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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION FOR BEHAVIORAL HEALTH

Lori A. Weaver
Commissioner

Katja S. Fox
Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9544 1-800-852-3345 Ext. 9544
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

May 15, 2024

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, to enter into a **Sole Source** amendment to an existing contract with Cross Roads House, Inc. (VC#166570), Portsmouth, NH, for the continued provision of services to assist with the operation of a cold weather solutions shelter program for individuals and families experiencing homelessness, by exercising a contract renewal option by increasing the price limitation by $80,000 from $80,000 to $160,000 and extending the completion date from June 30, 2024 to June 30, 2025, effective July 1, 2024, upon Governor and Council approval. 100% General Funds.

The original contract was approved by Governor and Council on September 20, 2023, item #41.

Funds are available in the following account for State Fiscal Year 2025, with the authority to adjust budget line items within the price limitation through the Budget Office, if needed and justified.

05-95-42-423010-63850000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES DIVISION, HOMELESS AND HOUSING, HOMELESS & HOUSING SHELTER FD

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2024	102/500731	Contracts for Prog Svc	42307021	$80,000	$0	$80,000
2025	102-500731	Contracts for Prog Svc	42307021	$0	$80,000	$80,000
			Total	**$80,000**	**$80,000**	**$160,000**

EXPLANATION

This request is **Sole Source** because MOP 150 requires all amendments to agreements previously approved as sole source to be identified as sole source. This amendment is in support of the Department's continued adherence to House Bill (HB) 2, Section 564 (2023) with funds continuing to be awarded to one provider in each county. The preliminary Point In Time count for 2024, which occurred on January 24, 2024, was used to calculate the funding allocation. The Department oversaw a competitive bid process using a Request for Applications (RFA) that was posted on the Department's website from June 29, 2023 through July 24, 2023. The Department received RFA responses from all counties except Rockingham County. The Department identified the Contractor as the only known vendor able to provide the necessary services because they have previous experience providing cold weather program services in Rockingham County.

The purpose of this request is for the continued provision of services to assist with the operation of cold weather solutions shelter program for individuals and families experiencing homelessness and to continue to assist with the mitigation of negative outcomes of homelessness during the upcoming winter seasons.

Approximately 60 individuals who are experiencing homelessness, and who are in need of appropriate shelter during the winter and cold weather months, will be served during State Fiscal Year 2025.

The Contractor will continue to provide access to emergency shelter and related services specifically to provide safety in cold weather to individuals and families who are unable to access year-round emergency shelter services. The Contractor will continue to engage with all municipalities and related service providers for their county, and offer a variety of low-barrier solutions reflective of the needs of the county, such as shelters, hotel stays, warming centers, coordination of referrals to related services and transportation to shelter solutions.

The Department will continue to monitor services by engaging in monthly meetings with the Contractor and reviewing the monthly reports provided by the Contractor.

As referenced in Exhibit A, Revisions to Standard Contract Provisions, of the original 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. The Department is exercising its option to renew services for one (1) of the three (3) years available.

Should the Governor and Council not authorize this request, there will be a gap in emergency cold weather services throughout the upcoming winter months, leaving individuals experiencing unsheltered homelessness without the fatality preventions provided by this critical safety net service.

Area served: Rockingham County.

Respectfully submitted,

Lori A. Weaver
Commissioner

State of New Hampshire
Department of Health and Human Services
Amendment #1

This Amendment to the Cold Weather Shelter Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Cross Roads House, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 20, 2023 (Item #41), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

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

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

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

   June 30, 2025

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

   $160,000

3. Modify Exhibit C, Payment Terms, Section 3, to read:

   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 Exhibit C-1, Budget through Exhibit C-2, Budget, Amendment #1.

4. Add Exhibit C-2, Budget, Amendment #1, which is attached hereto and incorporated by reference herein.

Contractor Initials DS WA
Date 5/20/2024

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective July 1, 2024, upon Governor and Council approval.

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

State of New Hampshire
Department of Health and Human Services

5/20/2024
Date

DocuSigned by:
Katja S. Fox
2A0FEC7B0109AF0...
Name: Katja S. Fox
Title: Director

Cross Roads House, Inc.

5/20/2024
Date

DocuSigned by:
Will Arvelo
F528DCA1E8E9484...
Name: Will Arvelo
Title: Executive Director

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

OFFICE OF THE ATTORNEY GENERAL

5/20/2024
Date

DocuSigned by:
Robyn Guarino
Name: Robyn Guarino
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

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New Hampshire Department of Health and Human Services

Complete one budget form for each budget period.

Contractor Name: *Cross Roads House, Inc.*

Budget Request for: *Cold Weather Shelter Program*

Budget Period *7/1/24 - 6/30/25*

Indirect Cost Rate (if applicable)

Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	$47,000
2. Fringe Benefits	$0
3. Consultants	$0
4. Equipment *Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.*	$0
5.(a) Supplies - Educational	$0
5.(b) Supplies - Lab	$0
5.(c) Supplies - Pharmacy	$0
5.(d) Supplies - Medical	$1,000
5.(e) Supplies Office	$1,000
6. Travel	$0
7. Software	$0
8. (a) Other - Marketing/Communications	$0
8. (b) Other - Education and Training	$0
8. (c) Other - Other (specify below)	$23,000
Food	$13,000
Miscellaneaus - transportation, gift cards, cots, blankets, plas	$10,000
Other (please specify)	$0
Other (please specify)	$0
9. Subrecipient Contracts	$0
Total Direct Costs	$72,000
Total Indirect Costs	$8,000
TOTAL	$80,000

Contractor Initials: DS

Date: 5/20/2024

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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 CROSS ROADS HOUSE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 24, 1982. 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: **62166**

Certificate Number: **0006193525**

IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 2nd day of April A.D. 2023.

David M. Scanlan

Secretary of State

CERTIFICATE OF AUTHORITY

I, Jason D. Gregoire, hereby certify that:

1. I am the duly elected Secretary of the Cross Roads House, Inc. Board of Directors.

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on April 30, 2024, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Will Arvelo, Executive Director, is duly authorized on behalf of Cross Roads House, Inc. to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his 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 was **valid thirty (30) days prior to and 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: May 8, 2024

Signature of Elected Officer
Name: Jason D. Gregoire
Title: Board Secretary

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ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 05/20/2024

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

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

PRODUCER
RSC Insurance Brokerage, Inc.
One New Hampshire Avenue
Suite 125
Portsmouth NH 03801

CONTACT NAME: Melisa Meeks
PHONE (A/C, No, Ext): (603) 778-8985 FAX (A/C, No):
E-MAIL ADDRESS: mmeeks@risk-strategies.com

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A :	Philadelphia Indemnity Insurance Company	18058
INSURER B :	Philadelphia Insurance Companies	
INSURER C :	Valley Forge Insurance Brokerage	
INSURER D :	Mount Vernon Fire Insurance Company	
INSURER E :		
INSURER F :		

INSURED
Cross Roads House, Inc.
600 Lafayette Rd
Portsmouth NH 03801

COVERAGES CERTIFICATE NUMBER: CL2421924936 REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:			PHPK2644989	01/10/2024	01/10/2025	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 3,000,000
							PRODUCTS - COMP/OP AGG	$ 3,000,000
							Damage to Premises	$ 1,000,000
B	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY			PHPK2645007	01/10/2024	01/10/2025	~~COMBINED~~ SINGLE LIMIT (Ea accident)	$
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
A	[X] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000			PHUB897054	01/10/2024	01/10/2025	EACH OCCURRENCE	$ 6,000,000
							AGGREGATE	$ 6,000,000
								$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N [ ] If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		SATIS0482202	01/10/2024	01/10/2025	[ ] PER STATUTE [ ] OTH-ER	
							E.L. EACH ACCIDENT	$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
D				NDO2008762L	01/10/2024	01/10/2025		

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

CERTIFICATE HOLDER

NH DHHS
129 Pleasant Street
Concord NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

RSC Insurance Brokerage Inc.

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Cross Roads House Mission:

At Cross Roads House:

• We protect men, women and children experiencing homelessness in the Greater Seacoast area from exposure and hunger.

• We provide secure, transitional shelter for those seeking to break the cycle of homelessness.

• We support individuals and families by providing them with the opportunity to move with dignity and purpose to stable and decent housing.

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CROSS ROADS HOUSE, INC.

