
U.S. Refugee Admissions Program	19.510	Church World Services	Various	784,778	-
Subtotal AL #19.510				<u>1,496,790</u>	-
Total Department of State				<u>1,496,790</u>	-
DEPARTMENT OF EDUCATION					
Adult Education - Basic Grants to States	84.002	New Hampshire Department of Education	project #87101	107,224	-
Rehabilitation Services Vocational Rehabilitation Grants to State	84.126	Massachusetts Rehabilitation Commission	SCMRC2007ASCENFY1700	284,974	-
Total Department of Education				<u>392,198</u>	-
Total Federal Awards				<u>\$ 9,078,190</u>	<u>\$ 224,607</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Ascentria Community Services, Inc. and Subsidiary under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of 2 CFR 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, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Ascentria Community Services, Inc. and Subsidiary.

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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Ascentria Community Services, Inc. and Subsidiary has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



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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

Board of Directors
Ascentria Community Services, Inc. and Subsidiary
Worcester, Massachusetts

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Ascentria Community Services, Inc. and Subsidiary, which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 6, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Ascentria Community Services, Inc. and Subsidiary'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ascentria Community Services, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of Ascentria Community Services, Inc. and Subsidiary's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Board of Directors
Ascentria Community Services, Inc. and Subsidiary

Report on Compliance and Other Matters

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

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Boston, Massachusetts
January 6, 2023



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

Board of Directors
Ascentria Community Services, Inc. and Subsidiary
Worcester, Massachusetts

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Ascentria Community Services, Inc. and Subsidiary's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Ascentria Community Services, Inc. and Subsidiary's major federal programs for the year ended June 30, 2022. Ascentria Community Services, Inc. and Subsidiary's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Ascentria Community Services, Inc. and Subsidiary 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Ascentria Community Services, Inc. and Subsidiary and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Ascentria Community Services, Inc. and Subsidiary's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Ascentria Community Services, Inc. and Subsidiary's federal programs.

Board of Directors
Ascentria Community Services, Inc. and Subsidiary

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Ascentria Community Services, Inc. and Subsidiary's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Ascentria Community Services, Inc. and Subsidiary's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Ascentria Community Services, Inc. and Subsidiary's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Ascentria Community Services, Inc. and Subsidiary's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Ascentria Community Services, Inc. and Subsidiary's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Ascentria Community Services, Inc. and Subsidiary's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Ascentria Community Services, Inc. and Subsidiary's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Board of Directors
Ascentria Community Services, Inc. and Subsidiary

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain a deficiency in internal control over compliance that we consider to be significant deficiency.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Ascentria Community Services, Inc. and Subsidiary's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Ascentria Community Services, Inc. and Subsidiary's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



CliftonLarsonAllen LLP

Boston, Massachusetts
January 6, 2023

ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal Control over Financial Reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? X yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are to be reported in accordance with 2 CFR 200.516(a)? X yes no

Identification of Major Federal Programs

19,510	U.S. Refugee Admissions Program
93,778	Medical Assistance Program
93,498	Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

**ASCENTRIA COMMUNITY SERVICES, INC. AND SUBSIDIARY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2022 – 001

Federal agency: U.S. Department of State

Federal program title: U.S. Refugee Admissions Program

Assistance Listing Number: 19.510

Pass-Through Agency: Lutheran Immigration and Refugee Service

Pass-Through Number(s): Various

Award Period: 10/1/2020-9/30/2021 and 10/1/2021-9/30/2022

Type of Finding: Other Matters; Significant Deficiency on Internal Control over Compliance

Criteria or specific requirement: The Organization is required to have documented procurement procedures that reflect applicable state, local, and tribal laws and regulations, and your procurements must conform to federal law and procurement standards.

Condition: The Organization does not have a documented procurement policy in accordance with applicable standards.

Context: In connection with the audit, the Organization's policies were reviewed for compliance with federal law and procurement standards.

Cause: The Organization has not updated policies in accordance with federal law and procurement standards.

Effect: The Organization is not in compliance with federal law and procurement standards.

Repeat Finding: No

Recommendation: It is recommended that the Organization implement a procurement policy in compliance with Uniform Guidance and other applicable standards.

Views of responsible officials: There is no disagreement with the audit finding.



Board of Directors 2023 **

Last Name	First Name	Title(s)	Corporate Officers (current only)	Board & Cmte Officers (current only)
Jenoure	Frederic	Director		Board Chair
Cowlagi	Ashish	Director		Board Secretary
Goodman	Ross	Director		Board Vice Chair
Bartholomew	Alexander	Director		Finance Co-Chair & Board Fin Sec'y
Robertson	Keith	Director		Governance Co-Chair
Mayo	William	Director		Immediate Past President
Campbell	Marybeth	Director		
Fisher	Charran	Director		
Gibbs	Brain	Director		
Jackson	Debora	Director		
Luster	Stacey	Director		
Ruhe	Barbara	Director		
Schmidt	Peter	Director		
Bovill	Angela	CEO Director	President	
Mitchell	Aimee	Chief Community Services Officer	Executive Vice President	
Wade	Jeanette	Chief Ops Officer Chief Fin Officer	Executive Vice President	
Bettigole	Michelle	Chief Senior Care Officer	Executive Vice President	
Sousa	Nicholas	EA Community Svcs & Operations	Assistant Clerk / Secretary	
Browne	Tara	Manager of Exec. Assistants	Corporate Clerk / Secretary	
Russo	Nicholas	Senior Director of Treasury	Treasurer	

11 Shattuck Street, Worcester, MA 01605

** The Ascentria Community Services is a subsidiary of Ascentria Care Alliance and is governed by the Ascentria Care Alliance Board of Directors.

Ascentria Community Services
Key Personnel

FY 24 July 1, 2023 – June 30, 2024

Name	Job Title	Salary Amount Paid from this Contract
TBD	Resettlement Navigator	\$ 45,760
TBD	Resettlement Navigator	\$ 22,880

FY25 July 1, 2024 – September 30, 2024

Name	Job Title	Salary Amount Paid from this Contract
TBD	Resettlement Navigator	\$ 11,440
TBD	Resettlement Navigator	\$ 5,720