

ARC  
13



STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF LONG TERM SUPPORTS AND SERVICES

Lori A. Weaver  
Commissioner

Melissa A. Hardy  
Director

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-5034 1-800-852-3345 Ext. 5034  
Fax: 603-271-5166 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

October 22, 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 of Long Term Supports and Services, to enter into a **Sole Source** contract with Behavioral Health & Developmental Services of Strafford County, Inc. (VC#177278-B001), Dover, NH, in the amount of \$500,000 to administer funds for recreational activities for individuals with developmental disabilities or acquired brain disorders who have exited the school system, with the option to renew for up to four (4) additional years, effective upon Governor and Council approval through January 1, 2026. 100% General Funds.

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.

**05-095-093-930010-59470000 DEPARTMENT OF HEALTH AND HUMAN SERVICES, HHS: LTSS-DEVELOPMENTAL SERVICES, PROGRAM SUPPORT**

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2025	501-500425	Payments to Clients	TBD	\$500,000
			<b>Total</b>	<b>\$500,000</b>

**EXPLANATION**

This request is **Sole Source** because it was not competitively bid. This request is in response to Senate Bill 409, which was signed into Chapter Law 376 by Governor Sununu on August 23, 2024, and requires the Department to contract with one (1) or more organizations, such as an area agency, as defined in RSA 171-A, to administer these funds. This sole source request will allow the Department to implement these recreational services as quickly as possible, in accordance with Senate Bill 409. The Department identified the Contractor as willing and able to immediately provide these services at the lowest administrative cost.

The purpose of this request is to provide fiscal administrative functions regarding funding for recreational activities for individuals receiving services through the 1915(c) Developmental Disability or Acquired Brain Disorder Medicaid waiver.

Approximately 750 individuals will be served during State Fiscal Year 2025.

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
Page 2 of 2

The population to be served includes individuals with developmental disabilities or acquired brain disorders, who wish to access recreational activities in their community. The Contractor will be responsible for fiscal intermediary services, including providing payment to families/individuals who request funding for covered recreational activities throughout the State.

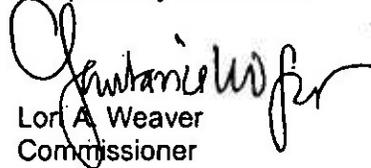
The Department will monitor services by reviewing reports submitted by the Contractor, which will include the total number of payments made to individuals and total amount of funds spent.

As referenced in Exhibit A of the attached agreement, the parties have the option to extend the agreement for up four (4) 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, the Department will be unable to carry out the provision of Senate Bill 409 and individuals will not be able to receive this funding.

Area served: Statewide

Respectfully submitted,



Lori A. Weaver  
Commissioner

**Subject: SS-2025-DLTSS-01-RECRE-01 Recreational Activities Funding for Individuals with Developmental Disabilities**

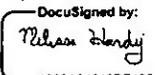
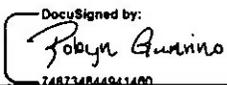
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**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 Behavioral Health & Developmental Services of Strafford County, Inc.		1.4 Contractor Address 1 Forum Court, Crosby Rd Dover, NH 03820	
1.5 Contractor Phone Number 603-516-9300	1.6 Account Unit and Class TBD	1.7 Completion Date January 1, 2026	1.8 Price Limitation \$500,000
1.9 Contracting Officer for State Agency Robert W. Moore, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Signed by: _____ Date: 10/23/2024		1.12 Name and Title of Contractor Signatory Bryant Hardwick Board President	
1.13 State Agency Signature  DocuSigned by: _____ Date: 10/24/2024		1.14 Name and Title of State Agency Signatory Melissa Hardy Director, DLSS	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 10/24/2024			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed.

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance

hereof, and shall be the only and the complete compensation to the Contractor for the Services.

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

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

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

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

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

6.4. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with this Agreement and all rules, regulations and orders pertaining to the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

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

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

Contractor Initials **BH**  
Date **10/23/2024**

**8. EVENT OF DEFAULT/REMEDIES.**

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

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

**9. TERMINATION.**

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

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

**10. PROPERTY OWNERSHIP/DISCLOSURE.**

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

10.2 All data and any Property which has been received from the State, or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

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

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

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.**

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

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

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

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

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

**14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

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

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

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

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

**15. WORKERS' COMPENSATION.**

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

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

**16. WAIVER OF BREACH.** A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

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

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CHOICE OF LAW AND FORUM.**

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

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

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

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

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

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

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

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

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

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT A**

**Revisions to Standard Agreement Provisions**

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

1.1. Paragraph 3, Effective Date/Completion of Services, is amended by deleting subparagraph 3.3., in its entirety and replacing it as follows:

3.3. Contractor must complete all Services by the Completion Date specified in block 1.7. The parties may extend the Agreement for up to four (4) additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.

1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.5., as follows:

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

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

**Scope of Services**

**1. Statement of Work**

- 1.1. The Contractor must facilitate payments for recreational services to individuals who:
  - 1.1.1. Have graduated or exited the school system;
  - 1.1.2. Are receiving services under the 1915(c) Developmental Disabilities (DD) or Acquired Brain Disorder (ABD) waiver; and
  - 1.1.3. Are not eligible to have the costs for these services covered by the New Hampshire Medicaid State plan or the DD or ABD 1915(c) Home and Community Based Services (HCBS) Waiver.
- 1.2. For the purposes of this Agreement, all references to days means calendar days, unless otherwise noted, excluding state and federal holidays.
- 1.3. The Contractor must make payment, as instructed by the Department, to eligible individuals or to businesses or other entities that provide recreational services to individuals (the "Payees"). The Department shall provide the Contractor with a list of approved Payees via the Secure File Transfer Protocol (SFTP), with a corresponding W-9 form for each request for payment.
- 1.4. The Contractor must make payments, not to exceed \$600 per eligible individual, by issuing and sending a physical check to the approved Payees within fifteen (15) days of receiving the list of approved Payees from the Department. The Contractor must issue physical checks on no less than a weekly basis.
  - 1.4.1. The Contractor may, if agreed upon between the Payee and the Contractor, issue an electronic check/deposit to the Payee if the Payee is:
    - 1.4.1.1. A business or other entity; or
    - 1.4.1.2. The Contractor's existing client who is set up to receive payment via an electronic check/deposit for existing services other than those specified in this Agreement.
- 1.5. The Contractor must issue all payments to approved Payees under this Agreement no later than June 30, 2025, contingent upon Department submission of final list of approved Payees no later than June 16, 2025.
- 1.6. The Contractor must issue Form-1099 MISC – Miscellaneous Information to Payees, as applicable, on an annual basis at the end of each calendar year.
- 1.7. The Contractor must provide one (1) staff person to serve as the point of contact for Payees, including, but not limited to, responding to Payee questions regarding payments and/or requests for reissuance of checks.

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

- 1.8. The Contractor must participate in meetings with the Department as requested by the Department to discuss the services described herein and/or any issues impacting compliance with the terms of this Agreement.
- 1.9. Reporting
  - 1.9.1. The Contractor must submit reports to the Department no later than March 1, 2025, August 1, 2025, and January 1, 2026, which must include: total number of payments made to payees; unduplicated count of individuals approved for recreational funds, total amount spent per individual; and total amount of any uncashed checks.
- 1.10. Background Checks
  - 1.10.1. Prior to permitting any individual to provide services under this Agreement, the Contractor must ensure that said individual has undergone:
    - 1.10.1.1. 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;
    - 1.10.1.2. A name search of the Department's Bureau of Adult and Aging Services (BAAS) State Registry, pursuant to RSA 161-F:49, with results indicating no evidence of behavior that could endanger individuals served under this Agreement; and
    - 1.10.1.3. 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.
- 1.11. Confidential Data
  - 1.11.1. The Contractor must meet all information security and privacy requirements as set by the Department and in accordance with the Department's Information Security Requirements Exhibit as referenced below.
  - 1.11.2. The Contractor must ensure any individuals involved in delivering services through this Contract sign an attestation agreeing to access, view, store, and discuss Confidential Data in accordance with federal and state laws and regulations and the Department's Information Security Requirements Exhibit. The Contractor must ensure said individuals have a justifiable business need to access confidential data. The Contractor must provide attestations upon Department request.

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

1.12. Privacy Impact Assessment

1.12.1. 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:

1.12.1.1. How PII is gathered and stored;

1.12.1.2. Who will have access to PII;

1.12.1.3. How PII will be used in the system;

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

1.12.1.5. Privacy practices.

1.12.2. 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.

1.13. Department Owned Devices, Systems and Network Usage

1.13.1. If Contractor End Users, defined in the Department's Information Security Requirements Exhibit that is incorporated into this Agreement, 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 fulfillment of this Agreement, each End User must:

1.13.2.1. 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;

1.13.2.2. 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;

1.13.2.3. Not access or attempt to access information in a manner inconsistent with the approved policies, procedures, <sup>(initials)</sup> and/or

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

---

agreement relating to system entry/access;

- 1.13.2.4. 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;
- 1.13.2.5. Only use equipment, software, or subscription(s) authorized by the Department's Information Security Office or designee;
- 1.13.2.6. Not install non-standard software on any Department equipment unless authorized by the Department's Information Security Office or designee;
- 1.13.2.7. 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."
- 1.13.2.8. Agree that use of email must follow Department and NH DoIT policies, standards, and/or guidelines; and
- 1.13.2.9. Agree when utilizing the Department's email system:
  - 1.13.2.9.1. To only use a Department email address assigned to them with a "@ affiliate.DHHS.NH.Gov".
  - 1.13.2.9.2. Include in the signature lines information identifying the End User as a non-Department workforce member; and
  - 1.13.2.9.3. 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."
- 1.13.2.10. 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:

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

---

- 1.13.2.10.1. Complete the Department's Annual Information Security & Compliance Awareness Training prior to accessing, viewing, handling, hearing, or transmitting Department Data or Confidential Data.
- 1.13.2.10.2. 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 Agreement and annually thereafter.
- 1.13.2.10.3. Only access the Department's intranet to view the Department's Policies and Procedures and Information Security webpages.
  