FINANCIAL STATEMENTS

Year Ended June 30, 2022
with Summarized Financial Information
for the Year Ended June 30, 2021

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Sanders & Karcher
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cross Roads House, Inc.
Portsmouth, New Hampshire

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Cross Roads House, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Cross Roads House, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cross Roads House, Inc. and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cross Roads House, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement

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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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Cross Roads House, Inc.'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 financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Cross Roads House, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Cross Roads House, Inc.'s financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 27, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2022, on our consideration of Cross Roads House, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Cross Roads House, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cross Roads House, Inc.'s internal control over financial reporting and compliance.

Sanders & Karcher

Sanders & Karcher
Portsmouth, New Hampshire
November 23, 2022

CROSS ROADS HOUSE, INC.
STATEMENT OF FINANCIAL POSITION
June 30,

	2022			2021
	Without Donor Restrictions	With Donor Restriction	Total	Total
ASSETS				
CURRENT ASSETS				
Cash	$ 1,849,937	$ -	$ 1,849,937	$ 1,193,855
Rental receivable	6,301	-	6,301	4,908
Grants receivable	-	86,701	86,701	74,512
Unconditional promises to give	14,800	10,067	24,867	30,336
Prepaid expenses	48,006	-	48,006	34,262
Total current assets	1,919,044	96,768	2,015,812	1,337,873
PROPERTY & EQUIPMENT, net of accumulated depreciation of $2,248,406 & $2,058,412, respectively	4,900,392	-	4,900,392	4,962,653
OTHER ASSETS				
Cash and marketable securities, long-term reserve	2,056,884	-	2,056,884	2,192,431
Beneficial interest in assets held by others	-	144,467	144,467	162,833
Total other assets	2,056,884	144,467	2,201,351	2,355,264
TOTAL ASSETS	$ 8,876,320	$ 241,235	$ 9,117,555	$ 8,655,790

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

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CROSS ROADS HOUSE, INC.
STATEMENT OF FINANCIAL POSITION (CONTINUED)
June 30,

	2022			2021
	Without Donor Restrictions	With Donor Restriction	Total	Total
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	$ 26,510	$ -	$ 26,510	$ 101,855
Deferred income	150,000	-	150,000	-
Long-term debt, current portion	23,901	-	23,901	22,667
Security deposits - Rental	7,296	-	7,296	5,816
Accrued payroll items	42,837	-	42,837	84,605
Accrued expenses	11,739	-	11,739	11,650
Total current liabilities	262,283	-	262,283	226,593
LONG-TERM DEBT, net of current portion:				
Principal amount	512,147	-	512,147	535,541
Less unamortized debt issuance costs	2,448	-	2,448	2,610
Long term debt, net	509,699	-	509,699	532,931
Total liabilities	771,982	-	771,982	759,524
NET ASSETS				
Without donor restrictions				
Board Designated	2,056,884	-	2,056,884	2,192,431
Undesignated	6,047,454	-	6,047,454	5,462,049
With donor restrictions	-	241,235	241,235	241,786
Total net assets	8,104,338	241,235	8,345,573	7,896,266
TOTAL LIABILITIES AND NET ASSETS	$ 8,876,320	$ 241,235	$ 9,117,555	$ 8,655,790

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

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CROSS ROADS HOUSE, INC.
STATEMENT OF ACTIVITIES
Year ended June 30,

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
PUBLIC SUPPORT AND REVENUES:				
PUBLIC SUPPORT				
Government grants	$ -	$ 1,189,970	$ 1,189,970	$ 1,739,067
Town Warrants	-	97,925	97,925	110,070
Donations	1,629,822	-	1,629,822	1,387,469
Rental income	105,354	-	105,354	110,106
Fundraising, net of direct expenses of $63,016 and $13,065, respectively	555,050	-	555,050	481,621
Total public support	2,290,226	1,287,895	3,578,121	3,828,333
REVENUES				
Investment return	(236,191)	-	(236,191)	385,295
Total public support and revenues	2,054,035	1,287,895	3,341,930	4,213,628
NET ASSETS RELEASED FROM RESTRICTIONS				
Satisfaction of usage restrictions	1,282,220	(1,282,220)	-	-
Satisfaction of time restrictions	6,226	(6,226)	-	-
Total net assets released from restrictions	1,288,446	(1,288,446)	-	-
Total public support, revenues and net assets released from restrictions	3,342,481	(551)	3,341,930	4,213,628
EXPENSES				
Program services	2,162,537	-	2,162,537	2,094,473
General and administrative	497,781	-	497,781	426,739
Fundraising	232,305	-	232,305	232,446
Total expenses	2,892,623	-	2,892,623	2,753,658
CHANGE IN NET ASSETS	449,858	(551)	449,307	1,459,970
NET ASSETS, Beginning of year	7,654,480	241,786	7,896,266	6,436,296
NET ASSETS, End of year	$ 8,104,338	$ 241,235	$ 8,345,573	$ 7,896,266

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

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CROSS ROADS HOUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30,

	2022				2021
	Program Services	General and Admin	Fund-Raising	Total	Total
Management salaries	$ 115,351	$ 197,139	$ 68,681	$ 381,171	$ 322,041
Salaries and wages	402,938	95,018	49,488	547,444	737,387
Employee benefits	92,715	22,861	11,431	127,007	127,271
Payroll taxes	99,007	24,413	12,206	135,626	100,332
Professional fees	5,065	19,988	-	25,053	15,905
Bad debt	-	436	1,006	1,442	13,657
Investment fees	-	6,435	-	6,435	459
Office and administration	13,451	33,693	32,307	79,451	78,235
Heat	16,901	3,188	1,594	21,683	18,956
Electricity	36,433	6,717	3,951	47,101	38,299
Water and sewer	21,169	3,570	2,100	26,839	24,296
Repairs and maintenance	150,394	26,675	13,337	190,406	142,802
Interest	21,623	5,332	2,666	29,621	30,780
Insurance	47,313	11,666	5,833	64,812	89,090
Food	27,061	-	-	27,061	17,438
Direct services	368,643	-	-	368,643	297,233
Telephone	9,082	9,900	3,300	22,282	25,067
Covid expenses	257,951	-	-	257,951	458,184
Residential services	337,349	-	-	337,349	-
Volunteer & board development	-	-	3,750	3,750	24,599
Depreciation and amortization	139,012	30,723	20,421	190,156	186,295
Staff & program development	1,079	27	234	1,340	5,332
TOTALS	$ 2,162,537	$ 497,781	$ 232,305	$ 2,892,623	$ 2,753,658

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

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CROSS ROADS HOUSE, INC.
STATEMENTS OF CASH FLOWS
Years Ended June 30,

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from public support	$ 3,720,008	$ 3,726,384
Cash received from investment return	67,127	32,203
Cash paid to employees and suppliers	(2,802,134)	(2,448,382)
Cash paid for interest	(29,621)	(30,780)
Net cash provided by operating activities	955,380	1,279,425
CASH FLOWS FROM INVESTING ACTIVITIES		
Net unrealized investment gain (loss)	(284,952)	316,390
Cash received from operating reserve	135,547	-
Cash paid for long-term reserve	-	(1,038,922)
Cash paid for property and equipment	(127,733)	(491,206)
Net cash used by investing activities	(277,138)	(1,213,738)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for debt reduction	(22,160)	(21,002)
Net increase in cash	656,082	44,685
Cash at beginning of year	1,193,855	1,149,170
CASH AT END OF YEAR	$ 1,849,937	$ 1,193,855

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

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CROSS ROADS HOUSE, INC.
STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended June 30,

	2022	2021
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Increase in net assets	$ 449,307	$ 1,459,970
Adjustments to reconcile change in net assets to net cash from operating activities:		
Net unrealized investment (gain) loss	284,952	(316,390)
Depreciation expense	189,994	186,133
Amortization expense	162	162
(Increase) decrease in:		
Accounts receivable	(1,393)	12,888
Grants receivable	(12,189)	58,796
Unconditional promises to give	5,469	6,367
Prepaid expenses	(13,744)	4,020
Beneficial interest in assets held by others	18,366	(36,702)
Increase (decrease) in:		
Accounts payable	(75,345)	74,737
Security deposits-Rental	1,480	(760)
Deferred income	150,000	(180,000)
Accrued payroll items	(41,768)	12,204
Accrued expenses	89	(2,000)
Total adjustments	506,073	(180,545)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 955,380	$ 1,279,425

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

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CROSS ROADS HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Cross Roads House, Inc. (Cross Roads House), was organized March 24, 1982, but was essentially activated January 1, 1984. The purpose of the organization is to provide safe and supportive emergency and transitional shelter to individuals and families experiencing homelessness in southeastern New Hampshire.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

Cross Roads House received a letter of determination dated July 28, 1986 from the Internal Revenue Service advising it that it qualified as a non-profit organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, it is not subject to income tax. Cross Roads House is not classified as a private foundation.

Financial Statement Presentation

Cross Roads House reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. The Organization accounts for contributions as either with or without donor restrictions depending on the existence and/or nature of any donor-imposed restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose of the restriction.

Cash and Cash Equivalents

For purposes of these financial statements all non-custodial highly liquid investments with an initial maturity of less than three months or investments with a per share value constant at one dollar are considered to be cash equivalents. Cash equivalents were $0 and $125,133 as of June 30, 2022 and 2021, respectively.

Accounts Receivable

Accounts receivable consist primarily of amounts due from the State in support of homeless operations. An allowance for doubtful accounts is established based on historical experience and management's evaluation of outstanding accounts receivable at the end of each year. As of June 30, 2022 and 2021, management considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Basis of Accounting

Income and expenses are reported on the accrual basis, which means that income is recognized as it is earned and expenses are recognized as they are incurred whether or not cash is received or paid out at that time.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent Events
Subsequent events have been evaluated through November 23, 2022, the date the financial statements were available to be issued.

Promises to Give/Contributions
Cross Roads House accounts for contributions without donor restrictions and with donor restrictions, depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restrictions. An allowance for uncollectible unconditional promises is established based on historical experience and management's evaluation of outstanding unconditional pledges at the end of each year. As of June 30, 2022, management considers all pledges to be fully collectible.

All unconditional promises to give are current and consist of the following, as of June 30,

	2022	2021
Wentworth Gala event	$ 14,100	$ 24,600
Client Receivable	700	1,295
Total unconditional promises to give	$ 14,800	$ 25,895

Functional Allocation of Expenses
The costs of the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting services benefited.

Investment Valuation and Income Recognition
The Organization's investments as of June 30, 2022 are stated at fair value. Shares of the separate investment accounts are valued at quoted market prices, which represent the net value of shares held by the Organization at year-end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. As of June 30, 2022, investments have a market value of $2,056,884, cost basis of $2,105,547 and unrealized cumulative losses of $48,663.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Property and equipment are recorded at cost for those items which have been purchased, and at estimated fair market value for those items which have been donated. The cost of buildings and improvements is recovered using the straight-line method over estimated useful lives of 10 to 33 years. The cost of furniture, fixtures and equipment is recovered using the straight-line method over estimated useful lives of 2 to 7 years. Property and equipment as of June 30, 2022, consisted of the following:

Land and improvements	$ 217,266
Buildings and improvements	6,453,469
Furniture and equipment	478,063
Total property and equipment	7,148,798
Less accumulated depreciation	2,248,406
Property and equipment, net	$ 4,900,392

Donated Services

Contributions of services are recognized in the 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. For the years ended June 30, 2022 and 2021, there were no amounts for donated services.

Donated Marketable Securities

Donated marketable securities are valued at fair market value. Marketable securities are immediately sold and are included in the statement of activities as donations. Donated marketable securities of $89,408 and $77,329 were received during the years ended June 30, 2022 and 2021, respectively.

NOTE B - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

Cross Roads House is a beneficiary of an agency endowment fund at The New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing this fund, property contributed to The New Hampshire Charitable Foundation is held as a separate fund designated for the benefit of Cross Roads House. In accordance with its spending policy, the Foundation makes distributions from the fund to Cross Roads House. The distributions are approximately 4.00% of the market value of the fund per year.

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NOTE B - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (continued)

Activity in this endowment fund consisted of the following for the years ended June 30,

	2022	2021
Beginning, fair value, 7/1	$ 162,833	$ 126,131
Total return	(11,655)	43,677
Foundation fee	(485)	(459)
Distributions	(6,226)	(6,516)
Ending, fair value, 6/30	$ 144,467	$ 162,833

Distributions represent amounts distributed to Cross Roads House and are shown as unrestricted dividends.

NOTE C - INVESTMENTS AT FAIR VALUE

Cross Roads House records its marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets, in the statement of activities.

Following is a description of the valuation methodologies used for assets measured at fair value.

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value of shares held by the plan at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Organization reports under the Fair Value Measurements, which established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices inactive markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

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NOTE C - INVESTMENTS AT FAIR VALUE (continued)

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Investments, all at level 1, at fair value consisted of the following as of June 30,

	2022	2021
Cash & equivalents	$ 79,941	$ 125,133
Domestic equities	1,413,284	1,429,966
Domestic fixed income	340,640	637,332
Other	223,019	-
TOTALS	$ 2,056,884	$ 2,192,431

NOTE D - ACCRUED PAYROLL ITEMS

Accrued payroll items consisted of the following as of June 30,

	2022	2021
Payroll and payroll taxes	$ 22,330	$ 9,163
Earned time	20,507	75,442
Totals	$ 42,837	$ 84,605

NOTE E - COMMITMENTS AND CONTINGENCIES

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

NOTE F - LINE OF CREDIT

The organization has established a $300,000 line of credit with Provident Bank with a current interest rate of 4.75%. The interest rate is directly tied to the Wall Street Journal Prime Rate with no margin. Accordingly, any changes to this rate will change the organization's line of credit rate. There was no outstanding balance as of June 30, 2022.

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NOTE G - LONG-TERM DEBT

	Current	Long-term	Total
Note payable, Provident Bank, monthly payment is $1,293, 4.69% interest; secured by property and equipment; note matures August 2037.	$ 7,862	$ 159,602	$ 167,464
Note payable, Provident Bank, monthly payment is $2,070, 5.62% interest; secured by property and equipment; note matures April 2038.	10,628	248,065	258,693
Note payable, Provident Bank, monthly payment is $953, 5.62% interest; secured by property and equipment; note matures August 2037.	5,411	104,480	109,891
Total long-term debt	$ 23,901	$ 512,147	$ 536,048

Future principal loan payments are as follows for the years ended,

June 30,	2023.	$ 23,901
	2024.	25,203
	2025.	26,575
	2026.	28,024
	2027.	29,552
	Thereafter. . .	402,793

The Organization is following updated guidelines regarding debt issuance costs. The Organization has reclassed the asset, prepaid closing costs, as unamortized debt issuance costs, a liability that offsets the long-term debt of the Organization. The total unamortized debt issuance costs as of June 30, 2022 and 2021 are $2,448 and $2,610, respectively.

NOTE H - CONCENTRATION OF CREDIT RISK

As of June 30, 2022, Cross Roads House had a cash balance held by a bank that was in excess of the amount insured by the Federal Deposit Insurance Corporation. The uninsured amount was $1,533,703 however, any amount in excess is fully covered by the Massachusetts Depositors Insurance Fund (DIF). The DIF is a private, industry-sponsored insurance fund that insures all deposits above FDIC limits for their member banks.
Cross Roads House has a cash balance held by an investment brokerage firm that is insured by the Securities Investor Protection Corporation.
Cross Roads House derived 36% of its operating revenue from government agencies.

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NOTE I - GREENLEAF APARTMENTS

Cross Roads House purchased a 12-unit single room occupancy building in Portsmouth, NH in April 2018. Applicants must meet certain requirements as defined in a Tenant Selection Plan to qualify for these low-income units. Rental income was $105,354 and rental expenses totaled $63,022 for the year ended June 30, 2022. Rental expenses are included in the statement of functional expenses as program expenses.

NOTE J - LIQUIDITY AND AVAILABILITY OF RESOURCES

As part of Cross Roads House's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the organization invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the organization has a committed line of credit in the amount of $300,000, which it could draw upon. The organization also has a Board designated reserve of $2,056,884. Although the organization does not intend to spend from its reserve other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its reserve could be made available if necessary.

NOTE K - REVENUE RECOGNITION FROM CONTRACTS WITH CUSTOMERS

On July 1, 2021, the Organization adopted Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers*, and all subsequent amendments to the ASU (collectively, ASC 606), which creates a single framework for recognizing revenue from contracts with customers that fall within its scope. The majority of the Organization's revenues come from donor contributions, including stock donations, that are outside the scope of ASC 606. The Organization's services that fall within the scope of ASC 606 are presented within the respective income and are recognized as revenue as the Organization satisfies its obligation to the counterparty over a point in time. Services within the scope of ASC 606 include rental income received from tenant rental agreements. The adoption of ASC 606 did not result in a change to the accounting for any of the in-scope revenue streams; as such, no cumulative effect adjustment was recorded. For the years ended June 30, 2022 and 2021 the rental receivable balance was $6,301 and $4,908, respectively. The rental liabilities consisted of tenant security deposits. For the years ended June 30, 2022 and 2021 the security deposits balance was $7,296 and $5,816, respectively. There were no rental contract assets.