- 1.13.2.11. Contractor agrees, if any End User is found to be in violation of any of the above terms and conditions, said End User may face removal from the Agreement, and/or criminal and/or civil prosecution, if the act constitutes a violation of law.
  
- 1.13.2.12. 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.
  
- 1.13.3. Workspace Requirement
  - 1.13.3.1. If applicable, the Department will work with Contractor to determine requirements for providing necessary workspace and State equipment for its End Users.
  
- 1.14. Contract End-of-Life Transition Services
  - 1.14.1. General Requirements
    - 1.14.1.1. If applicable, upon early termination or expiration of the Agreement the parties agree to cooperate in good faith to effectuate a secure transition of the services ("Transition Services") from the Contractor to the Department and, if applicable, the new Contractor ("Recipient") engaged by the Department to assume the services. Ninety (90) days prior to the end-of the contract or unless otherwise specified by the Department, the Contractor must begin working with the

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

Department and if applicable, the Recipient to develop a Data Transition Plan (DTP). The Department shall provide the DTP template to the Contractor.

- 1.14.1.2. The Contractor must 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.
- 1.14.1.3. 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.
- 1.14.1.4. 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 Agreement.
- 1.14.1.5. In the event the data Transition extend beyond the end of the Agreement, the Contractor agrees that the 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.
- 1.14.1.6. In the event 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 the Department's DHHS Information Security Requirements Exhibit.

1.14.2. Completion of Transition Services

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

1.14.2.1. 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.

1.14.2.2. 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 the Department's Information Security Requirements Exhibit.

1.14.3. Disagreement over Transition Services Results

1.14.3.1. In the event the Department is not satisfied with the results of the Transition Service, the Department shall notify the Contractor, in writing, 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 Agreement.

**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.

2.2. The Contractor must use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit E, Business Associate Agreement, which has been executed by the parties.

**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.

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

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

**3.2.1. The Contractor must submit:**

- 3.2.1.1. A detailed description of the language assistance services, within ten (10) days of the Effective Date of the Agreement, 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.
- 3.2.1.2. A written attestation, within 45 days of the Effective Date of the Agreement and annually thereafter, that all personnel involved the provision of services to individuals under this Agreement have completed, within the last 12 months, the Contractor Required Training Video on Civil Rights-related Provisions in DHHS Procurement Processes, which is accessible on the Department's website (<https://www.dhhs.nh.gov/doing-business-dhhs/civil-right-compliance-dhhs-vendors>); and
- 3.2.1.3. The Department's Federal Civil Rights Compliance Checklist within ten (10) days of the Effective Date of the Agreement. The Federal Civil Rights Compliance Checklist must have been completed within the last 12 months and is accessible on the Department's website (<https://www.dhhs.nh.gov/doing-business-dhhs/civil-right-compliance-dhhs-vendors>).

**3.4 Credits and Copyright Ownership**

- 3.4.1 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."
- 3.4.2 All materials produced or purchased under the Agreement must have prior approval from the Department before printing, production, distribution or use.
- 3.4.3 The Department must retain copyright ownership for any and all original materials produced, including, but not limited to:

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT B**

---

- 3.4.3.1 Brochures.
- 3.4.3.2 Resource directories.
- 3.4.3.3 Protocols or guidelines.
- 3.4.3.4 Posters.
- 3.4.3.5 Reports.
- 3.4.4 The Contractor must not reproduce any materials produced under the Agreement without prior written approval from the Department.

**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.
- 4.3. 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.

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**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 Contractor, in accordance with 2 CFR 200.331.
3. The Department must provide an approved list to the Contractor, referenced in Exhibit B, Scope of Services, Section 1.3.
4. Payment shall be made as follows:
  - 4.1. Within ten (10) days of payment issuance to Department-approved Payees, as described in Exhibit B, Scope of Services, Section 1.3., the Contractor must provide the Department with payment information, which may include, but is not limited to, a check register and additional supporting documentation as requested by the Department.
  - 4.2. The Department shall issue payment to the Contractor within fifteen (15) days of receipt of the payment information specified in Section 4.1 above, including the administrative cost rate of 10%, not to exceed \$50,000 in total administrative costs.
  - 4.3. The Contractor must return any funds from issued checks not cashed and other returned payment to the Department no later than January 1, 2026.
5. The Contractor must issue all payments to approved Payees under this Agreement no later than June 30, 2025.
6. Notwithstanding Paragraph 18 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.
7. Audits
  - 7.1. The Contractor must email an annual audit to [dhhs.act@dhhs.nh.gov](mailto:dhhs.act@dhhs.nh.gov) if any of the following conditions exist:
    - 7.1.1. Condition A - The Grantee is subject to a Single Audit pursuant to 2 CFR Part 200.501 Audit Requirements.
    - 7.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b.

**New Hampshire Department of Health and Human Services  
Recreational Activities Funding for Individuals with Developmental Disabilities**

**EXHIBIT C**

---

- 7.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
- 7.2. 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](mailto: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.
- 7.2.1. 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.
- 7.3. 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.
- 7.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA upon request.
- 7.5. In addition to, and not in any way in limitation of obligations of the Agreement, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Agreement to which exception has been taken, or which have been disallowed because of such an exception.

## 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

Contractor Initials

<sup>Initial</sup>  
BH

## New Hampshire Department of Health and Human Services

### Exhibit D

### DHHS Information Security Requirements

---

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

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

#### I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

##### A. Business Use and Disclosure of Confidential Information.

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

Contractor Initials Initial  
BH

## New Hampshire Department of Health and Human Services

### Exhibit D

### DHHS Information Security Requirements

---

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

#### II. METHODS OF SECURE TRANSMISSION OF DATA

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

Contractor Initials Initial  
BH

## New Hampshire Department of Health and Human Services

### Exhibit D

### DHHS Information Security Requirements

---

8. Open Wireless Networks. End User may not transmit Confidential Data via an open wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.
9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

#### A. Retention

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

Contractor Initials

Initial  
BH

## New Hampshire Department of Health and Human Services

### Exhibit D

### DHHS Information Security Requirements

---

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

#### B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

#### IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

Contractor Initials Initial  
BH

## New Hampshire Department of Health and Human Services

### Exhibit D

### DHHS Information Security Requirements

---

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent

Contractor Initials Initial  
BH

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

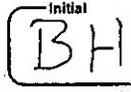
**Exhibit D**

**DHHS Information Security Requirements**

---

future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doiit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.

Contractor Initials 

## New Hampshire Department of Health and Human Services

### Exhibit D

### DHHS Information Security Requirements

---

- d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

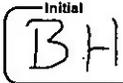
Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until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

#### V. LOSS REPORTING

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

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

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

Contractor Initials 

## New Hampshire Department of Health and Human Services

### Exhibit D

### DHHS Information Security Requirements

---

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

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

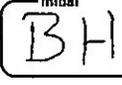
#### VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

Contractor Initials 

Date 10/23/2024



New Hampshire Department of Health and Human

Exhibit E

**BUSINESS ASSOCIATE AGREEMENT**

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

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

(1) **Definitions**

- a. The following terms shall have the same meaning as defined in HIPAA, the HITECH Act, and Part 2, as they may be amended from time to time:  
  - "Breach," "Designated Record Set," "Data Aggregation," Designated Record Set," "Health Care Operations," "HITECH Act," "Individual," "Privacy Rule," "Required by law," "Security Rule," and "Secretary."
- b. Business Associate Agreement, (BAA) means the Business Associate Agreement that includes privacy and confidentiality requirements of the Business Associate working with PHI and as applicable, Part 2 record(s) on behalf of the Covered Entity under the Agreement.
- c. "Constructively Identifiable," means there is a reasonable basis to believe that the information could be used, alone or in combination with other reasonably available information, by an anticipated recipient to identify an individual who is a subject of the information.
- d. "Protected Health Information" ("PHI") as used in the Agreement and the BAA, means protected health information defined in HIPAA 45 CFR 160.103, limited to the information created, received, or used by Business Associate from or on behalf of Covered Entity, and includes any Part 2 records, if applicable, as defined below:
- e. "Part 2 record" means any patient "Record," relating to a "Patient," and "Patient Identifying Information," as defined in 42 CFR Part 2.11.
- f. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

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

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

Exhibit E

Business Associate Agreement  
Page 1 of 5

Contractor Initials

BH

Date 10/23/2024



New Hampshire Department of Health and Human

Exhibit E

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

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

(3) Obligations and Activities of Business Associate

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

Exhibit E

Contractor Initials

BH

Date 10/23/2024



New Hampshire Department of Health and Human

Exhibit E

security breach as described above and communicate the risk assessment to the Covered Entity. The risk assessment shall include, but not be limited to:

- I. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - II. The unauthorized person who accessed, used, disclosed, or received the protected health information;
  - III. Whether the protected health information was actually acquired or viewed; and
  - IV. How the risk of loss of confidentiality to the protected health information has been mitigated.
- e. The Business Associate shall complete a risk assessment report at the conclusion of its incident or breach investigation and provide the findings in a written report to the Covered Entity as soon as practicable after the conclusion of the Business Associate's investigation.
  - f. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the US Secretary of Health and Human Services for purposes of determining the Business Associate's and the Covered Entity's compliance with HIPAA and the Privacy and Security Rule, and Part 2, if applicable.
  - g. Business Associate shall require all of its business associates that receive, use or have access to PHI under the BAA to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein.
  - h. Within ten (10) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the BAA and the Agreement.
  - i. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
  - j. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
  - k. Business Associate shall document any disclosures of PHI and information related to any disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
  - l. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to

Exhibit E

Contractor Initials

PHI Initial  
BH



New Hampshire Department of Health and Human

Exhibit E

accordance with 45 CFR Section 164.528.

- m. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within five (5) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- n. Within thirty (30) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-ups of such PHI in any form or platform.
- VI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, or if retention is governed by state or federal law, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible for as long as the Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall post a current version of the Notice of the Privacy Practices on the Covered Entity's website:  
<https://www.dhhs.nh.gov/oos/hipaa/publications.htm> in accordance with 45 CFR Section 164.520.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this BAA, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination of Agreement for Cause

- a. In addition to the General Provisions (P-37) of the Agreement, the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a material breach by Business Associate of the Business Associate Agreement. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity.