NOTE L - BOARD DESIGNATED NET ASSETS

The Board has designated a portion of its without donor restriction net assets to be invested for long-term appreciation but remain available and may be spent at their discretion. The Board has voluntarily designated $2,056,884 and $2,192,431 as of June 30, 2022 and 2021, respectively.

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OTHER INFORMATION

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CROSS ROADS HOUSE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2022

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Agency or Pass-Through Number(s)	Program or Award Amount	Federal Disbursements
US Dept of Housing and Urban Development:				
Grantor City of Dover CDBG	14.218	N/A	$ 9,000	$ 9,000
Grantor City of Portsmouth CDBG	14.218	N/A	183,400	150,475
Grantor City of Rochester CDBG	14.218	N/A	10,000	10,000
Grantor City of Portsmouth CV CDBG	14.218	N/A	16,500	16,500
CDBG-Entitlement Grants Cluster			218,900	185,975
Grantor State of NH Emergency Solutions Grant CV	14.231	102-500731	361,100	213,028
Grantor State of NH Continuum of Care Permanent Housing	14.267	177203-B003	367,470	328,707
Total US Dept of Housing and Urban Development			947,470	727,710
US Dept of the Treasury - Cares Act:				
Grantor State of NH Coronavirus Relief Fund COVID GOFERR	21.019	166570-B001	124,539	101,415
Total US Dept of the Treasury Cares Act			124,539	101,415
TOTALS			$1,072,009	$ 829,125

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CROSS ROADS HOUSE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2022

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Cross Roads House, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented or used in preparation of the financial statements.

NOTE B - FEDERAL INDIRECT COST RATE

The Organization has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

To the Board of Directors
Cross Roads House, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Cross Roads House, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 26, 2022.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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Purpose of this Report

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

Sanders & Karcher

Sanders & Karcher
Portsmouth, New Hampshire
November 23, 2022

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

To the Board of Directors
Cross Roads House, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cross Roads House, Inc.'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 Cross Roads House, Inc.'s major federal programs for the year ended June 30, 2022. Cross Roads House, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Cross Roads House, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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; 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cross Roads House, Inc. 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 Cross Roads House, Inc'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, states, regulations, rules, and provisions of contracts or grants agreements applicable to Cross Roads House, Inc.'s federal programs.

Auditor's 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 Cross Roads house, Inc.'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 generally accepted auditing standards, *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

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higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Cross Roads House, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement 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 Cross Roads House, Inc.'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 Cross Roads House, Inc.'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 Cross Roads House, Inc.'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.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.

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Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses, or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

Sanders & Karcher

Sanders & Karcher
Portsmouth, New Hampshire
November 23, 2022

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CROSS ROADS HOUSE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2022

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's 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 weaknesses? ___ 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 weaknesses? ___ yes __X__ none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 516(a)? ___ yes __X__ no

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CROSS ROADS HOUSE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year ended June 30, 2022

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.267	Continuum of Care Permanent Supportive Housing
21.019	Coronavirus Relief Fund COVID GOFERR

Dollar threshold used to distinguish between type A and type B programs:

$ 750,000

Auditee qualified as low-risk auditee? ____ yes __X__ no

Section II - Financial Statement Findings

NONE REPORTED.

Section III - Federal Award Findings and Questioned Costs

NONE REPORTED.

Section IV - Summary Schedule of Prior Audit Findings and Questioned Costs

There were no findings in fiscal year ended June 30, 2021.

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Name	Affiliation*	Committees	Town of Residence	Term Began	Term Ends
Adams, Michael	Architect	Building	[redacted]	2016	2025
Ambrogi, Michael	Novocure		[redacted]	2023	2026
Bear, Bob	Retired	Program	[redacted]	2021	2024
Bellmare, Chris	Arista Networks	Development, Governance, Program	[redacted]	2020	2023
Bresette, Suzanne	Stratögé Partners	Executive, Program, Development	[redacted]	2007	2025
Brown, Bob **Treasurer**	Self employed/consultant	Finance	[redacted]	2011	2023
Clark, Lisa	B2W	Development	[redacted]	2021	2024
Cohen, Ken	Psychiatrist	Program	[redacted]	2013	2025
Dillon, Denis	McLane Middleton	Nominating & Governance, Development	[redacted]	2004	2024
Drew, Kathryn	Merrill Lynch Wealth Management/Bank of America Corp.	Nominating & Governance	[redacted]	1999	2024
Gibb, Brian	Drummond Group	Program	[redacted]	2022	2025
Goddard, Steve	Retired	Development	[redacted]	2019	2025
Gregoire, Jason	Sheehan Phinney	Governance	[redacted]	2021	2024
Mathews, Shaun	Retired	Finance, Program	[redacted]	2019	2025
Moore, Vanda **Secretary**	Sprague Energy	Executive, Development	[redacted]	2013	2025
Pace, Joe	Full time Dad/Selectman/author	Development	[redacted]	2021	2024
Palmer, Theresa	State of New Hampshire	Program	[redacted]	2022	2025
Scourby, Lex	Chicken of the Sea Frozen Foods	Executive, Finance, Nominating & Governance, Development	[redacted]	2003	2024
Silva, Chuck **Vice President**	Retired	Executive, Nominating & Governance	[redacted]	2015	2024
St. Jean, Ben **President**	Clipper Strategic Consulting, LLC	Executive, Finance, Building	[redacted]	2015	2024
Stevens, Rob	Rector, St. John's Episcopal Church		[redacted]	2022	2025
Tierney, Gillian	Uniguest, Inc.	Governance	[redacted]	2020	2023
Williamson, Andrea	Edward Jones	Finance	[redacted]	2022	2025
Worboys, Mary Lee	Retired	Program	[redacted]	2011	2023

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Wildolfo Arvelo

[redacted]

"For ten years, I had the honor of watching Dr. Arvelo transform Great Bay Community College from a small, unengaged community college into one of the most respected and engaged colleges in the region. One of Will's greatest strengths is his ability to bring out the best in others. He empowers his direct reports to lead. He inspires the community, internal and external, to believe and invest in the organizational mission. Most impressive is his ability to move seamlessly and garner respect from students, staff, faculty, business, and community leaders. Simply stated, Will Arvelo is a transformative leader that enables people and organizations to achieve their best."

Michael Fischer, Ed.D., President, York County Community College

Career Profile

A dynamic, visionary, and collaborative leader with 35 years of diverse leadership experience in improving and expanding learning, educational access and workforce and economic development opportunity. I am focused on equity, organizational resiliency, and economic inclusion across New Hampshire communities. I am driven by my passion for serving marginalized and underserved communities.

Key Areas of Expertise:

Leadership: Manage collaborative and effective relationships with deans, division directors, and faculty and staff as well as business, non-profit and community leaders. Have led in facility design, construction and management, Board development, grant writing and management, marketing and branding, fundraising, budget development and oversight, and community outreach. Highly effective managerial skills with the capability to adapt a leadership style to meet situational challenges while guiding teams to achieve desired results. Deeply committed to establishing/nurturing environments of collaboration and mutual respect.

Financial Management: Demonstrated ability to manage fiscal resources effectively in complex organizations. Managed a $20 million dollar budget and $28 million in grants by consistently tying the budget process with the strategic plan and setting clear priorities. Proven success identifying diverse funding sources and securing new funding/revenue streams. Raised hundreds of thousands of dollars annually through private donations to support student scholarships, classroom resources and faculty and staff development.

Strategic Planning: Worked with faculty and staff to develop a plan to increase enrollment and graduation. Successfully served on internal and external multi-functional teams that were responsible for opening new programs and services as well as establishing new mission, vision and values for the College (Great Bay). Worked with other Community College System Presidents and the Chancellor on System-wide initiatives tied to enrollment, marketing, retention, research, and collaboration with the University System and the State. Worked with the University System and high schools to transition from high school to community college to 4-year colleges seamlessly with such programs as *Running Start, Early College, eStart,* and Dual Admissions.

Student Engagement: Led efforts to include students in the College's (Great Bay) shared governance processes through training of student leaders to serve in student government, the College's Advisory Board and other college-wide committees. Met with students on a regular basis to gauge their experiences/progress.

Professional Experience

Executive Director, Cross Roads House, Inc., Portsmouth, NH (2021 – Present)

■ Lead the second largest homeless shelter in New Hampshire, which houses up to 130 individuals and 12 families nightly. This includes sheltering, feeding, triaging immediate health, mental health and addiction issues as well as working with the unhoused longer-term to get them permanently housed. Manage three facilities which include a main homeless shelter and offices, a family shelter, and a 12-unit permanent housing complex. Manage a $2.5 million annual budget and fundraising and grants process.

■ Manage a permanent housing facility that houses former Cross Roads House residents.

■ Lead outreach efforts with the CRH Board, the Seacoast community, media, donors and volunteers, and partner and state agencies. Work on advocacy efforts with legislators and Governor's Office and testify before the Legislature.

Director, New Hampshire Division of Economic Development (BEA), Concord, NH (2018 – Present)

■ Lead the Division of Economic Development in support of business attraction, expansion and retention. Collaborate with the Office of Workforce Opportunity and the Department of Employment Security on workforce retention and training. Work in partnership with the community college and university systems on workforce training and other strategic issues. Work closely with business chambers, municipalities, and economic development and industry groups to increase economic opportunities for NH citizens. Visit with businesses across New Hampshire to understand their needs and priorities. Help to manage the State's Covid response to businesses. Worked with SBA and FEMA on immediate and long-term strategy for business resiliency post-Covid.

■ Collaborate with the Commissioner on a 10-year economic development plan as well as post-pandemic recovery plan for NH. Serve on a variety of state-wide community, workforce and education boards, including SB190 (CTE), DOE K-12 Minimum Standards Task Force, State Workforce Innovation Board (SWIB), Council for Thriving Children, Benefits Cliff Working Group, NH Learning Initiative (NHLI), National Collaborative on Competency Based Learning (NCCBL), and Chair of the Commission on Mental Health Workforce Development.

Selected Highlights:

- Work with Governor's Office, Federal delegation, SBA, FEMA on Covid response;
- Lead efforts on diversity, equity and inclusion. Founded Business Alliance for People of Color (BAPOC-NH);
- Represent BEA at conferences, radio and television events; hosted "Business Matters" on 107.7FM.

President, Great Bay Community College, Portsmouth/Rochester, NH (2007 – 2017)

■ Worked with a staff and faculty of over 200 and an operational budget of $20 million. Led inclusive visioning, strategic and shared governance planning retreats. Guided the development and nurturing of the senior leadership team. Served as Community College System liaison for partnerships with the University System. Worked with Chancellor, Presidents and System Board on System-wide improvements. Led marketing efforts in radio, TV, print and social media. Managed $28 million dollars in grants to develop System-wide manufacturing training capacity and a composites training center in Rochester. Recruited and on-boarded members of the College's Advisory Board. Developed the first partnerships with adult learning programs in Dover and Exeter.

Selected Highlights:

- Oversaw $30 million of capital improvements and the building of the main college campus and a satellite academic center; spearheaded and led fundraising efforts that raised over $2 million dollars in 6 years;
- Spearheaded re-branding efforts to develop a new name, logo, websites and collateral;
- Developed certificate/degree programs including NDT, CNC, Aviation, Automotive, Composites, Engineering Transfer, Medical Assisting, Massage Therapy, Insurance, Motorcycle Technician, Helicopter Pilot, and Welding;
- Led two successful 10-year NEASC accreditation studies and visits;
- Worked with faculty to engage students in NSF EPSCoR and NIH undergraduate research;
- Served as principle investigator for $20MM state-wide federal grant to promote STEM/advance manufacturing.

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"Dr. Wildolfo Arvelo has served as a significant mentor, making a profound impact in my life. As a transformative leader he created a culture of excellence throughout the college as a whole. Dr. Arvelo took the time to personally engage with students and engaged the full community and through that engagement created countless partnerships and opportunities for students before and after graduation. He taught me many things, but most importantly, he taught me the importance of leadership and community. I wouldn't be the person I am today had I not been a part of the community he created. I owe so much of my professional and personal success to Dr. Arvelo, as do so many others. Dr. Arvelo exemplifiers what it means to be a leader."

Ashley Rennie, Former Student

VP: Corporate and External Relations, Benjamin Franklin Institute of Technology, Boston, MA (2004 – 2007)
- Worked with the President on strategic initiatives. Collaborated with faculty and staff across the College. Nurtured collaborative relationships with Boston Public Schools and local business and industry. Oversaw the writing of the NEASC ten-year accreditation study and visit. Wrote and managed several Federal DOL grants.

Dean of Enrollment Services (2000 – 2003) / **Director of Admissions** (1998 – 2000), Benjamin Franklin Institute of Technology, Boston, MA
- Oversaw marketing and enrollment strategies and spearheaded re-branding of the college with new name, logo, website and collateral. Restructured Financial Aid saving the college $240,000 annually.

Educational Development Coordinator (1997 – 1998) / **Associate Director of Admissions** (1996 – 1997), Roxbury Community College, Boston, MA

Community Engagement

Board Memberships include:

Founder and Chair: Business Alliance for People of Color (2020-Present) / DOE K-12 Minimum Standards Task Force (2021) / Council for Thriving Children (2020 – 2021) / Benefits Cliff Working Group (2019 – 2021) / Chair: Governor's Commission on Mental Health Workforce Development (2019 – 2021) / New Hampshire Learning Initiative (2019 – Present) / Founder and Chair: Economic Vitality New Hampshire (2018 – Present) / NHSPCA (2018 – Present) / Small Business Development Center (2018 – 2021) / State Workforce Innovation Board (2018 – 2021) / Member: Seacoast NAACP (2018 – Present) / National Collaborative for Competency Based Learning (2018 – Present) / Foundation for Healthy Communities (2017 – 2018) / Foundation for Seacoast Health (2015 – 2017) / New Hampshire College and University Council (2007 – 2017) / NSF EPSCoR Statewide Committee (2014 – 2016) / New Hampshire Postsecondary Education Commission (2012 – 2014) / Foundation, Community College System of New Hampshire (2007 – 2017) / United Way of the Greater Seacoast (2011 – 2015) / UNH College of Life Sciences & Agriculture (2007 – 2009)

Awards and Recognition

Distinguished Leader Award: Great Bay Community College (2019) / Honorary Doctorate: Granite State College (2018) / Dedicated Service Award: Great Bay Community College (2017) / Leadership Award: United Way of the Greater Seacoast (2015) / Citizen of the Year Award: Portsmouth Chamber of Commerce (2012) / Leadership Award: Benjamin Franklin Institute of Technology (2007) / New Leader Profile: Business NH Magazine (January 2022)

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Education & Certifications

University of Massachusetts, Boston, MA
Ed.D. in Higher Education Administration (2012)
M.S. in Public Affairs (1992) / B.A. in History (1989)

"As a former CEO of a division of a Fortune 500 Company, I had the opportunity to work closely with Dr. Will Arvelo on a number of collaborations related to business and industry. Will has excellent interpersonal skills and is highly focused on the mission at hand. He has the innate ability to forge meaningful and lasting relationships with business and industry leaders. Will is a good listener, a quick study and has the ability to bring people together to execute strategic plans. He is an excellent orator who is able to persuade others to consider various options to business and industry issues. In the words of Washington Irving: "Great minds have purpose, others have wishes". I can assure you that Will has purpose!"

David Hampson, CEO, Willis Towers Watson

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Melissa Leeman

I have been a manager for over 11 years in the social service field

[redacted]

Highly motivated, self starter, and exceptional mull-tasker, that has comprehensive client service experience. Accustomed to working in a fast paced environment, possesses the ability to think quickly, and can successfully manage difficult situations. With a strong commitment to serving the needs of disadvantaged adults, including homeless, varying mental health issues and special needs populations. Very creative and adept at crisis prevention/intervention. Has excellent communication and time management skills.