(6) Miscellaneous

- a. Definitions, Laws, and Regulatory References. All laws and regulations

Exhibit E

Contractor Initials IBH

Date 10/23/2024



New Hampshire Department of Health and Human

Exhibit E

herein, shall refer to those laws and regulations as amended from time to time. A reference in the Agreement, as amended to include this Business Associate Agreement, to a Section in HIPAA or 42 Part 2, means the Section as in effect or as amended.

- b. Change in law - Covered Entity and Business Associate agree to take such action as is necessary from time to time for the Covered Entity and/or Business Associate to comply with the changes in the requirements of HIPAA, 42 CFR Part 2 other applicable federal and state law.
c. Data Ownership - The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
d. Interpretation - The parties agree that any ambiguity in the BAA and the Agreement shall be resolved to permit Covered Entity and the Business Associate to comply with HIPAA and 42 CFR Part 2.
e. Segregation - If any term or condition of this BAA or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this BAA are declared severable.
f. Survival - Provisions in this BAA regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the BAA in section (3) g. and (3) n.l., and the defense and indemnification provisions of the General Provisions (P-37) of the Agreement, shall survive the termination of the BAA.

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

Department of Health and Human Services

Behavioral Health & Developmental Services of
Strafford County, Inc.

The State

Name of the Contractor

DocuSigned by:
Melissa Hardy
1332A24040DF40E

Signed by:
244E5BFC080004CD

Signature of Authorized Representative

Signature of Authorized Representative

Melissa Hardy

Bryant Hardwick

Name of Authorized Representative

Name of Authorized Representative

Director, DLTSS

Board President

Title of Authorized Representative

Title of Authorized Representative

10/24/2024

10/23/2024

Date

Date

Exhibit E

Initial
BH
Contractor Initials

Date 10/23/2024

# 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 BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on September 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: 62273

Certificate Number: 0006655781



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. 2024.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan  
Secretary of State

CERTIFICATE OF AUTHORITY

I, Ann Landry, hereby certify that:

1. I am a duly elected Officer of Behavioral Health & Developmental Services of Strafford County, Inc.

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 October 22, 2024, at which a quorum of the Directors/shareholders were present and voting

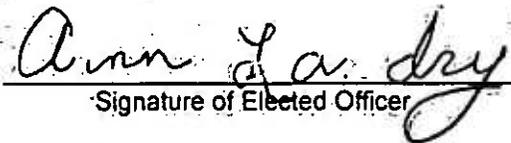
VOTED: That Bryant Hardwick, Board President

is duly authorized on behalf of Behavioral Health & Developmental Services of Strafford County, 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/her judgment be desirable or necessary to affect 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: 10/22/2024

  
Signature of Elected Officer

Title: Secretary





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

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

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

A United Way  
Partner Agency



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

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

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

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

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

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

**Community Partners**

Behavioral Health & Developmental Services of Strafford County, Inc.



CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

June 30, 2024 and 2023

With Independent Auditor's Report

DRAFT





## INDEPENDENT AUDITOR'S REPORT

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

### Opinion

We have audited the accompanying consolidated financial statements of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners of Strafford County and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional revenue and expenses without donor restrictions, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

### Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted auditing standards (U.S. GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, the Organization adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-13, *Financial Instruments - Credit Losses (Topic 326) Measurement of Credit Losses on Financial Instruments*, and related guidance, during the year ended June 30, 2024. Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Consolidated Financial Statements

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

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

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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

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

**Supplementary Information**

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

Manchester, New Hampshire  
REPORT DATE

**DRAFT**

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

Consolidated Statements of Financial Position

June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 9,084,851	\$ 10,433,681
Restricted cash	112,672	112,646
Accounts receivable, net	2,525,119	1,918,086
Grants receivable	1,137,478	620,769
Prepaid expenses	804,346	552,017
Right-of-use (ROU) asset - operating	1,546,824	1,700,504
Property and equipment, net	<u>3,663,511</u>	<u>2,412,482</u>
Total assets	<u>\$ 18,874,801</u>	<u>\$ 17,750,185</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 1,874,339	\$ 2,416,658
Estimated third-party liabilities	1,175,027	1,548,348
Lease obligation - operating	1,597,137	1,728,272
Loan fund	89,709	89,683
Notes payable	<u>277,887</u>	<u>366,614</u>
Total liabilities	<u>5,014,099</u>	<u>6,149,575</u>
<b>Net assets</b>		
Without donor restrictions	13,795,190	11,535,623
With donor restrictions	<u>65,512</u>	<u>64,987</u>
Total net assets	<u>13,860,702</u>	<u>11,600,610</u>
Total liabilities and net assets	<u>\$ 18,874,801</u>	<u>\$ 17,750,185</u>

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

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

**Consolidated Statements of Activities**

**Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Changes in net assets without donor restrictions		
Public support and revenue		
Medicaid revenue	\$ 33,716,728	\$ 39,214,108
Medicare revenue	297,747	298,017
Client resources	2,612,940	2,438,933
Contract revenue	4,275,831	4,052,995
Grant income	2,137,964	1,665,058
Interest income	177,406	143,677
Public support	82,917	87,326
Other revenue	<u>150,921</u>	<u>175,498</u>
Total public support and revenue	43,451,454	48,075,612
Net assets released from restrictions	<u>36,475</u>	<u>44,260</u>
Total public support, revenue, and releases	<u>43,486,929</u>	<u>48,119,872</u>
Expenses		
Program services		
Case management	954,318	1,165,431
Day programs and community support	4,500,642	4,488,666
Early support services and youth and family	5,022,115	4,948,358
Family support	1,020,837	804,614
Residential services	9,497,090	17,721,937
Consolidated services	6,816,243	5,904,742
Adult services	2,932,612	3,265,400
Emergency services	916,661	799,401
Other	<u>4,997,386</u>	<u>4,326,597</u>
Total program expenses	36,655,904	43,425,144
Supporting services		
General management	<u>4,571,458</u>	<u>4,022,023</u>
Total expenses	<u>41,227,362</u>	<u>47,447,167</u>
Total changes in net assets without donor restrictions	<u>2,259,567</u>	<u>672,705</u>
Changes in net assets with donor restrictions		
Grants and contributions	36,000	36,833
Net assets released from restrictions	<u>(36,475)</u>	<u>(44,260)</u>
Total changes in net assets with donor restrictions	<u>525</u>	<u>(7,427)</u>
Total changes in net assets	2,260,092	665,278
Net assets, beginning of year	<u>11,600,610</u>	<u>10,935,332</u>
Net assets, end of year	\$ <u>13,860,702</u>	\$ <u>11,600,610</u>

DRAFT

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

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

Consolidated Statement of Functional Revenue and Expenses Without Donor Restrictions

Year Ended June 30, 2024

	Case Management	Day Programs and Community Support	Early Support Services and Youth and Family	Family Support	Residential Services	Consolidated Services	Adult Services	Emergency Services	Other	Total Program	General Management	Total
<b>Public support and revenue</b>												
Medicaid revenue	\$ 736,151	\$ 2,668,572	\$ 4,478,819	\$ 603,182	\$ 11,272,277	\$ 7,404,090	\$ 3,110,740	\$ 88,899	\$ 3,063,988	\$ 33,715,728	\$ -	\$ 33,715,728
Medicare revenue	-	10,274	-	-	-	-	1,825	-	89,550	297,747	-	297,747
Client resources	13,222	53,543	821,864	-	1,143,847	30,852	2,798	12,228	221,473	2,928,427	43,513	2,612,940
Contract revenue	8,320	463,195	358,003	571,548	12,227	37,594	84,861	781,436	1,827,871	4,123,123	152,708	4,775,831
Grant income	32,861	345,362	46,058	16,260	213,291	158,751	151,880	-	1,000,820	2,054,098	82,988	2,137,086
Interest income	-	58	-	-	-	-	-	-	87	125	177,281	177,408
Public support	-	-	7,036	1,474	-	-	-	-	74,271	82,781	136	82,917
Other revenue	3,292	3,227	12,186	781	34,183	-	-	1,278	3,687	100,844	50,077	150,821
<b>Total public support and revenue</b>	<b>783,648</b>	<b>3,784,231</b>	<b>5,718,778</b>	<b>1,253,343</b>	<b>12,675,825</b>	<b>7,632,625</b>	<b>3,828,328</b>	<b>804,841</b>	<b>6,362,130</b>	<b>43,844,741</b>	<b>508,713</b>	<b>43,451,454</b>
Net assets released from restrictions	-	-	-	-	-	-	-	-	35,475	35,475	-	35,475
<b>Total public support and revenue, and releases</b>	<b>783,648</b>	<b>3,784,231</b>	<b>5,718,778</b>	<b>1,253,343</b>	<b>12,675,825</b>	<b>7,632,625</b>	<b>3,828,328</b>	<b>804,841</b>	<b>6,417,605</b>	<b>43,880,216</b>	<b>508,713</b>	<b>43,486,829</b>
<b>Expenses</b>												
Salary and wages	611,757	2,448,425	2,992,565	348,436	1,854,373	1,921,273	1,938,572	598,182	2,971,110	16,945,292	3,038,718	18,984,010
Employee benefits	78,746	426,248	510,369	81,537	381,121	256,273	259,467	86,655	503,210	2,998,450	542,881	3,060,331
Payroll taxes	45,964	174,879	218,226	34,623	134,422	241,118	133,891	44,040	218,418	1,235,987	217,415	1,453,402
Client treatment services	7,243	236,142	115,968	482,821	1,882,579	2,784,448	65,888	-	284,324	10,528,125	-	10,528,125
Professional fees and consultants	19,008	78,269	269,383	1,519	64,788	30,540	111,870	104,556	98,129	780,349	252,218	1,032,465
Subcontractors	-	-	-	-	-	-	-	-	-	-	-	-
Staff development and training	7,389	18,108	81,040	1,378	12,550	1,818	21,737	6,887	18,287	145,044	108,083	253,128
Rent	-	108,536	104,819	-	12,550	-	64,271	7,827	102,471	369,804	13,728	413,832
Interest	745	-	414	-	3,287	189	13	-	7,709	12,474	1,044	13,518
Utilities	8,597	45,888	28,646	1,369	19,981	2,181	20,915	1,370	38,414	185,448	14,478	179,927
Building maintenance and repairs	21,370	161,432	122,819	184	61,840	5,438	48,928	2,025	100,359	595,489	33,574	569,063
Other occupancy costs	7,858	79,823	29,819	17	13,221	1,903	28,805	3,109	35,083	204,549	14,828	219,378
Office	17,129	79,184	29,874	17	46,879	8,882	29,432	5,726	62,444	339,804	64,541	404,445
Building and housing	2,488	19,447	-	-	8,045	834	4,115	453	16,689	83,051	5,272	88,223
Client consumables	390	22,987	3,174	1,288	38,822	20,129	573	91	28,350	118,081	161	118,882
Medical	406	812	743	35	1,288	58	807	104	1,105	5,358	787	6,155
Equipment maintenance	43,676	184,203	173,454	1,980	81,736	18,490	86,484	31,136	152,157	782,328	119,336	911,664
Depreciation	21,361	81,611	43,271	5,238	44,882	10,416	7,277	1,510	49,542	294,898	36,684	331,582
Advertising	-	908	75	-	-	589	-	-	-	1,270	-	1,270
Printing	-	51	211	-	-	-	171	14	869	1,116	518	1,633
Telephone and communications	21,154	71,789	53,683	4,380	17,384	6,514	32,614	11,709	59,530	278,717	80,470	359,187
Postage and shipping	780	4,290	5,415	188	2,150	379	3,628	788	8,730	27,382	5,877	33,009
Transportation	19,783	136,788	45,333	1,283	85,859	116,437	21,880	3,486	54,555	485,178	10,041	475,217
Assistance to individuals	7,783	2,653	3,322	53,432	33,889	150,580	983	325	18,825	273,979	619	274,598
Insurance	10,534	85,456	38,497	2,150	32,906	5,528	41,274	5,553	38,947	236,844	28,833	265,677
Membership dues	1,731	1,050	-	-	-	-	3,027	11	119,529	125,348	3,715	129,063
Other	178	1,102	87,783	2,126	703	12	8	10	-	101,851	12	101,863
<b>Total expenses</b>	<b>854,318</b>	<b>4,500,642</b>	<b>5,022,115</b>	<b>1,020,837</b>	<b>9,487,080</b>	<b>6,815,243</b>	<b>2,032,612</b>	<b>915,861</b>	<b>4,887,388</b>	<b>38,653,804</b>	<b>4,571,458</b>	<b>41,227,362</b>
<b>Total change in net assets without restrictions</b>	<b>\$ (100,672)</b>	<b>\$ (736,411)</b>	<b>\$ 687,661</b>	<b>\$ 232,506</b>	<b>\$ 3,178,735</b>	<b>\$ 817,377</b>	<b>\$ 885,717</b>	<b>\$ (20,820)</b>	<b>\$ 1,420,219</b>	<b>\$ 6,324,312</b>	<b>\$ (4,064,745)</b>	<b>\$ 2,259,567</b>

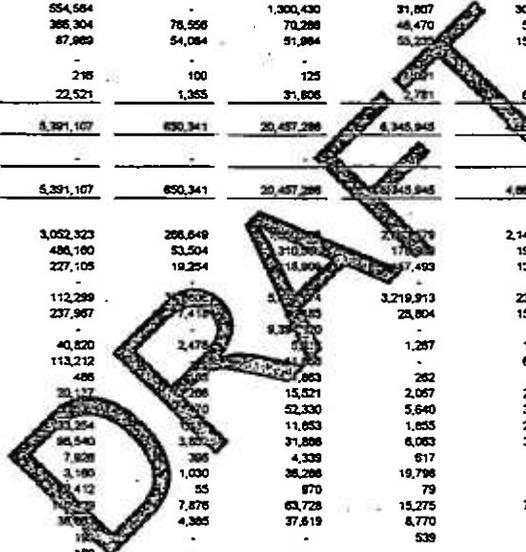
The accompanying notes are an integral part of these consolidated financial statements.

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

Consolidated Statement of Functional Revenue and Expenses Without Donor Restrictions

Year Ended June 30, 2023

	Case Management	Day Programs and Community Support	Early Support Services and Youth and Family	Family Support	Residential Services	Consolidated Services	Adult Services	Emergency Services	Other	Total Program	General Management	Total
Public support and revenue												
Medicaid revenue	\$ 901,205	\$ 3,533,402	\$ 4,359,513	\$ 518,246	\$ 19,002,655	\$ 6,205,561	\$ 3,674,610	\$ 150,054	\$ 698,051	\$ 39,214,106	\$ -	\$ 39,214,106
Medicare revenue	-	12,551	-	-	-	-	228,589	-	95,477	298,017	-	298,017
Client resources	58,407	70,773	554,584	-	1,300,430	31,807	300,135	38,948	87,899	2,438,533	-	2,438,533
Contract revenue	55,861	437,234	365,304	78,556	70,288	48,470	54,343	884,096	2,136,787	3,911,017	141,878	4,052,995
Grant income	43,297	60,544	87,869	54,084	51,984	53,223	150,012	4,022	1,128,602	1,640,899	24,059	1,685,058
Interest income	-	80	-	-	-	-	-	-	49	109	143,598	143,677
Public support	3,755	320	218	100	125	359	-	-	78,498	87,075	251	87,326
Other revenue	2,519	9,878	22,521	1,355	31,806	2,781	60,883	4,192	17,371	133,404	22,084	175,488
<b>Total public support and revenue</b>	<b>1,059,335</b>	<b>4,124,860</b>	<b>5,391,107</b>	<b>650,341</b>	<b>20,457,286</b>	<b>6,345,945</b>	<b>4,099,872</b>	<b>659,852</b>	<b>4,178,904</b>	<b>47,743,602</b>	<b>331,900</b>	<b>48,075,512</b>
Net assets released from restrictions	-	-	-	-	-	-	-	-	44,280	44,280	-	44,280
<b>Total public support and revenue, and releases</b>	<b>1,059,335</b>	<b>4,124,860</b>	<b>5,391,107</b>	<b>650,341</b>	<b>20,457,286</b>	<b>6,345,945</b>	<b>4,099,872</b>	<b>659,852</b>	<b>4,223,184</b>	<b>47,787,882</b>	<b>331,900</b>	<b>48,119,872</b>
Expenses												
Salary and wages	708,883	2,359,802	3,052,323	286,649	15,321,079	2,143,985	2,143,985	508,859	2,547,776	15,203,734	2,735,202	17,937,936
Employee benefits	135,534	463,027	486,160	53,504	3,710,309	1,769,888	195,898	70,109	484,508	2,356,243	438,070	2,794,313
Payroll taxes	62,905	178,985	227,105	19,254	18,909	1,237,493	135,769	37,304	200,621	1,125,346	193,902	1,319,248
Contracted substitute staff	-	198	-	-	-	-	-	-	-	198	-	198
Client treatment services	13,233	597,492	112,289	-	3,219,913	235,473	-	-	78,197	10,500,187	20	10,500,207
Professional fees and consultants	43,811	25,478	237,967	4,115	28,804	151,728	100,316	113,017	775,024	150,383	625,367	
Subcontractors	-	-	-	-	9,330,000	-	-	-	-	9,394,820	-	9,394,820
Staff development and training	10,814	5,629	40,820	2,478	1,287	19,079	3,326	14,845	103,976	84,212	188,188	
Rent	-	131,386	113,212	14,835	-	67,858	7,828	95,757	427,517	13,731	441,263	
Interest	1,033	9	486	-	262	21	-	11,857	15,494	14,556	-	18,920
Utilities	8,152	45,085	30,137	286	15,521	2,057	20,243	1,498	36,111	150,082	14,085	164,167
Building maintenance and repairs	21,546	118,530	10,710	1,710	52,330	5,640	31,909	2,351	82,471	369,234	35,443	404,677
Other occupancy costs	7,018	78,769	33,254	1,853	11,853	25,222	3,259	43,301	206,698	8,982	214,850	
Office	20,012	36,489	86,540	3,022	31,896	6,063	37,477	7,235	87,396	336,832	88,217	425,189
Building and housing	2,330	18,490	7,628	399	4,339	617	4,322	13,867	53,982	4,697	58,659	
Client consumables	-	18,041	3,180	1,030	36,296	19,796	1,401	1,303	42,054	123,075	-	123,075
Medical	400	1,313	4,412	55	870	79	2,358	208	1,845	9,540	1,259	10,899
Equipment maintenance	35,014	50,275	2,279	7,876	63,728	15,275	78,120	19,706	110,057	520,422	90,151	610,653
Depreciation	18,032	69,432	30,000	4,365	37,619	8,770	8,305	1,892	43,805	230,694	31,883	262,577
Advertising	-	1,930	189	-	-	539	-	-	1,379	3,697	3,047	6,744
Printing	-	23	-	-	-	-	150	-	1,539	1,897	1,110	2,987
Telephone and communications	24,825	64,020	61,945	4,594	21,032	7,556	37,381	8,959	59,543	285,825	78,418	364,251
Postage and shipping	1,366	1,869	6,044	307	2,502	596	3,573	787	7,808	24,854	4,040	28,894
Transportation	10,298	104,678	32,574	746	51,784	122,596	18,733	14,006	53,983	458,698	8,648	477,846
Assistance to individuals	38,541	244	3,879	50,423	30,130	58,632	5,405	82	24,720	213,078	917	213,995
Insurance	10,703	53,802	44,122	2,438	31,752	8,389	35,413	6,118	36,327	230,054	48,781	278,835
Membership dues	-	1,174	57	-	-	4,477	-	-	128,826	132,524	11,421	143,955
Other	10	1,488	135,687	1,335	10	11	1,311	4,062	15,089	158,981	-	158,981
<b>Total expenses</b>	<b>1,185,431</b>	<b>4,488,868</b>	<b>4,948,356</b>	<b>804,814</b>	<b>17,721,937</b>	<b>5,904,742</b>	<b>3,285,400</b>	<b>799,401</b>	<b>4,328,597</b>	<b>43,425,144</b>	<b>4,022,023</b>	<b>47,447,167</b>
<b>Total changes in net assets without restrictions</b>	<b>\$ (97,099)</b>	<b>\$ (363,008)</b>	<b>\$ 442,751</b>	<b>\$ (154,273)</b>	<b>\$ 2,735,349</b>	<b>\$ 441,203</b>	<b>\$ 1,403,572</b>	<b>\$ 80,451</b>	<b>\$ (105,373)</b>	<b>\$ 4,362,778</b>	<b>\$ (3,690,073)</b>	<b>\$ 672,705</b>



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

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

**Consolidated Statements of Cash Flows**

**Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Total changes in net assets	\$ 2,260,092	\$ 665,278
Adjustments to reconcile total changes in net assets to net cash provided by operating activities		
Depreciation	301,582	262,557
Loss on sale of property and equipment	-	36,829
Change in the ROU asset - operating, net of lease obligation - operating	22,545	27,768
Change in operating assets and liabilities		
Accounts receivable, net	(607,033)	217,362
Grants receivable	16,709	(29,632)
Prepaid expenses	(252,329)	(265,367)
Accounts payable and accrued expenses	(542,319)	310,716
Estimated third-party liabilities	(373,321)	(209,319)
Loan fund	26	26
Net cash provided by operating activities	<u>292,534</u>	<u>1,016,218</u>
Cash flows from investing activities		
Acquisition of property and equipment	(1,553,930)	(204,233)
Proceeds from sale of property and equipment	1,319	4,570
Net cash used by investing activities	<u>(1,552,611)</u>	<u>(199,663)</u>
Cash flows from financing activities		
Principal payments on notes payable	(88,727)	(92,425)
Net cash used by financing activities	<u>(88,727)</u>	<u>(92,425)</u>
Net (decrease) increase in cash and restricted cash	(1,348,804)	724,130
Cash and restricted cash, beginning of year	<u>10,546,327</u>	<u>9,822,197</u>
Cash and restricted cash, end of year	<u>\$ 9,197,523</u>	<u>\$ 10,546,327</u>
Composition of cash and restricted cash, end of year:		
Cash and cash equivalents	\$ 9,084,851	\$ 10,433,681
Restricted cash	<u>112,672</u>	<u>112,646</u>
	<u>\$ 9,197,523</u>	<u>\$ 10,546,327</u>

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

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**Nature of Activities**

Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners of Strafford County (Community Partners) is a New Hampshire nonprofit corporation providing a wide range of community-based services (see consolidated statements of functional revenue and expenses without donor restrictions for programs offered) for individuals with developmental disabilities and/or mental illness and their families. Community Partners also supports families with children who have chronic health needs. Community Partners is currently operating as two divisions: Developmental Services and Behavioral Health Services.

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

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

The Foundation received and disbursed the following funds:

	<u>2024</u>	<u>2023</u>
Funds received	\$ 108,911	\$ 115,229
Funds disbursed	<u>106,288</u>	<u>88,264</u>
	<u>\$ 2,623</u>	<u>\$ 26,965</u>

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

Funds received	\$ 1,046,655
Funds disbursed	<u>715,547</u>
	<u>\$ 331,108</u>

**1. Summary of Significant Accounting Policies**

**Principles of Consolidation**

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

The Organization prepares its consolidated financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP) established by Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**Recently Adopted Accounting Principle**

FASB issued Accounting Standards Update No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and related guidance as amended, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, which includes patient accounts receivable. The adoption of Topic 326 during the year ended June 30, 2024 did not have a material impact on the consolidated financial statements of the Organization as a significant portion of the payors to the Organization either have the full faith and backing of the U.S. government or are credit worthy with limited to no credit risk associated with them. Other than accounts receivable, there are no other financial assets that are measured at amortized cost.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Basis of Presentation**

The consolidated financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding their consolidated financial position and activities according to the following net asset classifications:

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

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At June 30 2024 and 2023, the Organization did not have any funds to be maintained in perpetuity. Net assets with donor restrictions consisted of grants and contributions temporary in nature to support program expenses.

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**Grants and Contributions**

Grants awarded and contributions received in advance of expenditures are reported as public support and revenue with donor restrictions if they are received with stipulations that limit the use of the grants or contributions. When a grant or contribution restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. The Organization records restricted grants and contributions whose restrictions are met in the same reporting period as public support and revenue without donor restrictions in the year of the gift.

**Income Taxes**

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

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

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with an original maturity date of less than three months to be cash equivalents. The cash equivalents represent money market accounts and repurchase agreements as of June 30, 2024 and 2023.

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

**Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible accounts after considering each category of receivable individually and estimates an allowance for credit losses according to the nature of the receivable. Allowances for credit losses are estimated from historical performance and projected trends. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Accounts receivable, net amounted to \$2,135,448 as of July 1, 2022.

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**Leases**

At the inception of an arrangement, the Organization determines if an arrangement is, or contains, a lease based on the unique facts and circumstances present in that arrangement. Lease classification, recognition and measurement are then determined as of the lease commencement date. For arrangements that contain a lease, the Organization (i) identifies lease and non-lease components, (ii) determines the consideration in the contract, (iii) determines whether the lease is an operating or finance lease, and (iv) recognizes the lease ROU asset and lease obligation. Lease obligations and their corresponding ROU assets are recorded based on the present value of lease payments over the expected lease term. The interest rate implicit in lease contracts is typically not readily determinable, and as such, the Organization used the risk free rate based on the information available at the lease commencement date as a rate which represents one that would be incurred to borrow, on a collateralized basis, over a similar term, an amount equal to the lease payments in a similar economic environment.

Some leases include options to renew and/or terminate the lease, which can impact the lease term. The exercise of these options is at the Organization's discretion and the Organization does not include any of these options within the expected lease term where it is not reasonably certain that these options will be exercised.

Fixed, or in-substance fixed, lease payments on operating leases are recognized over the expected term of the lease on a straight-line basis. Variable lease expenses that are not considered fixed, or in-substance fixed, are recognized as incurred. Fixed and variable lease expense on operating leases is recognized with rent expense in the consolidated statements of functional expenses. The Organization has elected the short-term lease exemption and, therefore, does not recognize a ROU asset or corresponding lease obligation for lease arrangements with an original term of 12 months or less.

**Property and Equipment**

Property and equipment are recorded at cost, while donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Expenditures for repairs and maintenance are charged against operations. Renewals and betterments which materially extend the life of the assets are capitalized. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the asset is placed into service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Depreciation is provided on the straight-line method in amounts designed to depreciate the costs of the assets over their estimated lives as follows:

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

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**Revenue Recognition**

Medicaid, Medicare and client resources revenue is reported at the estimated net realizable amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing client services. These amounts are due from third-party payors (including health insurers and government programs), and others, and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Organization bills third-party payors several days after services are provided. Revenue is recognized as performance obligations are satisfied. It is the Organization's expectation that the period between the time the service is provided to a client and the time a third-party payor pays for that service will be one year or less.

Under the Organization's contractual arrangements with the New Hampshire Department of Health and Human Services (DHHS), the Organization provides services to clients for an agreed upon fee. The Organization recognizes revenue for client services in accordance with the provisions of FASB ASC Topic 606, *Revenue from Contracts with Customers*.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual services rendered. Generally, performance obligations are satisfied over time when services are provided. The Organization measures the performance obligation from when the Organization begins to provide services to a client to the point when it is no longer required to provide services to that client, which is generally at the time of DHHS notification to the Organization.

Each performance obligation is separately identifiable from other promises in the contract with the client and DHHS. As the performance obligations are met, revenue is recognized based upon allocated transaction price. The transaction price is allocated to separate performance obligations based upon the relative stand-alone selling price.

Because all of its performance obligations relate to short-term contracts, the Organization has elected to apply the optional exemption provided in FASB ASC Subtopic 606-10-50-14(a), and therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

**Estimated Third-Party Liabilities**

The Organization's estimated third-party liabilities consists of funds received in advance for services to be performed at a later date, known amounts due to DHHS and estimated amounts due to DHHS from eligibility, certification and other audits, and certain pass-through funds. Estimated third-party liabilities amounted to \$1,757,667 as of July 1, 2022.

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**Functional Allocation of Expenses**

The Organization's expenses are presented on a functional basis (i.e., program activities and support services). The Organization classifies expenses based on the organizational cost centers in which expenses are incurred. The expenses allocated between support functions and program services based on personnel time includes salaries and related benefits and taxes. The expenses allocated between support functions and program services based on space utilized for the related services includes depreciation, insurance and other occupancy costs.

**2. Availability and Liquidity of Financial Assets**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and lines of credit as disclosed in Note 6.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing operating activities as well as the conduct of services undertaken to support those operating activities.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover expenditures not covered by donor-restricted resources or, where appropriate, borrowings. Refer to the consolidated statements of cash flows, which identifies the sources and uses of the Organization's cash and cash equivalents.

The following financial assets are expected to be available within one year of the consolidated statements of financial position date to meet general expenditures as of June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents, excluding net assets with donor restrictions	\$ 9,019,339	\$ 10,368,694
Accounts receivable, net	2,525,119	1,918,086
Grants receivable	<u>1,137,478</u>	<u>620,769</u>
Financial assets available to meet general expenditures within one year	<u>\$ 12,681,936</u>	<u>\$ 12,907,549</u>

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**3. Restricted Cash**

The Organization serves as a pass-through entity for the Council for Children and Adolescents with Chronic Health Conditions Loan Guaranty Program. This program is operated and administered by a New Hampshire bank. As of June 30, 2024 and 2023, the Organization held cash totaling \$89,709 and \$89,683, respectively, which was restricted for this program. A corresponding amount has been recorded as a liability.

Additionally, the Organization administers the Council for Children and Adolescents with Chronic Health Conditions Program. As of June 30, 2024 and 2023, the Organization held cash totaling \$22,963, which was restricted for this program.

**4. ROU Asset and Lease Obligation**

The Organization leases space in Rochester, New Hampshire under the terms of an operating lease that is set to expire March 31, 2033. The lease calls for monthly payments of \$14,835 from July 1, 2023 through March 31, 2024 and monthly payments of \$15,280 from April 1, 2024 through June 30, 2024. Rent payments increase annually on April 1st by 3%. For the years ended June 30, 2024 and 2023, the weighted average remaining lease term is 8.75 and 9.75. The Organization is responsible for Common Area Maintenance (CAM) charges which are excluded from the monthly payments above. Interest has been imputed on the operating lease annually, calculated monthly and the weighted average discount rate at June 30, 2024 and 2023 was 2.91%. Total operating lease costs for the years ended June 30, 2024 and 2023 were \$201,895. Cash paid for the operating lease was \$179,851 and \$174,127 for the years ended June 30, 2024 and 2023, respectively.

The future maturities of the lease obligation is as follows:

2025	\$	184,731
2026		190,273
2027		195,981
2028		201,861
2029		207,916
Thereafter		<u>836,131</u>
		1,816,893
Less imputed interest		<u>(219,756)</u>
Lease obligation - operating	\$	<u><u>1,597,137</u></u>

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**5. Property and Equipment**

Property and equipment consisted of the following:

	<u>2024</u>	<u>2023</u>
Land and buildings	\$ 2,918,342	\$ 2,218,893
Building improvements	3,057,745	2,677,730
Vehicles	1,205,390	959,892
Equipment and furniture	<u>3,048,119</u>	<u>2,947,629</u>
	10,229,596	8,804,144
Less accumulated depreciation	<u>6,566,085</u>	<u>6,391,662</u>
	<u>\$ 3,663,511</u>	<u>\$ 2,412,482</u>

**6. Lines of Credit**

The Organization has a revolving line of credit agreement with a bank amounting to \$1,500,000, collateralized by a security interest in all business assets. Monthly interest payments on the unpaid principal balance are required at the rate of 1% over the bank's stated index, which was 9.50% at June 30, 2024. The Organization is required to annually observe 30 consecutive days without an outstanding balance. At June 30, 2024 and 2023, there was no outstanding balance on the revolving line of credit.

The Organization has an equipment line of credit agreement with a bank amounting to \$250,000, collateralized by a security interest in equipment obtained by advances on the line. Advances are limited to 80% of the invoice price. Monthly interest payments on the unpaid principal balance are required at the rate of 1.75% over the Federal Home Loan Bank of Boston five-year index, which was 6.53% at June 30, 2024. The line of credit has a maturity date of February 28, 2027. At June 30, 2024 and 2023, there was no outstanding balance on the equipment line of credit.

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**7. Notes Payable**

Notes payable consisted of the following:

	<u>2024</u>	<u>2023</u>
Mortgage note payable to a bank, payable in monthly installments of \$1,580, including interest at 4.12%, through April 2026 with one final payment which shall be the unpaid balance at maturity; collateralized by certain real estate.	\$ 31,407	\$ 48,686
Note payable to a bank, payable in monthly installments totaling \$1,882, including interest at 3.49%, through August 2026; collateralized by all the rights and benefits under the leases attached to the related real estate.	46,793	67,322
Note payable to a bank, payable in monthly installments totaling \$3,162, including interest at 4.8% through April 2029; collateralized by certain real estate.	163,382	192,580
Note payable to a bank, payable in monthly installments totaling \$789, including interest at 7.69%, through March 2025; collateralized by a certain vehicle.	6,853	15,422
Note payable to a bank, payable in monthly installments totaling \$989, including interest at 6.89%, through November 2027; collateralized by a certain vehicle.	<u>29,452</u>	<u>42,604</u>
	<u>\$ 277,887</u>	<u>\$ 366,614</u>

The scheduled maturities of long-term debt are as follows:

2025	\$ 90,197
2026	82,455
2027	38,668
2028	35,561
2029	<u>31,006</u>
	<u>\$ 277,887</u>

Cash paid for interest approximates interest expense.

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**8. Concentrations**

Approximately 78% and 82% of public support and revenue of the Organization was derived from Medicaid for the years ended June 30, 2024 and 2023, respectively. The future existence of the Organization is dependent upon continued support from Medicaid.

Accounts receivable due from Medicaid were as follows:

	<u>2024</u>	<u>2023</u>
Developmental Services	1,458,380	\$ 1,429,341
Behavioral Health Services	<u>65,757</u>	<u>98,744</u>
	<u>\$ 1,514,137</u>	<u>\$ 1,528,085</u>

In order for the Developmental Services division of the Organization to receive this support, it must be formally approved by DHHS, Bureau of Developmental Services, as the provider of services for developmentally disabled individuals for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expires in September 2027.

In order for the Behavioral Health Services division of the Organization to receive this support, it must be formally approved by DHHS, Bureau of Behavioral Health, as the community mental health provider for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expires in August 2026.

**9. Retirement Plan**

The Organization maintains a tax-sheltered annuity plan that is offered to all eligible employees. The plan includes a discretionary employer contribution equal to 3% of each eligible employee's salary. During 2024 and 2023, the Organization made an additional discretionary contribution equal to 1% of each eligible employee's salary. Total costs incurred for the plan during the years ended June 30, 2024 and 2023 were \$502,022 and \$474,180, respectively.

**10. Subsequent Events**

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through REPORT DATE, which is the date that the consolidated financial statements were available to be issued.

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

**Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**11. Pandemic Relief Funding**

During 2024 and 2023, the Organization was awarded emergency grant funding under the American Rescue Plan Act (ARPA). These funds were passed through the State of New Hampshire for the purpose of recruitment, retention, or training of direct support workers. As of June 30, 2024 and 2023, management believed the Organization had met the conditions necessary to recognize a portion of the ARPA funds in the amount of \$394,165 and \$281,506, respectively, which are included in grant income in the consolidated statements of activities. At June 30, 2024 and 2023, the amount of ARPA funding received where the Organization had not yet met the conditions necessary are included in estimated third party liabilities in the consolidated statements of financial position was \$80,286 and \$474,454, respectively. The Organization has until fiscal year 2025 to spend the remaining ARPA funds.

**DRAFT**

SUPPLEMENTARY INFORMATION

DRAFT

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

Consolidating Statements of Financial Position

June 30, 2024 and 2023

	2024					2023						
	Developmental Services	Behavioral Health Services	Lighthouse Management Services	Community Partners Foundation	Eliminations	Consolidated Totals	Developmental Services	Behavioral Health Services	Lighthouse Management Services	Community Partners Foundation	Eliminations	Consolidated Totals
<b>ASSETS</b>												
Cash and cash equivalents	\$ 6,737,795	\$ 2,014,873	\$ 1,275	\$ 331,108	\$ -	\$ 9,084,851	\$ 6,630,885	\$ 3,473,109	\$ 1,202	\$ 328,485	\$ -	\$ 10,433,681
Restricted cash	112,672	-	-	-	-	112,672	112,646	-	-	-	-	112,646
Accounts receivable, net	2,064,454	2,404,915	-	-	(1,137,250)	2,525,119	1,662,130	1,899,170	-	-	(1,643,214)	1,918,086
Grants receivable	177,104	960,374	-	-	-	1,137,478	69,855	550,914	-	-	-	620,769
Prepaid expenses	479,458	324,888	-	-	-	804,346	283,940	268,077	-	-	-	552,017
Interest in net assets of subsidiaries	329,447	-	-	-	-	-	326,727	-	-	-	(326,727)	-
ROU asset - operating	382,994	1,163,830	-	-	-	1,546,824	421,045	1,279,459	-	-	-	1,700,504
Property and equipment, net	3,355,201	308,310	-	-	-	3,663,511	2,076,907	335,575	-	-	-	2,412,482
<b>Total assets</b>	<b>\$ 13,639,125</b>	<b>\$ 7,176,990</b>	<b>\$ 1,275</b>	<b>\$ 331,108</b>	<b>\$ (2,273,697)</b>	<b>\$ 18,874,801</b>	<b>\$ 11,584,135</b>	<b>\$ 7,806,304</b>	<b>\$ 1,202</b>	<b>\$ 328,485</b>	<b>\$ (1,969,941)</b>	<b>\$ 17,750,185</b>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>												
<b>Liabilities</b>												
Accounts payable and accrued expenses	\$ 3,325,994	\$ 489,660	\$ 935	\$ -	\$ (1,944,250)	\$ 1,874,339	\$ 3,640,907	\$ 418,005	\$ 2,960	\$ -	\$ (1,643,214)	\$ 2,416,658
Estimated third-party liabilities	728,282	448,745	-	-	-	1,175,027	955,317	593,031	-	-	-	1,548,348
Lease obligation - operating	395,451	1,201,688	-	-	-	1,597,137	427,920	1,300,352	-	-	-	1,728,272
Loan fund	89,709	-	-	-	-	89,709	89,683	-	-	-	-	89,683
Notes payable	277,887	-	-	-	-	277,887	366,614	-	-	-	-	366,614
<b>Total liabilities</b>	<b>4,817,323</b>	<b>2,139,093</b>	<b>935</b>	<b>-</b>	<b>(1,944,250)</b>	<b>5,014,099</b>	<b>5,480,441</b>	<b>2,309,388</b>	<b>2,960</b>	<b>-</b>	<b>(1,643,214)</b>	<b>6,149,575</b>
<b>Net assets (deficit)</b>												
Without donor restrictions	8,821,802	5,038,899	(1,660)	265,596	(329,447)	13,796,190	6,103,694	5,496,916	(1,758)	263,498	(326,727)	11,535,623
With donor restrictions	-	-	-	65,512	-	65,512	-	-	-	64,987	-	64,987
<b>Total net assets (deficit)</b>	<b>8,821,802</b>	<b>5,038,899</b>	<b>(1,660)</b>	<b>331,108</b>	<b>(329,447)</b>	<b>13,860,702</b>	<b>6,103,694</b>	<b>5,496,916</b>	<b>(1,758)</b>	<b>328,485</b>	<b>(326,727)</b>	<b>11,600,610</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 13,639,125</b>	<b>\$ 7,176,990</b>	<b>\$ 1,275</b>	<b>\$ 331,108</b>	<b>\$ (2,273,697)</b>	<b>\$ 18,874,801</b>	<b>\$ 11,584,135</b>	<b>\$ 7,806,304</b>	<b>\$ 1,202</b>	<b>\$ 328,485</b>	<b>\$ (1,969,941)</b>	<b>\$ 17,750,185</b>

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

Consolidating Statements of Activities

Years Ended June 30, 2024 and 2023

	2024					2023						
	Developmental Services	Behavioral Health Services	Lighthouse Management Services	Community Partners Foundation	Eliminations	Consolidated Totals	Developmental Services	Behavioral Health Services	Lighthouse Management Services	Community Partners Foundation	Eliminations	Consolidated Totals
Changes in net assets (deficit) without donor restrictions												
Public support and revenue												
Medicaid revenue	\$ 26,613,127	\$ 7,102,601	\$ -	\$ -	\$ -	\$ 33,715,728	\$ 31,429,826	\$ 7,784,282	\$ -	\$ -	\$ -	\$ 39,214,108
Medicare revenue	-	297,747	-	-	-	297,747	-	298,017	-	-	-	298,017
Client resources	1,742,314	870,626	-	-	-	2,612,940	1,678,380	760,553	-	-	-	2,438,933
Contract revenue	2,321,014	1,954,817	-	-	-	4,275,831	2,367,386	1,685,609	-	-	-	4,052,995
Grant income	939,287	1,198,677	-	-	-	2,137,964	335,140	1,329,918	-	-	-	1,665,058
Interest income	124,651	52,755	-	-	-	177,406	91,326	52,351	-	-	-	143,677
Public support	8,627	1,378	-	72,911	-	82,917	8,860	70	-	78,396	-	87,326
Other revenue	73,330	80,213	9,102	-	(11,724)	150,921	73,724	128,740	9,073	-	(36,039)	175,498
Total public support and revenue	31,822,350	11,558,815	9,102	72,911	(11,724)	43,451,454	35,984,642	12,039,540	9,073	78,396	(36,039)	48,075,612
Net assets released from restrictions	-	-	-	35,475	-	35,475	-	-	-	44,260	-	44,260
Total public support, revenues and releases	31,822,350	11,558,815	-	108,386	(11,724)	43,486,929	35,984,642	12,039,540	9,073	122,656	(36,039)	48,119,872
Expenses												
Program services												
Case management	954,318	-	-	-	-	954,318	1,165,431	-	-	-	-	1,165,431
Day programs and community support	3,340,590	1,160,052	-	-	-	4,500,642	3,264,367	1,224,299	-	-	-	4,488,666
Early support services and youth and family	2,203,473	2,818,642	-	-	-	5,022,115	2,132,877	2,815,479	-	-	-	4,948,356
Family support	1,020,837	-	-	-	-	1,020,837	804,614	-	-	-	-	804,614
Residential services	9,497,090	-	-	-	-	9,497,090	17,721,937	-	-	-	-	17,721,937
Consolidated services	6,815,243	-	-	-	-	6,815,243	5,904,742	-	-	-	-	5,904,742
Adult services	74,946	2,857,666	-	-	-	2,932,612	231,322	3,034,078	-	-	-	3,265,400
Emergency services	-	915,661	-	-	-	915,661	-	799,401	-	-	-	799,401
Other	2,700,575	190,523	9,004	106,288	(9,004)	4,997,386	1,913,866	2,324,467	9,004	88,264	(9,004)	4,326,597
Total program expenses	26,607,072	9,317,544	9,004	106,288	(9,004)	36,655,904	33,139,156	10,197,724	9,004	88,264	(9,004)	43,425,144
Supporting services												
General management	2,497,170	2,074,289	-	-	-	4,571,458	2,188,703	1,833,320	-	-	-	4,022,023
Total expenses	29,104,242	12,016,832	9,004	106,288	(9,004)	41,227,362	35,327,859	12,031,044	9,004	88,264	(9,004)	47,447,167
Total changes in net assets (deficit) without donor restrictions	2,718,108	(458,017)	98	2,098	(2,720)	2,259,567	656,783	8,496	69	34,392	(27,035)	672,705

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

Consolidating Statements of Activities, concluded

Years Ended June 30, 2024 and 2023

	2024					2023						
	Developmental Services	Behavioral Health Services	Lighthouse Management Services	Community Partners Foundation	Eliminations	Consolidated Totals	Developmental Services	Behavioral Health Services	Lighthouse Management Services	Community Partners Foundation	Eliminations	Consolidated Totals
Changes in net assets with donor restrictions												
Grants and contributions				36,000		36,000				36,833		36,833
Net assets released from restrictions				(35,475)		(35,475)				(44,260)		(44,260)
Total changes in net assets with donor restrictions				525		525				(7,427)		(7,427)
Total changes in net assets (deficit)	2,718,108	(458,017)	98	2,623	(720)	2,260,092	656,783	8,496	69	26,965	(27,035)	665,278
Net assets (deficit), beginning of year	6,103,694	5,496,916	(1,758)	328,485	(328,427)	11,600,610	5,446,911	5,488,420	(1,827)	301,520	(299,692)	10,935,332
Net assets (deficit), end of year	\$ 8,821,802	\$ 5,038,899	\$ (1,660)	\$ 331,108	\$ (329,147)	\$ 13,860,702	\$ 6,103,694	\$ 5,496,916	\$ (1,758)	\$ 328,485	\$ (326,727)	\$ 11,600,610

DRAFT



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

We have audited the consolidated financial statements of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners of Strafford County and Subsidiaries (the Organization) as of and for the year ended June 30, 2024, and have issued our report thereon dated REPORT DATE. Professional standards require that we communicate to you the following information related to our audit.

## PART I – REQUIRED COMMUNICATIONS

### Our Responsibility under U.S. Generally Accepted Auditing Standards (U.S. GAAS)

As stated in our engagement letter dated June 11, 2024, our responsibility, as described by professional standards, is to express an opinion about whether the consolidated financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Our audit of the consolidated financial statements does not relieve you or management of your responsibilities.

Our responsibility for the supplementary information accompanying the consolidated financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the consolidated financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

### Significant Risks

In our engagement letter, we identified the risks we expected would meet the definition of "significant risks" pursuant to U.S. GAAS, which are risks toward the upper end of the risk spectrum based on their likelihood and potential magnitude. In addition to the risks listed in that letter, we identified estimated third-party liabilities as a significant risk.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the consolidated financial statements. The Organization adopted the provisions of Financial Accounting Standards Board Accounting Standards Update No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* and related guidance during the year ended June 30, 2024. The adoption of Topic 326 did not have a material impact on the consolidated financial statements of the Organization.

Board of Directors  
Behavioral Health & Developmental Services of Strafford County, Inc.  
d/b/a Community Partners of Strafford County and Subsidiaries  
Page 2

No other new accounting policies were adopted and the application of existing policies was not otherwise changed during 2024. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the consolidated financial statements were:

- Management's estimate of the recognition of client service revenue at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing client services. These amounts are due from third-party payors, and is based on contract terms, reimbursement rates and historical collection percentages in relation to the gross charges for services;
- Management's estimate of grant income, which is based on management's interpretation of the statute and the guidelines issued by the federal government;
- Management's estimate of the depreciation expense on property and equipment, which is based on the estimated useful life of the related asset;
- Management's estimate of the cost allocations, which is based on personnel time and space utilized for the related services, as disclosed in Note 1; and
- Management's estimate of accrued third-party liabilities, which is based on prior contract and licensing audits and current applicable contract criteria.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the consolidated financial statements taken as a whole.

Certain consolidated financial statement disclosures are particularly sensitive because of their significance to consolidated financial statement users.

The most sensitive disclosures affecting the consolidated financial statements were:

- Note 2 – *Availability and Liquidity of Financial Assets*;
- Note 4 – *ROU Asset and Lease Obligation*;
- Note 7 – *Notes Payable*;
- Note 8 – *Concentrations*; and
- Note 11 – *Pandemic Relief Funding*

The consolidated financial statement disclosures are neutral, consistent, and clear.

Board of Directors  
Behavioral Health & Developmental Services of Strafford County, Inc.  
d/b/a Community Partners of Strafford County and Subsidiaries  
Page 3

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. We did not detect any material misstatements as a result of our audit procedures.

The attached schedule summarizes uncorrected misstatements on the consolidated financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the consolidated financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period consolidated financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the consolidated financial statements under audit.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements of the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated as of the date of this letter.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's consolidated financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Board of Directors  
Behavioral Health & Developmental Services of Strafford County, Inc.  
d/b/a Community Partners of Strafford County and Subsidiaries  
Page 4

**Other Matters**

With respect to the supplementary information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. GAAP, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

**PART II – INTERNAL CONTROL MATTERS**

In planning and performing our audit of the consolidated financial statements of the Organization as of and for the year ended June 30, 2024, in accordance with U.S. GAAS, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing our audit procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

\*\*\*\*\*

This communication is intended solely for the information and use of the Board of Directors, committees of the Board of Directors, management and others within the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Manchester, New Hampshire  
REPORT DATE

Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Par.

Year End: June 30, 2024

Passed Adjusting Journal Entries

Date: 7/1/2023 To 6/30/2024

Number	Date	Name	Account No	Reference	Debit	Credit	Proposed Net Income (Loss)	Proposed Amount Chg	Recurrence	Misstatement
Net Income (Loss)							2,262,811.00			
PAJE01	6/30/2024	Deferred Income	24000 DS	331.2	49,800.00					
PAJE01	6/30/2024	Medicaid Revenue - COS	40280-COS DS	331.2		49,800.00				
To reduce reserve accounts for extrapolated potential cost settlements - management has elected not to record variance between calculation and recorded amount.										
					49,800.00	0.00	2,312,611.00	49,800.00		
PAJE02	6/30/2024	ROU Asset	BDMP1 BH		247,607.00					
PAJE02	6/30/2024	ROU Asset	BDMP1 DS		123,804.00					
PAJE02	6/30/2024	Lease Liability	BDMP2 BH			247,607.00				
PAJE02	6/30/2024	Lease Liability	BDMP2 DS			123,804.00				
Proposed entry to recognize ROU asset and liabilities on leases not recognized under ASC top 842										
					371,411.00	371,411.00	2,312,611.00	0.00		
PYPAJE01	6/30/2024	Retained Earnings	31000 DS	331.2		49,800.00				
PYPAJE01	6/30/2024	Medicaid Revenue - COS	40280-COS DS	331.2	49,800.00					
To reverse prior year PAJE01 - To reduce reserve accounts for the extrapolated potential cost settlements.										
					49,800.00	49,800.00	2,262,811.00	(49,800.00)		
					471,011.00	471,011.00	2,262,811.00	0.00		



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

In connection with our audit of the consolidated financial statements of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners of Strafford County and Subsidiaries (the Organization) as of and for the year ended June 30, 2024, we are communicating certain matters for you to consider related to best practices and emerging issues that could affect the Organization's operations.

## EMERGING ISSUES

### Office of Management and Budget (OMB) Uniform Guidance Changes

The OMB issued its final version of the changes to 2 C.F.R. Part 200 (Uniform Guidance) in the federal register on April 22, 2024. These changes will impact the uniform administrative requirements, cost principles, and audit requirements for federal award recipients. The changes are intended to improve uniformity and consistency in the implementation of the Uniform Guidance. Following are the key changes that may impact the Organization:

- The Single Audit Act audit threshold increased from \$750,000 to \$1 million. Recipients of federal awards that expend less than \$1 million in a fiscal year will not be required to have a single audit.
- The amount of subaward costs that can be counted within the modified total direct costs (MTDC) base increased from \$25,000 to \$60,000, which means recipients can recover more indirect costs from subawards.
- The de minimis indirect cost rate increased from 10 percent to 15 percent over MTDC. Recipients that do not have a negotiated indirect cost rate can use a higher rate to charge indirect costs to federal awards.
- The threshold for fixed-amount subawards requiring prior written approval from federal agencies has been raised from \$250,000 to \$500,000, providing recipients with increased flexibility.
- The acquisition value threshold for defining equipment has been raised from \$5,000 to \$10,000, reducing administrative burden for recipients. Similarly, the threshold for unused supplies has been increased from \$5,000 to \$10,000.

These changes go into effect for funding disbursed on or after October 1, 2024. The increase to the audit threshold will go into effect for fiscal years beginning on or after September 1, 2025, with no option to adopt this earlier.

### Consider Allowing Employees to make "Roth" Elections for any Employer Contributions

In December 2022, Congress passed the Securing a Strong Retirement Act of 2022, commonly referred to as the SECURE Act 2.0. The SECURE Act 2.0 includes a multitude of provisions, many of which affect employer-sponsored retirement plans and individual retirement accounts.

Board of Directors  
Behavioral Health & Developmental Services of Strafford County, Inc.  
d/b/a Community Partners of Strafford County and Subsidiaries  
Page 2

One provision which was effective in 2023 but has seen a delayed implementation is the employer's election to allow participants to have the annual employer matching and/or nonelective contributions treated as after-tax Roth contributions. The delayed implementation was due in part to the lack of guidance from the Internal Revenue Service.

The IRS issued guidance earlier this year outlining the rules which must be followed. First, the participant must make an irrevocable election on only fully-vested contributions before such contributions are allocated to the participant's account. In addition, the plan must permit prospective changes at least once per plan year. The guidance also made it clear that neither the plan sponsor nor the employee will pay FICA or FUTA taxes on the employer contributions a participant elects to have treated as after-tax Roth contributions. Finally, the guidance indicates the plan will issue a Form 1099-R reporting these amounts as in-plan Roth rollovers. This means a plan sponsor will not be responsible for adjusting its payroll records for any employer contributions in which an employee elects to have treated as Roth contributions.

This is not a mandatory provision. Each plan sponsor can decide if it wants to permit this type of election within the 401(k) or 403(b) plan. An employer's interest in this new provision may depend on how many employees are currently making Roth salary deferral contributions. If your plan already permits Roth salary deferral contributions then this would be a simple provision to add to the plan. If your plan does not currently permit Roth salary deferrals contributions then it might be time to re-examine adding those provisions.

We recommend reaching out to the plan recordkeeper to see how they plan to approach compliance with this new provision.

#### Increased Catch-up Contribution for Participants Aged 60-63

The Securing a Strong Retirement Act of 2022, commonly referred to as the SECURE Act 2.0 enhances the age 50 or older catch-up contribution for participants that reach age 60-63 during the year for tax years beginning on or after January 1, 2025.

Under this new provision active participants aged 60 through 63 can contribute catch-up contributions equal to the greater of \$10,000 or 150% of the 2024 ordinary catch-up contribution limit. This dollar limit will be indexed annually for cost of living increases starting in 2026.

For all other participants eligible for age 50 or older catch-up contributions (i.e., those who will not reach at least age 60 during a given year, or who will attain age 64 or older in such a year) the ordinary catch-up contribution limit will remain in place.

We recommend reaching out to payroll providers today to see how they plan to approach compliance with the new provision. It will take a coordinated effort amongst plan management, payroll providers, and plan recordkeepers to help ensure compliance. In addition, you should reach out to your plan recordkeeper and/or other advisors to determine if they will provide educational materials to inform eligible plan participants of the increased catch-up contribution limit.

\*\*\*\*\*

We sincerely appreciate the cooperation, courtesy, and working environment provided to our personnel by management and the employees of the Organization during our engagement.

Board of Directors  
Behavioral Health & Developmental Services of Strafford County, Inc.  
d/b/a Community Partners of Strafford County and Subsidiaries  
Page 3

This communication is intended solely for the information and use of the Board of Directors, committees of the Board of Directors, management and others within the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Manchester, New Hampshire  
REPORT DATE

**DRAFT**



## Community Partners BOARD OF DIRECTORS Effective November 2024-2025

**PRESIDENT**

Bryant Hardwick (Joined 02/22/11)

**TREASURER**

Gary Gletow (Joined 10/23/18)

**VICE PRESIDENT**

Margaret Wallace (C) (Joined 9/24/19)

**SECRETARY**

Ann Landry (Joined 08/23/05)

Ken Muske (Joined 03/05/02)	Anthony Demers (Joined 01/20/15)	Kathleen Boisclair (Joined 09/25/12)
Kristine Baber (Joined 4/26/13)	Judge Daniel Cappiello (Joined 03/22/14)	Tracy Hayes (Joined 12/15/15)
Sharon Reynolds (C) (Joined 8/23/16)	Phillip Vancelette (C) (Joined 5/31/17)	Mark Santoski (C) (Joined 9/24/19)
Danielle Pomeroy (Joined 12/14/21)	McKenzie Harrington-Bacote (Joined 12/19/23)	

(C) Consumers

## **Suzanne Bagdasarian**



---

### **Business Experience**

#### **2001 – Present Behavioral Health & Developmental Services of Strafford County, Inc., D/B/A Community Partners of Strafford County, Dover, New Hampshire**

Chief Financial Officer 2019 – Present

Responsible for directing the overall financial and administrative management of this \$35 million agency, including Facilities, and IT.

Controller 2001 – 2018

- Responsible for the fiscal start of a new agency division including policy, procedures, compliance, training, accounting & billing systems, payroll, and reporting.
- Responsible for the conversion of financial software package including AR/AP/GL
- Accomplished “clean” annual external audits.
- Accountable for monthly financial statements in accordance to GAAP.
- Manage a team of 14 billing and accounting personnel with oversight for cash management, accounts payable, billing & collections, payroll and accounts receivable functions.
- Developed the agency budget including reporting functionality for monitoring performance.
- Project Manager for conversion of electronic health record.

#### **1994-2001 Harvard Pilgrim Health Care, Wellesley, MA**

Accounting Director - 2000-2001

- Responsible for all internal and external financial functions including general accounting, financial analysis, system operations, and reporting for Hospitals and Physicians.
- Reorganized and redesigned department staff functions, improved quality of provider financial reporting and reduced monthly financial close and reporting time by 30%.
- Responsible for the quality and integrity of medical expense data representing 85% of the company's expenses.

Budget Manager – 1999- 2000

- Developed and prepared \$1.7 billion medical care and \$65 million Network Management administrative budget in collaboration with department Directors and Vice Presidents.
- Prepared scenario analysis, year-end, and multi-year financial projections and established cost allocations for administrative budget.

Supervisor NNE- Financial & Utilization Analysis Department – 1997-1999

- Established and supervised a new department responsible for financial and utilization analysis for Hospitals and Physicians located in Maine and New Hampshire.
- Created financial models and scenario analysis supporting contract negotiations with Hospitals and Physicians.

Suzanne Bagdasarian

Page 2

**Financial & Utilization Analyst- 1994 – 1997**

- Monitored medical expenses and utilization patterns identifying cost saving opportunities.
- Produced, analyzed, and presented financial and utilization data to Senior Management and external Hospitals and Physicians.

**1993 – 1994 Federal Deposit Insurance Corporation, Franklin MA**

**Staff Accountant**

- Responsible for daily and monthly account receivable posting and reconciliation.
- Performed internal audits of field offices and external bank audits.

**Education**

M.B.A., Economics, 1999, Bentley College, Waltham MA

B.S., Accounting & Business Management, 1991, Rivier College, Nashua, NH

**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:** Behavioral Health & Developmental Services of Strafford County, Inc.  
Recreational Funding - FY25

<b>NAME</b>	<b>JOB TITLE</b>	<b>ANNUAL AMOUNT PAID FROM THIS CONTRACT</b>	<b>ANNUAL SALARY</b>
Suzanne Bagdasarian	CFO	\$2,952.50	\$147,625.00
		\$0.00	\$0.00
		\$0.00	\$0.00
		\$0.00	\$0.00
		\$0.00	\$0.00
		\$0.00	\$0.00