Authorized to work in the US for any employer

Work Experience

Resident Service Coordinator
Avesta Housing - South Portland, ME
March 2021 to Present

Program Director
Vinfen - Dorchester, MA
March 2019 to March 2021

I am responsible for 5 residents that have Intellectually Disabilities
I over see the budgets, training for 6 full time staff and 5 per diem staff. I have ISP meeting to help residents work on there goals that are put in place with DDS, work with Staff with MAP, schedules, transportation and Covid -19 safety measures record keeping data reporting

Program Manager
Volunteers of America - Dorchester, MA
January 2017 to February 2019

I oversee 10 staff for a 16 bed mens co occurring house from training, budgeting, scheduling ,payroll , data entry:. help with case manager deal with difficult clients. And all other duties as assigned

Triage Supervisor
Pine Street Inn
2015 to January 2017

• Monitor and track data quality input by intake specialist and other staff
• Serve as a liaison with referral sources to educate other service providers resulting in decrease in inappropriate referrals
• Lead and oversee Triage and Intake programming, including staff scheduling, training, coaching and documentation
• Develop and provide newly homeless or chronically homeless guest with detailed orientation to shelter services, including case management and housing opportunities

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Intake Specialist
Pine Street Inn
2014 to 2015

that are new to the Shelter or who are coming back and enroll into ETO
- Diversion\Triage of Guess who have other place to go Bus tickets or referrals
- Work with some of the Health care providers about Discharges
- Help guest with substance abuse issues to Treatment programs
- Help manage the milieu

Human Services Counselor
Oxford Street Shelter
2011 to 2014

Empower homeless clients to locate, apply for, and secure
Safe, affordable housing
- Assist in applying for appropriate low-income housing programs
- Completed intake and assessments with clients new to the shelter
- Outreach services to clients newly housed to ensure a smooth transition
- Referrals to needed mainstream resources
- Collaborate with other city and private agencies to ensure holistic care for clients
- Milieu management in the largest shelter north of Boston
- Crisis intervention and de-escalation of clients in an ever-changing

And diverse population

Per Diem Shelter Attendant
Oxford street shelter - Portland, ME
May 2010 to July 2011

- Completed and evaluated clients needs during intake process.
- Milieu management of more than 200 clients per night
- Utilized de-escalation techniques to assist clients in self-regulation

Shelter Manager
Milestone - Portland, ME
August 2005 to September 2010

- Program manager for a 41 bed shelter for men and women with co-occurring Disorders.
- Supported clients with daily living skills
- Employed motivational interviewing skills to support clients with substance abuse issue.
- Client referrals to mainstream resources
- Trained shelter and support staff in crisis intervention
- Responsible for staffing, training and hiring for the entire shelter
- Instrumental in start-up of the mobile street outreach program in Portland

Professional Achievements:
- Completed Co-Occurring disorder training
- Nonviolent Crisis Intervention Instructor
- Trained in De-escalation by Spring Harbor Hospital
- Certificate for Management Skills for first time Supervisors
- Certificate for Trauma Sensitive Treatment in Detox and Shelter Settings
- Certificate in Motivational Interviewing
- Certified in First Aid and CPR

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- Experience in ETO

Education

Bachelor's in Human Services
University of Maine at Augusta - Bangor - Augusta, ME
January 2004 to August 2009

Skills

- Program Management
- Map certified
- Windows 10 (3 years)
- Trauma informed care (8 years)
- Safety care instructor (7 years)
- Excel (4 years)
- Microsoft office (6 years)
- Experience with ETO (4 years)
- Experience with ACCS (Less than 1 year)
- Apple
- Case Management (5 years)
- Motivational Interviewing (9 years)
- Crisis Intervention (10+ years)
- Case Management
- Motivational Interviewing
- Triage (10+ years)
- Conflict Management
- Leadership
- Supervising experience
- Maintenance

Certifications and Licenses

Driver's License

CPR
August 2020 to August 2022

Adult and child CPR and AED and Frrst Aid

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Stephanie Bacon

EDUCATION

New England College, Henniker, New Hampshire
Bachelor of Arts, Business Administration
Associates in Applied Science, Accounting

VALUABLE SKILLS

Intuit products with a focus on QB Pro & Premier
Solid MS Excel (intermediate/advanced training now) & Word experience
Adapts easily to other industry specific software

WORK HISTORY

2/23 to present — Cross Roads House, Portsmouth, NH
Finance Director/Human Resources
Responsible for weekly payroll, depositing/reconciling 941 taxes and quarterly reports, W2 & 1099 prep, A/P for CRH vendors and landlords thru rental assistance program, monthly state billing/job costing & reporting, insurance renewal/tracking, annual audit, develops policies and procedures for finance department, works with shelter manager to hire and place employees in available positions, onboards and exits employees as necessary, reconciles bank accounts & credit cards, monitors company provided Simple IRA for employees, attends Finance Committee meetings to present monthly overview of P&L, BS and Cash Flow, works under FC direction to track and place investment accounts and endowments

12/20 to 12/22 — Self-employed as small business bookkeeper working from home during covid.
Full-time caregiver to family member with Lewy Body Dementia

1/19 to 12/20 — MSJ, Dover, NH
Full Charge Bookkeeper/Office Administrator
Accounting to include daily tracking & reconciliation of 12 checking accounts, cash/credit card deposits from 7 locations and two online revenue streams, monthly sales tax reports/payments for ME and MA, Bi-weekly payroll for 25/30 employees using 3rd party payroll co., 1099 payments to contractors, tracked and filed all licenses needed, setup and maintained sales commission reports, Bookkeeping Office relocated to Newburyport, MA to be closer to owner's residence during COVID, unable to commute to MA during the pandemic

11/06 to 1/19 — HCA, Kennebunk, ME
Bookkeeper/Office Administrator
Full Charge Bookkeeper for a small 501c (3) Art school, including tracking & invoicing students/donor contributions, Accounts Payable & Receivable, bank account reconciliation, cash flow management, sales tax payments and reports for ME & MA, 941 & 940 deposits and reports, prepared QB files and Statement of Functional Expenses for accountant to complete Form 990, assisted with enrollment, certifying documents and fund-raising, managed on-site retail art supply store including ordering/tracking inventory & cash flow, founder of school has retired, classes & workshops have been relocated to Colorado

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04/03 to 11/06 FNNE, Inc, York, ME
Bookkeeper/Office Administrator
Daily deposits, bank account reconciliation, A/P & A/R, cash flow analysis for 6 locations, set up and maintained QB class tracking for all locations, invoicing & sales tax, assisted owner in preparing business for sale, owner successfully sold business leading to position at HCA

09/00 to 04/03 McHenry Architecture, Terra Firma Landscape Architecture, Sumner Davis Architects
Bookkeeper/Office Administrator – Independent Contractor
Bookkeeping and Administrative support for all three businesses
payroll & tax deposits, 941 & 940 reports, AJE's, account reconciliation, tracked architectural contracts and reimbursable expenses, monitored lines of credit and loans, administrative work as needed, all three businesses grew big enough to require individual full-time support, left on excellent terms to pursue work at FNNE

NH Department of Health and Human Services

KEY PERSONNEL

List those primarily responsible for meeting the terms and conditions of the agreement.

Job descriptions not required for vacant positions.

Contractor Name: Cross Roads House

NAME	JOB TITLE	ANNUAL AMOUNT PAID FROM THIS CONTRACT	ANNUAL SALARY
Wildolfo Arvelo - 40 hours	Executive Director	$2,677.20	$139,205.00
Stephanie Bacon - 60 hours	Finance Director	$2,250.00	$78,000.00
Melissa Leeman - 84 hours	Shelter Director	$2,826.60	$70,000.00

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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION FOR BEHAVIORAL HEALTH

Lori A. Weaver
Commissioner

Katja S. Fox
Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9544 1-800-852-3345 Ext. 9544
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 21, 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, Division for Behavioral Health, to enter into a **Sole Source** contract with Cross Roads House, Inc. (VC#166570), Portsmouth, NH, in the amount of $80,000 for provision of services to assist with the operation of cold weather solutions for individuals and families experiencing homelessness, with the option to renew for up to three (3) additional years, effective October 1, 2023, upon Governor and Council approval, through June 30, 2024. 100% General Funds.

Funds are available in the following account for State Fiscal Year 2024, with the authority to adjust budget line items within the price limitation through the Budget Office, if needed and justified.

05-95-42-423010-63850000-102-500731 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES DIVISION, HOMELESS AND HOUSING, HOMELESS & HOUSING SHELTER FD

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2024	102-500731	Contracts for Program Services	42307021	$80,000
			Total	**$80,000**

EXPLANATION

This request is **Sole Source** because there are no known viable alternatives to the services provided by the Contractor. The Department posted a Request for Applications for cold weather program services on its website from June 29, 2023 through July 24, 2023. Pursuant to House Bill (HB) 2 (2023), awards are intended to be made to one (1) vendor in each county. The Department received responses from all counties except Rockingham County. The Department identified the Contractor as the only known vendor able to provide the necessary services because they have previous experience providing cold weather program services.

The purpose of this request is for the provision of services to assist with the operation of cold weather solutions for individuals and families experiencing homelessness and to assist with the mitigation of negative outcomes of homelessness this upcoming winter. Pursuant to House Bill (HB) 2, Section 564, funds were made available to each county in the state. The funding

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amount was determined by dividing half of the funds evenly across each county and then distributing the remaining half based on the January 2023 preliminary Point in Time (PIT) count data for each county. The Department is presenting a complementary agreements with providers representing the balance of counties to ensure statewide access.

Approximately 60 individuals who are experiencing homelessness, who are in need of appropriate shelter during the winter and cold weather months will be served during State Fiscal Year 2024.

The Contractor will provide access to emergency shelter and related services specifically to provide safety in cold weather to individuals and families who are unable to access year-round emergency shelter services. The Contractor will engage with all municipalities and related service providers for their county, and offer a variety of low-barrier solutions reflective of the needs of the county, such as shelters, hotel stays, warming centers, coordination of referrals to related services and transportation to shelter solutions.

The Department will monitor services by engaging in monthly meetings with the Contractor and reviewing the monthly reports provided by the Contractor.

As referenced in Exhibit A, Revisions to Standard Contract Provisions, of the attached agreements, the parties have the option to extend the agreements 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, there will be a gap in emergency cold weather services throughout the upcoming winter months, leaving individuals experiencing unsheltered homelessness without the fatality preventions provided by this critical safety net service.

Area served: Rockingham County.

Respectfully submitted,

Lori A. Weaver
Commissioner

FORM NUMBER P-37 (version 12/11/2019)

Subject: Cold Weather Shelter Program (SS-2024-DBH-27-COLDW-01)

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 Cross Roads House, Inc.		1.4 Contractor Address 600 Lafayette Road Portsmouth, NH 03801	
1.5 Contractor Phone Number (603) 436-2218	1.6 Account Number 05-95-42-423010-63850000-102-500731	1.7 Completion Date 6/30/2024	1.8 Price Limitation $80,000
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: Will Arvelo Date: 8/22/2023		1.12 Name and Title of Contractor Signatory Will Arvelo Executive Director	
1.13 State Agency Signature DocuSigned by: Katja S. Fox Date: 8/22/2023		1.14 Name and Title of State Agency Signatory Katja S. Fox Director	
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: DocuSigned by: Robyn Guarino On: 9/5/2023			
1.17 Approval by the Governor and Executive Council *(if applicable)* G&C Item number: G&C Meeting Date:			

Contractor Initials DS Wa
Date 8/22/2023

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 as indicated in block 1.17, 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. 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 affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to 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 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all 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. 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 race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. 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 all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

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

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8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 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.

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

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) 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) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

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 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

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 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, 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.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. 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. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of the

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Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. 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 sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and 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 his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. 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 his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. 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.

17. 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.

18. CHOICE OF LAW AND FORUM. This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

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

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

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

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

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

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EXHIBIT A

Revisions to Standard Agreement Provisions

1. Revisions to Form P-37, General Provisions

   1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:

   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 as indicated in block 1.17, this Agreement, and all obligations of the parties hereunder, shall become effective on October 1, 2023 ("Effective Date").

   1.2. 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.

   1.3. 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.

EXHIBIT B

Scope of Services

1. Statement of Work

1.1. The Contractor must provide cold weather shelter services to individuals and families who:

Are in need of appropriate shelter in NH during winter and the cold weather months; and

1.1.1. Meet the criteria of 'Literally Homeless' as follows:

1.1.1.1. Has a primary nighttime residence that is a public or private place not meant for human habitation;

1.1.1.2. Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or

1.1.1.3. Is exiting an institution where they resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

1.2. The Contractor must ensure services are available in Rockingham County.

1.3. The Contractor must provide access to emergency shelter and related services specifically to provide safety in cold weather, to those experiencing homelessness as described in Section 1.1., and who are unable to access year-round emergency shelter services. The Contractor must:

1.3.1. Ensure that community plans that include a cold weather shelter must have shelter designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep during the winter and cold weather months.

1.3.2. Ensure basic needs of each individual are met, including at a minimum, a safe, protective, and sanitary environment, on a short-term emergency or transitional basis, as described in RSA 126-A:26.

1.3.3. Provide a low-barrier shelter, with no pre-conditions for entry during cold weather. Terminations from shelter must only be due to safety concerns.

1.3.4. Ensure services are provided in a facility in accordance with Section 3.4. Operation of Facilities, that includes at a minimum:

1.3.4.1. Building maintenance and repair;

1.3.4.2. Security systems;

1.3.4.3. Heating equipment;

1.3.4.4. Property and business insurance;

1.3.4.5. Utilities and furnishings; and

1.3.4.6. Bathrooms.

1.4. The Contractor must evaluate and assess appropriate housing needs throughout the county as identified in Section 1.2. If a centralized building is not accessible for the entire county or logical given the geographic location, the Contractor must provide alternatives to a centralized shelter.

1.5. The Contractor must refer clients to the appropriate Regional Access Point for supportive services.

1.6. The Contractor must engage with all municipalities, related providers, and other stakeholders in the county as identified in Section 1.2. The Contractor must:

1.6.1. Be flexible and reflective of the needs of the particular county, and include a mix of responses, including, but not limited to:

1.6.1.1. Partial funding of a cold weather shelter.

1.6.1.2. Hotel stays.

1.6.1.3. Other alternatives to provide shelter.

1.6.1.4. Coordination of referrals to related services.

1.6.1.5. Transportation to shelter solution.

1.6.2. Coordinate with the municipal welfare director(s) within the county served to leverage funds in order to serve all people experiencing homelessness who present for services.

1.6.3. Build off of existing resources for such services and not replace what a community is responsible to provide under RSA 165.

1.7. The Contractor must enter client data into the Homeless Management Information System, as described in the NH HMIS Policy and Procedure Manual.

1.8. The Contractor must participate in meetings with the Department on a monthly basis, or as otherwise requested by the Department.

1.9. The Contractor must participate in on-site reviews conducted by the Department on an annual basis, or as otherwise requested by the Department.

1.10. The Contractor must facilitate reviews of files conducted by the Department on an annual basis, or as otherwise requested by the Department, that may include, but are not limited to financial files.

1.11. Reporting

1.11.1. The Contractor must submit monthly reports via the Department's designated Homeless Management Information System (HMIS) reporting system, which include, but are not limited to:

1.11.1.1. Number of people served each month.

1.11.1.2. Cumulative number of people served.

1.11.1.3. Number of referrals to Regional Access Point.

1.11.2. The Contractor may be required to provide other key data and metrics to the Department in a format specified by the Department.

1.12. Background Checks

1.12.1. Prior to permitting any individual to provide services under this Agreement, the Contractor must ensure that said individual has undergone:

1.12.1.1. A criminal background check, at the Contractor's expense, and has no convictions for crimes that represent evidence of behavior that could endanger individuals served under this Agreement;

1.12.1.2. A name search of the Department's Bureau of Elderly and Adult Services (BEAS) State Registry, pursuant to RSA 161-F:49, with results indicating no evidence of behavior that could endanger individuals served under this Agreement;

1.12.1.3. 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;

1.13. Privacy Impact Assessment

1.13.1. Upon request, the Contractor must allow and assist the Department in conducting a Privacy Impact Assessment (PIA) of its system(s)/application(s)/web portal(s)/website(s) or Department system(s)/application(s)/web portal(s)/website(s) hosted by the Contractor, if Personally Identifiable Information (PII) is collected, used, accessed, shared, or stored. To conduct the PIA the Contractor must provide the Department access to applicable systems and documentation sufficient to allow the Department to assess, at minimum, the following:

1.13.1.1. How PII is gathered and stored;

1.13.1.2. Who will have access to PII;

1.13.1.3. How PII will be used in the system;

1.13.1.4. How individual consent will be achieved and revoked; and

1.13.1.5. Privacy practices.

1.13.2. The Department may conduct follow-up PIAs in the event there are either significant process changes or new technologies impacting the collection, processing or storage of PII.

1.14. Department Owned Devices, Systems and Network Usage

1.14.1.1. If Contractor End Users are authorized by the Department's Information Security Office to use a Department issued device (e.g. computer, tablet, mobile telephone) or access the Department network in the fulfilment of this Agreement, each End User must:

1.14.1.2. Sign and abide by applicable Department and New Hampshire Department of Information Technology (NH DoIT) use agreements, policies, standards, procedures and guidelines, and complete applicable trainings as required;

1.14.1.3. Use the information that they have permission to access solely for conducting official Department business and agree that all other use or access is strictly forbidden including, but not limited, to personal or other private and non-Department use, and that at no time shall they access or attempt to access information without having the express authority of the Department to do so;

1.14.1.4. Not access or attempt to access information in a manner inconsistent with the approved policies, procedures, and/or agreement relating to system entry/access;

1.14.1.5. Not copy, share, distribute, sub-license, modify, reverse engineer, rent, or sell software licensed, developed, or being evaluated by the Department, and at all times must use utmost care to protect and keep such software strictly confidential in accordance with the license or any other agreement executed by the Department;

1.14.1.6. Only use equipment, software, or subscription(s) authorized by the Department's Information Security Office or designee;

1.14.1.7. Not install non-standard software on any Department equipment unless authorized by the Department's Information Security Office or designee;

1.14.1.8. Agree that email and other electronic communication messages created, sent, and received on a Department-issued email system are the property of the Department of New Hampshire and to be used for business purposes only. Email is defined as "internal email systems" or "Department-funded email systems."

1.14.1.9. Agree that use of email must follow Department and NH DoIT policies, standards, and/or guidelines; and

1.14.1.10. Agree when utilizing the Department's email system:

1.14.1.10.1. To only use a Department email address assigned to them with a "@ affiliate.DHHS.NH.Gov".

1.14.1.10.2. Include in the signature lines information identifying the End User as a non-Department workforce member; and

1.14.1.10.3. Ensure the following confidentiality notice is embedded underneath the signature line:

CONFIDENTIALITY NOTICE: "This message may contain information that is privileged and confidential and is intended only for the use of the individual(s) to whom it is addressed. If you receive this message in error, please notify the sender immediately and delete this electronic message and any attachments from your system. Thank you for your cooperation."

1.14.1.11. Contractor End Users with a Department issued email, access or potential access to Confidential Data, and/or a workspace in a Department building/facility, must:

1.14.1.12. Complete the Department's Annual Information Security & Compliance Awareness Training prior to accessing, viewing, handling, hearing, or transmitting Department Data or Confidential Data.

1.14.1.13. Sign the Department's Business Use and Confidentiality Agreement and Asset Use Agreement, and the NH DoIT Department wide Computer Use Agreement upon execution of the Contract and annually throughout the Contract term.

1.14.1.14. Contractor agrees, if any End User is found to be in violation of any of the above-Department terms and conditions of the Contract, said End User may face removal

from the Contract, and/or criminal and/or civil prosecution, if the act constitutes a violation of law.

1.14.1.15. Contractor agrees to notify the Department a minimum of three business days prior to any upcoming transfers or terminations of End Users who possess Department credentials and/or badges or who have system privileges. If End Users who possess Department credentials and/or badges or who have system privileges resign or are dismissed without advance notice, the Contractor agrees to notify the Department's Information Security Office or designee immediately.

1.14.2. Workspace Requirement

1.14.2.1. If applicable, the Department will work with Contractor to determine requirements for providing necessary workspace and State equipment for its End Users.

1.15. Contract End-of-Life Transition Services

1.15.1. General Requirements

1.15.1.1. If applicable, upon termination or expiration of the Contract the Parties agree to cooperate in good faith to effectuate a smooth secure transition of the Services from the Contractor to the Department and, if applicable, the Contractor engaged by the Department to assume the Services previously performed by the Contractor for this section the new Contractor shall be known as "Recipient"). Ninety (90) days prior to the end of the contract or unless otherwise specified by the Department, the Contractor must begin working with the Department and if applicable, the new Recipient to develop a Data Transition Plan (DTP). The Department shall provide the DTP template to the Contractor.

1.15.1.2. The Contractor must use reasonable efforts to assist the Recipient, in connection with the transition from the performance of Services by the Contractor and its End Users to the performance of such Services. This may include assistance with the secure transfer of records (electronic and hard copy), transition of historical data (electronic and hard copy), the transition of any such Service from the hardware, software, network and telecommunications equipment and internet-related information technology infrastructure ("Internal IT Systems") of Contractor to the Internal IT Systems of the

Recipient and cooperation with and assistance to any third-party consultants engaged by Recipient in connection with the Transition Services.

1.15.1.3. If a system, database, hardware, software, and/or software licenses (Tools) was purchased or created to manage, track, and/or store Department Data in relationship to this contract said Tools will be inventoried and returned to the Department, along with the inventory document, once transition of Department Data is complete.

1.15.1.4. The internal planning of the Transition Services by the Contractor and its End Users shall be provided to the Department and if applicable the Recipient in a timely manner. Any such Transition Services shall be deemed to be Services for purposes of this Contract.

1.15.1.5. Should the data Transition extend beyond the end of the Contract, the Contractor agrees that the Contract Information Security Requirements, and if applicable, the Department's Business Associate Agreement terms and conditions remain in effect until the Data Transition is accepted as complete by the Department.

1.15.1.6. In the event where the Contractor has comingled Department Data and the destruction or Transition of said data is not feasible, the Department and Contractor will jointly evaluate regulatory and professional standards for retention requirements prior to destruction, refer to the terms and conditions of Exhibit D: DHHS Information Security Requirements.

1.15.2. Completion of Transition Services

1.15.2.1. Each service or Transition phase shall be deemed completed (and the Transition process finalized) at the end of 15 business days after the product, resulting from the Service, is delivered to the Department and/or the Recipient in accordance with the mutually agreed upon Transition plan, unless within said 15 business day term the Contractor notifies the Department of an issue requiring additional time to complete said product.

1.15.2.2. Once all parties agree the data has been migrated the Contractor will have 30 days to destroy the data per the terms and conditions of Exhibit D: DHHS Information Security Requirements.

1.15.3. Disagreement over Transition Services Results

1.15.3.1. In the event the Department is not satisfied with the results of the Transition Service, the Department shall notify the Contractor, by email, stating the reason for the lack of satisfaction within 15 business days of the final product or at any time during the data Transition process. The Parties shall discuss the actions to be taken to resolve the disagreement or issue. If an agreement is not reached, at any time the Department shall be entitled to initiate actions in accordance with the Contract.

2. Exhibits Incorporated

2.1. The Contractor must manage all confidential data related to this Agreement in accordance with the terms of Exhibit D, DHHS Information Security Requirements.

3. Additional Terms

3.1. Impacts Resulting from Court Orders or Legislative Changes

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.

3.3.3.3. Protocols or guidelines.

3.3.3.4. Posters.

3.3.3.5. Reports.

3.3.4. 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 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.

4.2. 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.

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

EXHIBIT C

Payment Terms

1. This Agreement is funded by:
   1.1. 100% General funds.
2. For the purposes of this Agreement the Department has identified:
   2.1. The Contractor as a Subrecipient, based on criteria in 2 CFR 200.331.
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 Exhibit C-1, 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. Includes the Contractor's Vendor Number issued upon registering with New Hampshire Department of Administrative Services.
   4.2. Is submitted in a form that is provided by or otherwise acceptable to the Department.
   4.3. Identifies and requests payment for allowable costs incurred in the previous month.
   4.4. 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.
   4.5. Is completed, dated and returned to the Department with the supporting documentation for allowable expenses to initiate payment.
   4.6. Is assigned an electronic signature, includes supporting documentation, and is emailed to housingsupportsinvoices@dhhs.nh.gov or mailed to:

      Financial Manager
      Department of Health and Human Services
      129 Pleasant Street
      Concord, NH 03301
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 $2,000,000 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.

8.4. 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.

New Hampshire Department of Health and Human Services

Complete one budget form for each budget period.

Contractor Name: *Cross Roads House, Inc.*

Budget Request for: *Cold Weather Shelter Program*

Budget Period *10/1/23-6/30/24*

Indirect Cost Rate (if applicable) 0.00%

Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	$42,000
2. Fringe Benefits	$0
3. Consultants	$0
4. Equipment *Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.*	$0
5.(a) Supplies - Educational	$0
5.(b) Supplies - Lab	$0
5.(c) Supplies - Pharmacy	$0
5.(d) Supplies - Medical	$0
5.(e) Supplies Office	$0
6. Travel	$0
7. Software	$0
8. (a) Other - Marketing/Communications	$0
8. (b) Other - Education and Training	$0
8. (c) Other - Other (specify below)	$30,000
Food	$20,000
Miscellaneaus - transportation, gift cards, cots, blankets, plas	$10,000
Other (please specify)	$0
Other (please specify)	$0
9. Subrecipient Contracts	$0
Total Direct Costs	$72,000
Total Indirect Costs	$8,000
TOTAL	**$80,000**

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New Hampshire Department of Health and Human Services

Exhibit D

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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or misplacement of hardcopy documents, and misrouting of physical or electronic mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

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

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

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

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

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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

2. The Contractor must not disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.
3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

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

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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.

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.).

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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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future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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

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

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

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

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

16. The Contractor must ensure that all End Users:

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

    b. safeguard this information at all times.

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

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

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

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

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

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

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

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

V. LOSS REPORTING

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

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

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;

4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and
5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh:gov B.

DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov