



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR CHILDREN, YOUTH & FAMILIES

Lori A. Weaver
 Commissioner

Marie Noonan
 Director

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May 21, 2025

Her Excellency, Governor Kelly A. Ayotte
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Children, Youth and Families, to amend an existing contract with Granite Pathways (VC# 228900), Manchester, NH, for Community Navigator by exercising a contract renewal option by increasing the price limitation by \$343,976 from \$388,594 to \$732,570 and extending the completion date from June 30, 2025 to June 30, 2027, effective upon Governor and Council approval. 100% Federal Funds.

The original contract was approved by Governor and Executive Council on May 3, 2023, (Item #24). The Community Navigator contract was the result of a competitive procurement, and the vendor provides outreach to families and community members who contact DCYF provide education and information about community supports and resources available to families as an opportunity to prevent child abuse and neglect.

Funds are available in the following accounts for State Fiscal Year 2025 and are anticipated to be available in State Fiscal Years 2026 and 2027, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

**05-95-042-421010-24640000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVS DEPT,
 HHS: HUMAN SERVICES DIV, CHILD PROTECTION, ARPA CAPTA**

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2023	074-500585	Contracts for Opr Svc	42106400	\$44,612	\$0	\$44,612
2024	074-500585	Contracts for Opr Svc	42106400	\$171,991	\$0	\$171,991
2025	074-500585	Contracts for Opr Svc	42106400	\$127,379	\$1,863	\$129,242
			Subtotal	\$343,982	\$1,863	\$345,845

**05-95-042-421010-29690000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVS DEPT,
HHS: HUMAN SERVICES DIV, CHILD PROTECTION, CHILD ABUSE PREVENTION CAPTA**

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2025	102-500731	Contracts for Prog Svc	42106901	\$44,612	(\$1,863)	\$42,749
2026	102-500731	Contracts for Prog Svc	42106901	\$0	\$171,988	\$171,988
2027	102-500731	Contracts for Prog Svc	42106901	\$0	\$171,988	\$171,988
			Subtotal	\$44,612	\$342,113	\$386,725
			TOTAL	\$388,594	\$343,976	\$732,570

EXPLANATION

The purpose of this request is to exercise an available contract renewal option to provide Community Navigator outreach services to families and community members contacting DCYF's Central Intake Child Abuse and Neglect reporting line when the allegation they are reporting will not result in an investigation for abuse and/or neglect, however the family could benefit from community resources and referrals. The Community Navigator provides outreach by educating reporters on appropriate resources and discussing their concerns for the family, by educating families on available resources in their region and connecting the family to specific resources in the community, and by helping families to successfully engage with Family Resource Centers to reduce the likelihood of future DCYF involvement.

Approximately 2,400 families will be served during State Fiscal Years 2025, 2026 and 2027.

The target population includes caregivers under the age of 26, families with children under the age of three (3), pregnant people, and legal guardians who are reported to DCYF Central Intake but do not meet the stated criteria for a formal assessment. Screeners at DCYF Central Intake can also refer a reporter and family to the Community Navigator who does not fit within the target population but could benefit from resource information and support.

Since the start of the Community Navigator program in July of 2023, DCYF Central Intake has referred just under 1,100 screened out reports to this program. The Community Navigator has connected with more than 500 families and 250 reporters. In addition to telephone calls, they have also sent more than 700 letters to families with a customized list of local resources to assist them. This is a unique program where the Community Navigator has lived experience and is able to relate more closely to what the family is experiencing. The Navigator has formed strong connections with families, who have reached back out at times to gain further support and information. Reporters have informed the Navigator the service is extremely informative and educational. The Department will continue to monitor services by reviewing the number of successful family and reporter engagements.

Of the screened-out reports referred to Community Navigator over the last nineteen months, 62% of the families (670) did not come to the attention of DCYF thereafter. Of the 38% (411) of families who were later reported to DCYF Central Intake and had an open investigation, more than half (56%) closed with referrals for additional higher level services without a finding of abuse and neglect. The Department will continue to evaluate data relative to Community

Navigator referrals and future DCYF involvement with those families previously referred to the Community Navigator Program.

The vendor has demonstrated the positive impact those with lived experience have for a family who could benefit from the support of someone who has experienced similar challenges. The Community Navigator program has hired a workforce of professionals with lived experience who are dedicated to the families of New Hampshire who come to the attention of DCYF. They have connected with over 500 families who otherwise would not have received any resource connection to their community as a result of contact made to DCYF.

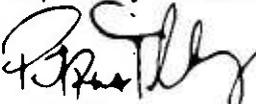
As referenced in Exhibit A, Revisions to Standard Agreement Provisions, of the original agreement, the parties have the option to extend the agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council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

Should the Governor and Council not authorize this request, the children and families of the target population may not be aware of or have access to the support services available in their community, placing them at risk for abuse and/or neglect and of future reports to DCYF. In addition, reporters would also not receive education on various resources and referrals or information from someone with lived experience who can guide the reporter in how to better support the family in need.

Area served: Statewide.

Source of Federal Funds: Assistance Listing Number #93.669, FAIN #2201NHCAN

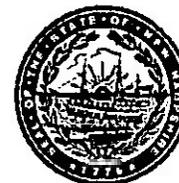
Respectfully submitted,


Lori A. Weaver
Commissioner



**STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY**

27 Hazen Drive | Concord, NH | 03301
Fax: (603) 271-1516 | TDD: (800) 753-2964
doit.nh.gov



Denis Goulet, *Commissioner*

May 28, 2025

Lori A. Weaver, Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Weaver:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a contract amendment with Granite Pathways, as described below and referenced as DoIT No. 2023-081A.

The purpose of this request is to continue providing Community Navigator outreach services to families and community members contacting DCYF's Central Intake Child Abuse and Neglect reporting line.

The Total Price Limitation shall increase by \$343,976 for a New Total Price Limitation of \$732,570, effective upon Governor and Council approval through June 30, 2027.

A copy of this letter must accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

A handwritten signature in black ink that reads "Denis Goulet".

Denis Goulet

DG/jd
DoIT #2023-081A

cc: Ken Gagne, IT Manager, DoIT

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

This Amendment to the Community Navigator Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Granite Pathways ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on May 3, 2023, (Item #24), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

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

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

1. Form P-37 General Provisions, Block 1.7., Completion Date, to read:
June 30, 2027
2. Form P-37, General Provisions, Block 1.8., Price Limitation, to read:
\$732,570
3. Modify Exhibit C, Payment Terms; Section 1., to read:
 1. This Agreement is funded by:
 - 1.1 47% Federal funds, American-Rescue Plan Act of 2021, as awarded on October 1, 2020, by the Administration for Children and Families, Assistance Living Number (ALN) 93.669, FAIN 2101NHNCC6
 - 1.2 53% Federal Funds, Child Abuse and Neglect State Grants CAPTA: Child Abuse Prevention and Treatment Act, as awarded on October 1, 2021, ALN 93.669, FAIN 2101NHNCAN
2. Modify Exhibit C, Payment Terms; Section 3., to read:
 3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line items, as specified in Exhibits C-1, Budget through Exhibit C-5, Budget – Amendment #1.
3. Add Exhibit C-4, Budget Sheet – Amendment #1, which is attached hereto and incorporated by reference herein.
4. Add Exhibit C-5, Budget Sheet – Amendment #1, which is attached hereto and incorporated by reference herein.

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

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

State of New Hampshire
Department of Health and Human Services

5/11/2025
Date

DocuSigned by:
Marie Noonan
Name: Marie Noonan
Title: DCYF Director

Granite Pathways

5/8/2025
Date

DocuSigned by:
Kenneth Brezenoff
Name: Kenneth Brezenoff
Title: General Counsel

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

OFFICE OF THE ATTORNEY GENERAL

5/31/2025

Date

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

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

Exhibit C-4 Budget Sheet - Amendment #1

New Hampshire Department of Health and Human Services	
Contractor Name:	Granite Pathways
Budget Request for:	Community Navigator Program
Budget Period:	SFY 2026
Indirect Cost Rate (if applicable)	27.97
Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$94,110
2. Fringe Benefits	\$31,997
3. Consultants	\$0
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	\$0
5.(a) Supplies - Educational	\$0
5.(b) Supplies - Lab	\$0
5.(c) Supplies - Pharmacy	\$0
5.(d) Supplies - Medical	\$0
5.(e) Supplies Office	\$500
6. Travel	\$0
7. Software	\$7,790
8. (a) Other - Marketing/ Communications	\$0
8. (b) Other - Education and Training	\$0
8. (c) Other - Other (specify below)	\$0
Other (please specify)	\$0
9. Subrecipient Contracts	\$0
Total Direct Costs	\$134,397
Total Indirect Costs	\$37,591
TOTAL	\$171,988

Contractor Initials: DS
KB

Exhibit C-5 Budget Sheet - Amendment #1

New Hampshire Department of Health and Human Services	
Contractor Name:	Granite Pathways
Budget Request for:	Community Navigator Program
Budget Period	SFY 2027
Indirect Cost Rate (if applicable)	27.97
Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$94,110
2. Fringe Benefits	\$31,997
3. Consultants	\$0
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	\$0
5.(a) Supplies - Educational	\$0
5.(b) Supplies - Lab	\$0
5.(c) Supplies - Pharmacy	\$0
5.(d) Supplies - Medical	\$0
5.(e) Supplies Office	\$500
6. Travel	\$0
7. Software	\$7,790
8. (a) Other - Marketing/ Communications	\$0
8. (b) Other - Education and Training	\$0
8. (c) Other - Other (specify below)	\$0
Other (please specify)	\$0
9. Subrecipient Contracts	\$0
Total Direct Costs	\$134,397
Total Indirect Costs	\$37,591
TOTAL	\$171,988

Contractor Initials: OS
KB

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 GRANITE PATHWAYS is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 08, 2009. 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: 613581

Certificate Number: 0007037110



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 31st day of January A.D. 2025.

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

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

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

1. I am a duly elected Clerk/Secretary/Officer of Granite Pathways.
(Corporation/LLC Name)
2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on 05/02/2025 at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Kenneth Brezenoff Managing Director and General Counsel (may list more than one person)
(Name and Title of Contract Signatory)

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

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

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

Dated: 5/5/2025

Signed by:

Nick Brattan

2912286838F7

Signature of Elected Officer

Name: Nick Brattan

Title: Chair of the Board



Granite Pathways Mission

Granite Pathways creates opportunities for individuals and families to achieve health and socioeconomic well-being, through a holistic approach.

**Consolidated Financial Statements and
Supplementary Information Together
with Report of Independent Certified
Public Accountants**

The FEDCAP Group

September 30, 2023 and 2022

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
The FEDCAP Group

Opinion

We have audited the consolidated financial statements of The FEDCAP Group (collectively, "FEDCAP"), which comprise the consolidated statements of financial position as of September 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of FEDCAP as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of FEDCAP 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.

Emphasis of matter

As discussed in Note 2 to the consolidated financial statements, as of October 1, 2022, FEDCAP adopted FASB ASC 842, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of management for the financial statements

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



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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 US 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 US 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 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 FEDCAP'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 FEDCAP'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.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is 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 information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures.



These additional procedures included comparing and reconciling the 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 US GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Grant Thornton LLP

New York, New York
February 15, 2024

The FEDCAP Group
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of September 30,

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 25,187,907	\$ 55,878,023
Accounts receivable (net of allowance for doubtful accounts of approximately \$4,129,000 in 2023 and \$3,241,000 in 2022)	59,466,388	48,355,344
Current portion of contributed space receivable	2,772,958	-
Contributions and grants receivable (net of allowance for uncollectible contributions of approximately \$250,000)	2,819,540	1,179,787
Inventories, net	323,810	415,327
Prepaid expenses and other assets	10,755,454	11,828,888
Total current assets	101,326,057	117,657,369
Investments	10,626,090	9,006,938
Property, plant and equipment, net	144,677,742	126,130,025
Operating lease right-of-use assets	88,970,362	-
Contributed space receivable, net	42,972,530	-
Beneficial interest in trusts	4,735,763	4,398,082
Other assets	999,332	994,564
Goodwill, net	144,000	251,669
Total assets	\$ 394,451,876	\$ 258,438,647
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 42,855,716	\$ 45,905,077
Deferred revenues	10,646,471	12,901,051
Advances from government agency	40,206	564,276
Current portion of finance lease liabilities	1,259,819	532,198
Current portion of operating lease liabilities	9,866,603	-
Current portion of notes payable	1,214,654	1,181,142
Total current liabilities	65,883,469	61,083,744
Notes payable, net	23,680,632	24,731,624
Revolving loans	29,312,466	25,893,587
Finance lease liabilities, net	78,499,317	78,523,502
Operating lease liabilities, net	82,228,115	-
Other liabilities	18,293,459	19,922,198
Total liabilities	297,897,458	210,154,655
Contingencies		
Net assets		
Without donor restrictions	40,444,915	36,895,261
Without donor restrictions - non-controlling interest	649,513	2,406,738
With donor restrictions	55,459,990	8,981,993
Total net assets	96,554,418	48,283,992
Total liabilities and net assets	\$ 394,451,876	\$ 258,438,647

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

The FEDCAP Group

CONSOLIDATED STATEMENTS OF ACTIVITIES

For the years ended September 30,

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues						
Contract services and products	\$ 124,736,448	\$ -	\$ 124,736,448	\$ 117,491,258	\$ -	\$ 117,491,258
Rehabilitation and vocational programs	227,694,192	-	227,694,192	223,896,100	-	223,896,100
In-kind contribution	-	48,617,672	48,617,672	-	-	-
Contribution and grant revenues	6,657,739	954,554	7,612,293	11,070,378	200,000	11,270,378
Gain on Paycheck Protection Program loan forgiveness	-	-	-	10,718,192	-	10,718,192
Realized and unrealized gains (losses) on investments	1,124,306	151,477	1,275,783	(3,592,359)	47,221	(3,545,138)
Interest income	500,329	3,502	503,831	770,513	-	770,513
Miscellaneous revenue	1,515,601	-	1,515,601	1,037,731	-	1,037,731
Net assets released from restrictions	3,249,208	(3,249,208)	-	669,536	(669,536)	-
Total operating revenues	365,477,823	46,477,997	411,955,820	362,061,349	(422,315)	361,639,034
Operating Expenses						
Program services						
Contract services and products	106,875,813	-	106,875,813	102,095,694	-	102,095,694
Rehabilitation and vocational programs	200,937,265	-	200,937,265	190,882,531	-	190,882,531
	307,813,078	-	307,813,078	292,978,225	-	292,978,225
Supporting services						
Management and general	51,993,670	-	51,993,670	60,400,583	-	60,400,583
Development	3,035,092	-	3,035,092	4,631,342	-	4,631,342
	55,028,762	-	55,028,762	65,031,925	-	65,031,925
Total operating expenses	362,841,840	-	362,841,840	358,010,150	-	358,010,150
Change in net assets from operations	2,635,983	46,477,997	49,113,980	4,051,199	(422,315)	3,628,884
Nonoperating Activities						
Foreign exchange transaction (losses) gains	(843,554)	-	(843,554)	1,110,528	-	1,110,528
CHANGE IN NET ASSETS	1,792,429	46,477,997	48,270,426	5,161,727	(422,315)	4,739,412
Net assets at beginning of period	39,301,999	8,981,993	48,283,992	34,140,272	9,404,308	43,544,580
Net assets at end of period	\$ 41,094,428	\$ 55,459,990	\$ 96,554,418	\$ 39,301,999	\$ 8,981,993	\$ 48,283,992

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

The FEDCAP Group

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2023

	Program Services			Supporting Services			Total Expenses
	Contract Services and Products	Rehabilitation and Vocational Programs	Total	Management and General	Development	Total	
Salaries and related expenses	\$ 81,120,998	\$ 96,426,600	\$ 177,547,598	\$ 14,663,818	\$ 1,222,119	\$ 15,885,735	\$ 193,433,331
Professional fees	338,249	37,401,855	37,740,204	4,077,379	920,235	4,997,614	42,737,818
Professional development and evaluation	12,693	2,575,302	2,587,995	918,358	120	918,478	3,506,473
Materials and supplies	4,442,057	5,281,230	9,723,287	-	8,642	8,642	9,731,929
Commissions	2,797,847	9,451	2,807,298	-	-	-	2,807,298
Telephone	117,759	844,106	961,865	684,816	3,897	688,513	1,650,378
Postage and shipping	138,716	41,594	180,310	283,570	11,060	294,630	474,940
Insurance	1,695,570	1,491,054	3,186,624	1,422,314	29,980	1,452,294	4,638,918
Occupancy costs	1,551,787	23,894,514	25,246,301	6,976,357	95,202	7,071,559	32,317,860
Equipment rental and maintenance	974,306	380,858	1,355,164	96,521	44,827	141,348	1,496,512
Equipment purchases	239,225	186,472	425,697	17,643	626	18,269	443,966
Client transportation and travel	515,604	2,593,122	3,108,726	1,133,413	182,859	1,316,272	4,424,998
Subscription and printing	113,325	364,007	477,332	1,135,598	24,978	1,160,576	1,637,908
Technology	236,438	2,072,990	2,309,428	5,594,378	41,245	5,635,623	7,945,051
Interest expense	31,473	48,232	79,705	4,965,331	-	4,965,331	5,045,036
Bank charges and processing fees	77,100	488,004	565,104	694,239	37,612	731,851	1,296,955
Bad debt provision	-	1,281,700	1,281,700	-	-	-	1,281,700
Subcontractor expense	12,172,307	16,821,605	28,993,912	2,861,514	329	2,861,843	31,855,755
Stipends	46,637	4,667,406	4,714,043	479,235	31,851	511,086	5,225,129
Security guard expense	21,195	288,664	309,859	21,440	516	21,956	331,815
Other	49,283	2,315,506	2,364,789	1,435,855	367,072	1,802,927	4,167,716
Total expenses before depreciation and amortization	108,692,567	199,274,372	305,966,939	47,461,577	3,022,970	50,484,547	358,451,486
Depreciation and amortization	183,246	1,662,893	1,846,139	4,532,093	12,122	4,544,215	6,390,354
Total expenses	\$ 108,875,813	\$ 200,937,265	\$ 307,813,078	\$ 51,993,670	\$ 3,035,092	\$ 55,028,762	\$ 362,841,840

The accompanying notes are an integral part of this consolidated financial statement.

The FEDCAP Group
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
 For the year ended September 30, 2022

	Program Services			Supporting Services			Total Expenses
	Contract Services and Products	Rehabilitation and Vocational Programs	Total	Management and General	Development	Total	
Salaries and related expenses	\$ 76,509,229	\$ 95,122,196	\$ 171,631,425	\$ 18,180,981	\$ 2,940,833	\$ 21,121,814	\$ 192,753,239
Professional fees	223,699	28,844,344	29,068,043	6,722,419	657,885	7,380,304	36,448,347
Professional development and evaluation	10,942	1,036,603	1,047,545	1,349,267	1,552	1,350,819	2,398,364
Materials and supplies	3,373,321	3,818,965	7,190,286	1,175,784	11,086	1,186,870	8,377,156
Commissions	2,791,910	11,328	2,803,238	48,149	-	48,149	2,851,387
Telephone	164,753	1,043,759	1,208,512	1,215,075	4,723	1,219,798	2,428,310
Postage and shipping	144,814	136,560	281,374	188,409	5,385	193,794	475,168
Insurance	1,621,293	1,483,263	3,104,556	5,573,972	44,463	5,618,435	8,722,991
Occupancy costs	1,481,728	14,884,468	16,366,196	5,451,989	137,566	5,589,555	21,955,751
Equipment rental and maintenance	959,072	474,310	1,433,382	272,156	37,441	309,597	1,742,979
Equipment purchases	302,142	116,338	418,480	201,200	23	201,223	619,703
Client transportation and travel	402,105	1,473,493	1,875,598	579,821	57,345	637,166	2,512,764
Subscription and printing	19,565	103,308	122,873	1,171,618	71,094	1,242,712	1,365,585
Technology	293,901	2,116,872	2,410,773	4,686,157	27,408	4,713,565	7,124,338
Interest expense	2,959	36,336	39,295	3,886,229	-	3,886,229	3,925,524
Bank charges and processing fees	92,732	164,669	257,401	987,729	55,616	1,043,345	1,300,746
Bad debt provision	-	2,598,778	2,598,778	-	-	-	2,598,778
Subcontractor expense	13,445,481	25,948,302	39,393,783	2,192,097	(977)	2,191,120	41,584,903
Stipends	147,646	6,580,876	6,728,522	476,327	994	477,321	7,205,843
Security guard expense	11,600	262,857	274,457	14,530	614	15,144	289,601
Other	-	4,021,874	4,021,874	-	569,780	569,780	4,591,654
Total expenses before depreciation and amortization	101,998,892	190,277,499	292,276,391	54,373,909	4,822,831	58,996,740	351,273,131
Depreciation and amortization	96,802	605,032	701,834	6,026,874	8,511	6,035,185	6,737,019
Total expenses	\$ 102,095,694	\$ 190,882,531	\$ 292,978,225	\$ 60,400,583	\$ 4,831,342	\$ 65,031,925	\$ 358,010,150

The accompanying notes are an integral part of this consolidated financial statement.

The FEDCAP Group
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended September 30,

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 48,270,426	\$ 4,739,412
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	6,282,685	6,230,114
Amortization of goodwill	107,669	506,905
Bad debt provision	1,281,700	2,598,778
Realized and unrealized losses (gains) on investments	(1,275,783)	3,545,138
Contributed space	(45,745,488)	-
Lease amortization	4,877,060	-
Paycheck Protection Plan loan forgiveness	-	(10,718,192)
Changes in assets and liabilities:		
Accounts receivable	(12,392,744)	6,409,739
Contribution receivable	(1,639,753)	788,896
Inventories	91,517	48,935
Prepaid expenses and other assets	1,068,666	(2,974,588)
Beneficial interest in remainder trust	(337,681)	174,664
Accounts payable and accrued liabilities	(3,049,361)	8,908,322
Deferred revenue	(2,254,580)	1,068,568
Other liabilities	(1,628,739)	2,549,122
Net cash (used in) provided by operating activities	(6,344,406)	23,875,813
Cash flows from investing activities:		
Purchase of investments	(343,369)	(641,436)
Capital expenditures	(24,830,402)	(6,653,430)
Net cash used in investing activities	(25,173,771)	(7,294,866)
Cash flows from financing activities:		
Decrease in advances from government agencies	(524,070)	(185,150)
Change in revolving loans	3,418,879	(2,279,474)
Proceeds from Paycheck Protection Plan notes payable	-	537,005
Repayment of Paycheck Protection Plan notes payable	-	(103,754)
Repayment of notes payable	(1,017,480)	(1,056,495)
Repayment of finance lease obligations	(1,049,268)	(597,695)
Net cash provided by (used in) financing activities	828,061	(3,685,563)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(30,690,116)	12,895,384
Cash and cash equivalents:		
Beginning of year	55,878,023	42,982,639
End of year	\$ 25,187,907	\$ 55,878,023
Supplemental disclosure of cash flow information:		
Acquisition of property, plant and equipment through finance leases	\$ 1,193,084	\$ 43,909,705
Cash interest paid during the period	\$ 5,045,036	\$ 2,443,534
Supplemental disclosures of noncash financing activities:		
Operating lease right-of-use assets obtained in exchange for lease liabilities	\$ 52,158,869	\$ -
Finance lease right-of-use assets obtained in exchange for lease liabilities	\$ 578,592	\$ -

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

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2023 and 2022

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

The FEDCAP Group, Inc. (the "Parent"), established on October 1, 2018, is a private, nonprofit organization incorporated under the laws of the State of Delaware. The Parent is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). The Parent or its subsidiaries are the sole member of the following affiliates: Fedcap, Inc ("Fed Inc."), Fedcap Rehabilitation Services, Inc ("FRS"), Fedcap Investment Corporation ("Fed Inv"), Fedcap VR Technologies LLC ("Fed VR"), Wildcat Services Corporation ("Wildcat"), ReServe Elder Services, Inc. ("ReServe"), Community Workshops, Inc. ("CWS"), Easter Seals New York, Inc. ("ESNY"), Granite Pathways, Inc ("GP"), Easter Seals Rhode Island, Inc ("ESRI"), Seacoast Pathways, Inc. ("Seacoast"), Single Stop USA Inc. ("SGST"), Benevolent, MVLE, Easter Seals Central Texas ("ESCT"), Easter Seals North Texas ("ESNT"), Easter Seals Mississippi, Inc. ("ESMS"), Easter Seals South Dakota, Inc. ("ESSD"), Easter Seals Oklahoma, Inc. ("ESOK"), Fedcap Apex Technical School Inc, Civic Hall Labs, Inc, New York Tech Alliance ("NYTA"), Fedcap Canada, These Our Treasures, Inc. ("TOTS"), Fedcap UK, Kennedy Scott, Limited ("KS"), Fedcap Employment Limited ("FED"), Fedcap Employment Scotland Limited ("FES"), and Start Scotland Limited ("SS"). The Parent and its subsidiaries are collectively referred to as "FEDCAP."

FRS is a private, nonprofit organization incorporated under the laws of New York State. FRS is exempt from federal income taxes under Section 501(c)(3) of the IRC.

FRS was founded to provide a comprehensive range of vocational and related services to individuals with disabilities, and other work-related disadvantages, who face significant barriers to employment. FRS's goal is to help each person achieve independence, integration into the community and full participation in the economic mainstream.

FRS provides contract services and products within custodial, homecare, office services, and industrial divisions. The primary customers in these divisions are federal, and New York State and City agencies and certified home health agencies.

As part of FRS's rehabilitation and vocation programs, FRS provides vocational evaluations, training, and employment services and other government-funded employment and job search programs. Evaluations combine aptitude tests, computerized assessments, and vocational counseling. After evaluation, FRS offers training in mail clerk/messenger services, building/custodial services, culinary arts/food services, data entry, office skills, document imaging, hospitality operations, and security operations. FRS then seeks to employ individuals who have successfully completed FRS's rehabilitation and vocational programs. FRS also offers the Chelton Loft, a voluntary clubhouse program for people with a history of serious mental illness. FRS also has a vocational education program and a licensed mental health program.

Wildcat is a nonprofit entity that is located in New York City and provides employment training, jobs placement and "supportive employment" opportunities for individuals with barriers to employment.

ReServe is a nonprofit entity located in New York City that matches continuing professionals age 55+ with organizations that need their expertise. ReServe provides direct services, administrative support, and capacity-building expertise in schools, social service agencies, cultural institutions, and public agencies.

CWS is a nonprofit corporation located in Boston, Massachusetts, whose mission is to help people who have barriers to work obtain employment and achieve greater self-sufficiency through job training, placement, and support services.

ESNY is a nonprofit entity whose purpose is to provide programs and services for people with disabilities, assistance to people with disabilities and their families, assistance to communities in developing necessary and appropriate resources for residents, and a climate of acceptance for people with disabilities which will enable them to contribute to the well-being of the community.

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

ESNY is the sole member of TOTS, a nonprofit entity whose purpose is to educate young children with developmental disabilities in an atmosphere that embraces and accommodates individual differences and helps children to achieve in the context of the larger classroom and school setting.

GP is a nonprofit entity whose mission is to provide services to empower and support adults with mental illness to pursue their personal goals through education, employment, stable housing, and meaningful relationships.

ESRI is a nonprofit entity whose purpose is to provide services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.

Seacoast is a nonprofit entity whose mission is to support adults living with mental illness on their paths to recovery through the work-ordered day.

SGST is a nonprofit entity that provides coordinated services to holistically connect people to the resources they need to attain higher education, obtain good jobs, and achieve financial self-sufficiency.

Benevolent is a nonprofit entity that provides economic wellbeing to individuals and families in need, through non-government sources.

MVLE is a nonprofit entity that provides employment, support and rehabilitation services to individuals with disabilities in the Northern Virginia and Washington, D.C. area.

Fed Inc. was established as a private, nonprofit organizations under the laws of the State of Delaware. Fed Inc. was formed to provide workforce development opportunities for people who face barriers to economic well-being.

ESCT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the Central Texas region.

ESNT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the North Texas region.

Fedcap UK was established and was registered as a UK Charity. Fedcap UK was founded to allow for the advancement of social inclusion, by enabling economic independence, employment and opportunity to participate in society for socially and economically disadvantaged and disabled individuals through various workforce and economic development, educational and occupational health initiatives.

Fedcap UK acquired KS, a United Kingdom company. KS provides high quality job support, placement, retention and related services to people in the United Kingdom.

FED was established under the laws of the United Kingdom. FED delivers employability solutions across the United Kingdom to build communities through a blend of local frontline professional teams and like-minded supply chain partners. Fedcap UK is the sole corporate member of FED.

FES was established under the laws of Scotland in the United Kingdom. FES delivers employability solutions across Scotland to build communities through a blend of local frontline professional teams and like-minded supply chain partners. Fedcap UK is the sole corporate member of FES.

FES is the majority shareholder and the Lennox Partnership is the minority shareholder with 49% interest in of SS. SS is a value-driven organization that strives to put its customers first, understanding their needs

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

and closely engaging with them on a personal level to help them on their journey to employment and training.

Fedcap Apex Acquisition LLC is a nonprofit entity that runs Apex Technical School ("Apex"), which is an adult vocational technical school and offers seven certificate courses designed to focus on basic trade skills and labor skills for its students. The operations of Fedcap Apex Acquisition LLC were transitioned into a newly created not for profit organization - Fedcap Apex Technical School, Inc. - during fiscal year 2023.

Fedcap Canada was established as a not-for-profit organization according to the Canada Not-for-Profit Corporations Act. Fedcap Canada was founded to advance the economic and social well-being of the impoverished and disadvantaged by providing educational services, vocational rehabilitation, job training and job placement services.

Civic Hall Labs, Inc., is a not-for-profit entity that provides a learning and collaboration platform focused on advanced technology and problem-solving for the public good.

Civic Hall Labs, Inc. is the sole member of NYTA, an organization that supports the technology community and ecosystems in their hometown, with the goal of creating the most diverse, equitable and accessible tech ecosystems in the world.

ESMS, a Mississippi non-profit corporation, is an organization providing services to children and adults with disabilities or other special needs and their families.

ESSD, a South Dakota non-profit corporation, is an organization to help children and adults with disabilities or other special needs and their families and caregivers reach their maximum capabilities and secure opportunities for their education, training, and employment.

ESOK, an Oklahoma non-profit corporation, is an organization to provide services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work, and play in their communities.

Fed Inv, a Delaware non-profit corporation, is a community development financial institution founded to serve economically distressed communities by providing credit, capital, and financial services that are often unavailable from mainstream financial institutions.

Fed VR, a joint venture between Fedcap, Inc. (as the majority shareholder) and UP360 US Holdings Corporation (minority shareholder with 49% interest), and provides virtual reality software, know-how and product development services for workforce training, development, and education.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements of FEDCAP have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") using the accrual basis of accounting. All intercompany accounts and transactions have been eliminated in the accompanying consolidated financial statements.

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

FEDCAP classifies its net assets in the following categories:

Net Assets without Donor Restrictions

Net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operations of FEDCAP. Net assets without donor restrictions may also be designated for specific purposes by FEDCAP's Board of Directors or may be limited by legal requirements or contractual agreements with outside parties.

Net assets without donor restrictions also includes the portion of net assets in a consolidated subsidiary owned by non-controlling investors and are reflected on the consolidated statements of financial position as net assets without donor restrictions - non-controlling interests.

Net Assets with Donor Restrictions

Represent net assets which are subject to donor-imposed restrictions whose use is restricted by time and/or purpose. Net assets with donor restrictions are subject to donor-imposed restrictions that require FEDCAP to use or expend the gifts as specified, based on purpose or passage of time. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without donor restrictions and reported on the consolidated statements of activities as net assets released from restrictions.

Contributions with donor-imposed restrictions whose restrictions are met during the same fiscal year in which the contribution was recognized are presented as contribution revenues without donor restrictions on the consolidated statements of activities.

Net assets with donor restrictions also includes the corpus of gifts, which must be maintained in perpetuity, but allow for the expenditure of net investment income and gains earned on the corpus for either specified or unspecified purposes in accordance with donor stipulations.

Changes in net assets without donor restrictions and the non-controlling interests in SS and Fed VR during the years ended September 30, 2023 and 2022 is summarized below:

	<u>Total Without Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Non-controlling Interest</u>
Balance, September 30, 2021	\$ 34,140,272	\$ 33,166,395	\$ 973,877
Change in net assets from operations	4,051,199	2,618,338	1,432,861
Change in net assets from nonoperating activities	<u>1,110,528</u>	<u>1,110,528</u>	<u>-</u>
Balance, September 30, 2022	39,301,999	36,895,261	2,406,738
Reclassification	-	1,902,661	(1,902,661)
Change in net assets from operations	2,635,983	2,490,547	145,436
Change in net assets from nonoperating activities	<u>(843,554)</u>	<u>(843,554)</u>	<u>-</u>
Balance, September 30, 2023	<u>\$ 41,094,428</u>	<u>\$ 40,444,915</u>	<u>\$ 649,513</u>

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Measure of Operations

The accompanying consolidated statements of activities report changes in net assets by operating and non-operating activities. Operating activities principally include all revenues and expenses that relate to FEDCAP's programs and supporting activities.

Non-operating activities include foreign currency exchange gains and losses and other items considered to be incidental to operations or non-recurring in nature.

Cash Equivalents and Restricted Cash

FEDCAP considers all highly liquid debt instruments with a maturity of three months or less at the date of purchase, including investments in short-term certificates of deposit and certain money market funds, to be cash equivalents. Cash and cash equivalents on the accompanying consolidated statements of financial position includes cash that is restricted under borrowing or other contractual arrangements amounting to \$3,824,255 and \$2,500,000 as of September 30, 2023 and 2022, respectively.

Revenue Recognition

In accordance with Financial Accounting Standards Board Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), FEDCAP recognizes revenue when control of the promised goods or services are transferred to FEDCAP's clients or outside parties in an amount that reflects the consideration FEDCAP expects to be entitled to in exchange for those goods or services. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

FEDCAP has identified contract services and products and rehabilitation and vocational programs as revenue categories subject to ASC 606. FEDCAP recognizes revenues from contracts with customers, as goods or services are transferred or provided in accordance with ASC 606.

Payments received in advance of FEDCAP satisfying its performance obligations are recorded within deferred revenue in the accompanying consolidated statements of financial position and totaled \$10,271,850 and \$12,501,051, as of September 30, 2023 and 2022, respectively. The changes in deferred revenue were caused by normal timing differences between the satisfaction of performance obligations and customer payments.

FEDCAP's contracts with customers generally contain terms that are less than one year. Accordingly, FEDCAP elected the practical expedients under ASC 606 to not assess whether a contract has a significant financing component or disclose the information regarding the remaining performance obligations for contracts with customers.

FEDCAP's revenue primarily relates to contract services and products, and rehabilitation and vocational programs. Revenue recognition for these various revenue streams coincides with the completion of the corresponding performance obligations to customers.

Contract Services and Products

FEDCAP's contract services and products revenue includes facility services, and other cost recovery contracts. FEDCAP recognizes such revenue ratably over a contract's term for those with fixed rates as the performance obligations are fulfilled accordingly over the corresponding contract term. For performance-based contracts, revenues are recognized in the period when related expenditures have been incurred, milestones have been achieved, or services have been performed in compliance with the respective contracts, which are the performance obligations under the contracts. FEDCAP also generates revenue from the sale of related products, which is recognized at the time of shipment.

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Rehabilitation and Vocational Programs

FEDCAP's rehabilitation and vocational program revenue includes medical services, tuition and job training. FEDCAP recognizes such revenue ratably over a contract's term for those with fixed rates as the performance obligations are fulfilled accordingly over the corresponding contract term. For performance-based contracts, revenues are recognized in the period when related expenditures have been incurred, milestones have been achieved, or services have been performed in compliance with the respective contracts, which are the performance obligations under the contracts. FEDCAP also generates revenue from the sale of related products, which is recognized at the time of shipment.

Contribution and Grant Revenue

FEDCAP records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair value of the assets received and contributions with donor stipulations that limit the use of donated assets are classified as net assets with donor restrictions. Contributions with donor restrictions that are received and met in the same fiscal year are recorded as contribution revenues without donor restrictions. Otherwise, once stipulated time restrictions end or purpose restrictions are accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions as "net assets released from restrictions" in the consolidated statements of activities. Conditional contributions are recognized as revenue when the conditions on which they depend are substantially met. Conditional contributions received in advance of meeting the associated contributions are recorded within deferred revenue on the accompanying consolidated statements of financial position and totaled \$374,621 and \$400,000, as of September 30, 2023 and 2022, respectively. There were no outstanding conditional contributions yet to be received as of September 30, 2023 or 2022.

FEDCAP recognizes revenue from contributions, grants and contracts in accordance with guidance whereby FEDCAP evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, FEDCAP applies guidance under ASC 606. If the transfer of assets is determined to be a contribution, FEDCAP evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before FEDCAP is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Contributed goods and services are recognized (revenues and expenses, or assets, if capitalizable) at their estimated fair value at the date of receipt and are reflected as in-kind contributions on the accompanying consolidated statements of activities.

Receivables and Allowance for Doubtful Accounts

Accounts receivable are derived from contract services and products, and rehabilitation and vocational programs. The carrying value of contributions and grants and accounts receivable are reduced by an appropriate allowance for uncollectible accounts, and therefore approximates net realizable value. FEDCAP determines its allowance by considering a number of factors, including the length of time receivables are past due, FEDCAP's previous loss history, the donor's current ability to pay its obligation, and the condition of the general economy and the industry as a whole. Receivables outstanding longer than the payment terms are considered past due. FEDCAP writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are recorded as income in the period received. All receivables are expected to be collected within one year.

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Inventories

Inventories, mainly consisting of distress marker light products and related components, are valued at the lower of cost or net realizable value. Cost is determined principally by the first-in, first-out method.

Fixed Assets

Fixed assets purchased for a value greater than \$5,000 and with depreciable lives greater than one year are carried at cost, net of accumulated depreciation. Depreciation is provided over the estimated useful life of the respective asset and ranges from three to 40 years. Significant additions or improvements extending asset lives are capitalized; normal maintenance and repair costs are expensed as incurred. Leasehold improvements are amortized based on the lesser of the estimated useful life or remaining lease term.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities. The classification is based on the function and nature of expenses directly used in the program. Common expenses are allocated to the programs and supporting services based on the benefit derived. The methods used for the allocation include square footage and actual percentage of time dedicated to the program or supporting service.

Commissions

FEDCAP pays commissions to an unrelated not-for-profit entity and a New York State entity to provide information on government contracts that need competitive bids for services. The contracts provide for commissions to be paid to these organizations in the range of 0.87% to 3.9% of the contract amount. Commissions paid relating to these contracts amounted to \$2,807,298 and \$2,850,048 for the years ended September 30, 2023 and 2022, respectively, and are included within contract services and products expense in the accompanying consolidated statements of activities.

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, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. These estimates and assumptions relate to estimates of collectability of accounts receivable, accruals, useful life of property, plant, and equipment, and impairment of long-lived assets. Actual results could differ from those estimates.

Fair Value Measurements

FEDCAP follows guidance for fair value measurements that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and enhances disclosure requirements for fair value measurements. It maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

The hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities includes investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.
- Level 3 - Securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the entity. FEDCAP considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to FEDCAP's perceived risk of that instrument.

Beneficial Interest in Trusts

Donors have established and funded trusts held by third parties under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trusts' term. FEDCAP's beneficial interest in trusts consists of interests in both charitable remainder trusts and perpetual trusts. Under charitable remainder trusts, FEDCAP will receive the assets remaining in the trust upon the termination of the trust. Under perpetual trusts, FEDCAP has the irrevocable right to receive all or a portion of the income earned on the trust assets either in perpetuity or for the life of the trust. FEDCAP recognizes its interest in trusts as increases to net assets at the fair value of trust assets, less the present value of the estimated future payments to be made under the specific terms of the trusts. Fluctuations in the fair value of these assets are recorded as changes in net assets with donor restrictions in the consolidated statements of activities.

At September 30, 2023 and 2022, FEDCAP's beneficial interest in trusts are reflected at fair value in the accompanying consolidated statements of financial position and are classified as Level 3 within the fair value hierarchy.

	2023	2022
Balance, beginning of year	\$ 4,398,082	\$ 5,435,630
Distributions	(139,016)	(131,208)
Appreciation/(depreciation)	476,697	(906,340)
Balance, end of year	<u>\$ 4,735,763</u>	<u>\$ 4,398,082</u>

The FEDCAP Group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Impairment of Long-lived Assets

FEDCAP reviews the carrying values of its long-lived assets, including property and equipment and other assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Recoverability of long-lived assets is assessed by a comparison of the carrying amount of the asset to the estimated future net cash flows expected to be generated by the asset.

If estimated future net cash flows are less than the carrying amount of the asset, the asset is considered impaired and an expense is recorded in an amount to reduce the carrying amount of the asset to its fair value.

Tax-Exempt Status

FEDCAP follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

FEDCAP is exempt from federal income tax under IRC Section 501(c)(3), though it is subject to tax on income unrelated to their respective exempt purpose, unless that income is otherwise excluded by the IRC. These organizations have processes presently in place to ensure the maintenance of their tax-exempt status, to identify and report unrelated income, to determine their filing and tax obligations in jurisdictions for which they have nexus, and to identify and evaluate other matters that may be considered tax positions. FEDCAP has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

While FEDCAP does not pay income tax within the United States, it does accrue Value-Added-Tax ("VAT") for liabilities its United Kingdom subsidiaries incur on goods and services purchased overseas. The amount of VAT liability accrued within the accompanying consolidated financial statements for the years ended September 30, 2023 and 2022, is \$1,346,514 and \$2,503,334, respectively, and is reported within accounts payable and accrued liabilities on the accompanying consolidated statements of financial position.

Goodwill

Goodwill was established through the acquisition of Apex in 2020 and KS in 2019. The value reported on the consolidated statements of financial position represents the residual difference between the consideration paid and the fair value of the net assets acquired. FEDCAP has elected under relevant guidance to amortize goodwill on a straight-line basis over 10 years and to perform a goodwill impairment analysis at the entity or reporting unit level when a triggering event occurs that indicates the fair value of the entity or reporting unit may be below its carrying amount. Impairment charges totaling \$107,669 were recognized during the year ended September 30, 2023. There were no impairment charges recognized during the year ended September 30, 2022.

Adopted Accounting Pronouncement (Change in Accounting Principle)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This ASU requires lessees to recognize a lease liability and a right-of-use ("ROU") asset on a discounted basis, for substantially all leases, as well as additional disclosures regarding leasing arrangements. Disclosures are required to enable users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*,

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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which provided an optional transition method for applying the new lease standard. Topic 842 can be applied using either a modified retrospective approach at the beginning of the earliest period presented or, as permitted by ASU 2018-11, at the beginning of the period in which it is adopted, (i.e., the comparatives under Accounting Standards Codification ("ASC") 840 option).

FEDCAP adopted Topic 842 on October 1, 2022 (the effective date), using the comparatives approach under ASC 840 transition method, which applies Topic 842 at the beginning of the period in which it is adopted. Prior period amounts have not been adjusted in connection with the adoption of this standard. FEDCAP similarly elected the package of practical expedients under the new standard, which permits entities to not reassess lease classification, lease identification or initial direct costs for existing or expired leases prior to the effective date. FEDCAP has lease agreements with non-lease components that relate to the lease components.

FEDCAP determines if an arrangement is a lease or contains a lease at inception of a contract. A contract is determined to be or contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. FEDCAP determines these assets are leased because FEDCAP has the right to obtain substantially all of the economic benefit from and the right to direct the use of the identified asset. Assets in which the supplier or lessor has the practical ability and right to substitute alternative assets for the identified asset and would benefit economically from the exercise of its right to substitute the asset are not considered to be or contain a lease because FEDCAP determines it does not have the right to control and direct the use of the identified asset. FEDCAP's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating its contracts, FEDCAP separately identifies lease and non-lease components, such as common area and other maintenance costs, in calculating the ROU assets and lease liabilities for its office space. FEDCAP has elected the practical expedient to not separate lease and non-lease components and classifies the contract as a lease if consideration in the contract allocated to the lease component is greater than the consideration allocated to the non-lease component.

Leases result in the recognition of ROU assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. FEDCAP determines lease classification as operating or finance (previously capital leases) at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. FEDCAP has made a policy election to use a risk-free rate per U.S. Treasury instrument for the initial and subsequent measurement of all lease liabilities. The risk-free rate is determined using a period comparable with the lease term.

The portion of payments on operating lease liabilities related to interest, along with the amortization of the related ROU, is recognized as occupancy expense. This occupancy expense is recognized on a straight-line basis over the term of the lease. The portion of payments on finance lease liabilities related to interest and the amortization of the ROU assets under finance leases are reflected within occupancy expense on the accompanying statement of functional expenses.

The lease term may include options to extend or to terminate the lease that FEDCAP is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

FEDCAP has elected not to record leases with an initial term of 12 months or less on its statement of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Operating lease ROU assets and operating and finance lease liabilities are presented separately while finance lease ROU assets are presented within property, plant and equipment, net on the accompanying consolidated statements of financial position.

The most significant impact of adoption was the recognition of operating lease ROU assets and operating lease liabilities of \$39,523,718 and \$42,620,262, respectively. As part of adopting the standard, previously recognized liabilities for deferred rent related to operating leases were reclassified as a component of ROU assets. The standard did not significantly affect FEDCAP's changes in net assets or cash flows.

Reclassifications

Certain reclassifications were made to the fiscal 2022 consolidated financial statements in order to conform to the fiscal 2023 presentation. Such reclassifications did not result in a change to total net assets, revenues, expenses or changes in net assets as previously reported in the fiscal 2022 consolidated financial statements.

NOTE 3 - CONTRIBUTIONS AND GRANTS RECEIVABLE

At September 30, 2023 and 2022, contributions and grants receivable consisted of receivables amounting to \$2,819,540 and \$1,179,787, respectively, net of an allowance for doubtful accounts of \$250,000 for each year.

Approximately 46% and 24% of the contributions and grants receivable (gross) was due from one donor at September 30, 2023 and 2022, respectively.

NOTE 4 - CONTRIBUTED SPACE RECEIVABLE

In fiscal 2023, upon commencement of the lease, a contributed space receivable and in-kind contribution with donor restrictions was recognized totaling \$48,617,672 related to the below market rate lease for Civic Hall's 85,000-square-foot learning and training center at 14th Street, Union Square, New York City. This amount represents the present value of the difference between the fair market rate and the contracted payments due under the lease over the lease term. The fair market rate was determined based upon the lease rates for comparable space at the time of the lease commencement. The lease has a 25-year term and the contributed space receivable will be amortized over that period. During the year ended September 30, 2023, \$2,872,184 of the contributed space receivable was amortized and reflected within occupancy costs on the accompanying consolidated statement of functional expenses.

NOTE 5 - INVESTMENTS

Investments, at fair value, consisted of the following at September 30:

	2023	2022
Money market funds	\$ 1,061,835	\$ 561,734
Mutual funds	9,564,255	8,445,204
	<u>\$ 10,626,090</u>	<u>\$ 9,006,938</u>

FEDCAP's mutual fund investments are classified as Level 1 within the fair value hierarchy. FEDCAP's money market fund investments do not meet the definition of a security under U.S. GAAP, and as such, the disclosure requirements for fair value measurements are not applicable.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 6 - INVENTORIES, NET

Inventories consisted of the following at September 30:

	2023	2022
Inventories		
Raw materials	\$ 106,392	\$ 136,294
Work-in-process and finished goods	307,418	369,033
Reserve	(90,000)	(90,000)
	<u>\$ 323,810</u>	<u>\$ 415,327</u>

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT, NET

Fixed assets, net, consisted of the following at September 30:

	2023	2022
Land	\$ 1,617,809	\$ 1,617,809
Building improvements	4,896,701	4,599,099
Buildings	39,742,759	39,742,759
Finance leases - buildings	79,828,252	79,828,252
Furniture, fixtures and computer systems	31,241,392	26,960,289
Leasehold improvements	34,337,156	12,773,557
	<u>191,664,069</u>	<u>165,521,765</u>
Less: accumulated depreciation	<u>(46,986,327)</u>	<u>(39,391,740)</u>
	<u>\$ 144,677,742</u>	<u>\$ 126,130,025</u>

Depreciation and amortization expense for the years ended September 30, 2023 and 2022 was \$6,282,685 and \$6,230,114, respectively.

NOTE 8 - REVOLVING LOANS***Investors Bank***

On October 27, 2020, FEDCAP entered into an agreement with Investors Bank for (1) a revolving line of credit agreement with a borrowing limit of \$42,500,000, with a maturity date of October 27, 2022 and interest payable quarterly at a rate of prime plus 0.75% but no less than 4.00%. The maturity date was subsequently extended to January 27, 2023. As of September 30, 2022, FEDCAP had borrowings on this line of credit of \$25,893,587 at an interest rate of 3.06%. On January 27, 2023, the line was refinanced with Provident Bank.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Provident Bank

On January 27, 2023, FEDCAP entered into an agreement with Provident Bank to refinance certain of its previous debt arrangements as well as to provide for additional liquidity for operations. In connection with the refinancing, FEDCAP entered into (1) a revolving line of credit agreement (Facility A) with a borrowing limit of \$42,500,000, with a maturity date of March 25, 2025 and interest payable quarterly at a rate of one month CME Term Secured Overnight Financing Rate ("SOFR") plus 2.90% but no less than 5.00%; and (2) an additional \$7,500,000 credit line (Facility B) interest payable quarterly at a rate of one month CME Term SOFR plus 2.90% but no less than 5.00%. The revolving line of credit agreement requires that FEDCAP maintain minimum unrestricted liquid assets of \$15,000,000. The proceeds from the revolving line of credit were used to repay the existing revolving credit line held by Investors Bank, mentioned above. As of September 30, 2023, FEDCAP had borrowings on Facility A of \$29,345,101 at an interest rate of 8.22%. There were no outstanding borrowings under Facility B as of September 30, 2023. The balance reported on the accompanying consolidated statement of financial position as of September 30, 2023 is net of unamortized debt issuance costs of \$32,635.

NOTE 9 - LONG-TERM DEBT

Notes Payable

On October 21, 2004, TOTS entered into a \$700,000 mortgage note payable to finance the acquisition of the building located in Bronx, New York. The note was secured by the property and all of the assets of TOTS. The interest rate is 5.0% and principal and interest of \$4,960 is payable monthly through the maturity date of November 1, 2024. At September 30, 2023 and 2022, the outstanding principal balance was \$67,284 and \$121,884, respectively.

FEDCAP entered into an agreement with Investors Bank for two term loans in the amounts of \$6,000,000 and \$6,600,000, with a maturity date of November 1, 2045 and November 1, 2030, respectively, along with monthly payments of principal and interest at a rate of 4.00%. At September 30, 2023 and 2022, the outstanding principal balance of the term loans was \$11,137,729 and \$11,659,271, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Bonds Payable

In December 2013, FRS entered into a Loan Agreement with Build NYC Resource Corporation ("Build NYC"), a local development corporation, for Build NYC to issue bonds to finance the purchase of the sixth floor of a building located at 633 Third Avenue in New York City and related expenses. Build NYC issued \$18,450,000 of tax-exempt revenue bonds ("Series 2013A"). Monthly payments of interest commenced in June 2014. The Series 2013A bonds have a coupon rate of 4.2% with a maturity date of December 1, 2033. The Series A bonds were placed with Israel Discount Bank ("IDB") and, as part of the bond purchase and continuing covenant agreement between FRS and IDB, FRS must maintain a minimum balance with IDB of \$4,000,000, which is included within investments in the accompanying consolidated statements of financial position at September 30, 2023 and 2022. At September 30, 2023 and 2022, the outstanding principal balance of the Series 2013A bonds was \$14,235,000 and \$14,840,000, respectively. The following is a summary of minimum principal payments due on the notes and bonds at September 30, 2023:

<u>Year Ending September 30,</u>	<u>Notes Payable</u>	<u>Bonds Payable</u>	<u>Total</u>
2024	\$ 584,654	\$ 630,000	\$ 1,214,654
2025	544,230	655,000	1,199,230
2026	541,215	685,000	1,226,215
2027	548,331	715,000	1,263,331
2028	555,193	745,000	1,300,193
Thereafter	8,431,390	10,805,000	19,236,390
Total	<u>\$ 11,205,013</u>	<u>\$ 14,235,000</u>	25,440,013
Less: current portion			(1,214,654)
Less: bond issuance cost			(544,727)
Long-term debt, net of current portion			<u>\$ 23,680,632</u>

NOTE 10 - ADVANCES FROM GOVERNMENT AGENCY

During fiscal 2023 and 2022, FEDCAP received contract advances from various New York City government agencies. The refundable balance related to these advances as of September 30, 2023 and 2022 is \$40,206 and \$564,276, respectively. These advances are non-interest bearing and will be offset by future receivables within these programs.

NOTE 11 - FORGIVABLE CAPITAL ADVANCES

ESCT has received financial assistance for property acquisition costs from Housing and Urban Development ("HUD") and the Austin Housing Finance Corporation ("AHFC"). Under the terms of the agreements, funds were provided to ESCT in the form of forgivable capital advances to purchase 34 housing entities. The principle and any interest are not due and will be forgiven upon maturity, as long as ESCT continues to meet the requirements to maintain the housing units available for low income persons with disabilities. ESCT believes that the possibility that repayment will occur is remote and as such that the treatment of the advance as a contribution upon receipt is appropriate. Accordingly, the advances were recorded as contributions with donor restrictions that are released from restriction over the life of the agreement.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

The following table summarizes the forgivable capital advances as of September 30, 2023:

	<u>Amount of Original Advance</u>
Housing I	
U.S. Department of HUD, interest rate of 5.375%, due unless forgiven on October 11, 2045, secured by six rental housing units. At September 30, 2023 and 2022, \$228,010 and \$238,335, respectively, was included in net assets with donor restrictions related to the Note.	\$ 413,000
Housing II	
U.S. Department of HUD, interest rate of 5.250%, due unless forgiven on April 1, 2048, secured by 10 rental housing units. At September 30, 2023 and 2022, \$438,567 and \$456,407, respectively, was included in net assets with donor restrictions related to the Note.	713,600
City of Austin passed through AHFC, interest rate of 0%, due unless forgiven on May 1, 2049, secured by 10 rental housing units, subordinate to the \$713,600 loan. At September 30, 2023 and 2022, \$319,792 and \$332,292, respectively, was included in net assets with donor restrictions related to the Note.	500,000
Housing III	
U.S. Department of HUD, interest rate of 4.125%, due unless forgiven on December 1, 2050, secured by eight rental housing units. At September 30, 2023 and 2022, \$502,517 and \$521,013, respectively, was included in net assets with donor restrictions related to the Note.	739,900
City of Austin passed through AHFC, interest rate of 0%, due unless forgiven on November 30, 2050, secured by eight rental housing units, subordinate to the \$739,900 loan. At September 30, 2023 and 2022, \$336,010 and \$348,379, respectively, was included in net assets with donor restrictions related to the Note.	494,740
Housing IV	
U.S. Department of HUD, interest rate of 4.125%, due unless forgiven on February 15, 2053, secured by 10 rental housing units. At September 30, 2023 and 2022, \$790,191 and \$813,950, respectively, was included in net assets with donor restrictions related to the Note.	1,070,400
City of Austin passed through AHFC, interest rate of 0%, due unless forgiven on February 28, 2053, secured by 10 rental housing units, subordinate to the \$1,070,400 loan. At September 30, 2023 and 2022, \$456,561 and \$475,183, respectively, was included in net assets with donor restrictions related to the Note.	<u>624,898</u>
Total	<u>\$ 4,556,538</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 12 - LEASES

FEDCAP has entered into operating and finance lease commitments for space, office equipment and vehicles at various locations for its programs and administrative activities, which expire on various dates through July 2067.

The lease cost and other required information relevant to the lease commitments for the year ended September 30, 2023 are:

Lease cost	
Operating lease cost	\$ 15,299,969
Finance lease cost	
Amortization of right-of-use assets	297,686
Interest on lease liabilities	3,586,628
Sublease income	<u>(1,465,264)</u>
Total lease cost	<u>\$ 17,719,019</u>
Operating cash flows from operating leases	\$ 15,299,969
Operating cash flows from finance leases	2,881,967
Financing cash flows from finance leases	1,049,268
Right-of-use assets, obtained in exchange for new operating lease liabilities	\$ 52,158,869
Right-of-use assets, obtained in exchange for new finance lease liabilities	578,592
Weighted-average remaining lease term:	
Operating leases	18.57 years
Finance leases	25.56 years
Weighted-average discount rate:	
Operating leases	3.45%
Finance leases	5.70%

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Future minimum payments under FEDCAP's leases are due as follows:

	Operating Leases	Finance Leases
2024	\$ 11,321,897	\$ 4,795,398
2025	8,875,761	5,026,816
2026	7,181,551	5,066,961
2027	5,656,326	5,015,962
2028	6,821,861	4,934,652
Thereafter	<u>90,537,854</u>	<u>111,810,670</u>
Total future undiscounted lease payments	130,395,250	136,650,459
Less: interest	<u>(38,300,532)</u>	<u>(56,891,323)</u>
Lease liabilities	<u>\$ 92,094,718</u>	<u>\$ 79,759,136</u>

Disclosures Related to Periods Prior to Adoption of ASC 842

Total rent expense for the year ended September 30, 2022 was \$15,289,496. Rent expense related to lease agreements was recognized on a straight-line basis over the lease term.

Future minimum lease commitments under non-cancellable operating leases as of September 30, 2022 were as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2023	\$ 14,593,814
2024	13,093,972
2025	12,245,259
2026	10,557,672
2027	8,763,622
Thereafter	<u>92,407,054</u>
Total	<u>\$ 151,661,393</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Future minimum lease commitments under non-cancellable finance leases as of September 30, 2022 were as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2023	\$ 3,707,389
2024	4,471,864
2025	4,465,407
2026	4,803,639
2027	4,803,639
Thereafter	<u>116,983,515</u>
Total minimum lease payments	139,235,453
Less: amount representing interest	<u>(60,179,753)</u>
Present value of net minimum lease payments	<u>\$ 79,055,700</u>

NOTE 13 - CONTINGENCIES

FEDCAP is engaged in various lawsuits incidental to its operations. In the opinion of management, the ultimate outcome of pending litigation will not have a material adverse effect on the consolidated financial position and results of operations of FEDCAP.

FEDCAP participates in a number of federal and state programs. These programs require that FEDCAP comply with certain requirements of laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from such audits of government contracts by government agencies is presently not determinable, it should not, in the opinion of management, have a material effect on FEDCAP's financial position or change in net assets. Accordingly, no provision for any such liability that may result has been made in the accompanying consolidated financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 14 - TUITION REVENUE

FEDCAP receives funding for Fedcap Apex Technical School Inc (d/b/a Apex Technical School) and for the Career Design School from the New York State Education Department, administered by the Bureau of Proprietary School Supervision. Gross tuition income has been included within rehabilitation and vocational programs in the accompanying consolidated statements of activities for the years ended September 30, 2023 and 2022 as follows:

	2023	
	Fedcap Apex Technical School Inc d/b/a Apex Technical School	Career Design School
Tuition	\$ 20,636,905	\$ 100,478
Less: book and tool sales	(664,857)	-
Less: application and insurance fees	(136,301)	-
Subtotal	19,835,747	\$100,478
Add: student Refunds and Returns to Federal Family Education Loan Programs included above	543,070	-
Gross tuition for tuition assessment calculations	\$ 20,378,817	\$ 100,478
	2022	
	Fedcap Apex Technical School Inc d/b/a Apex Technical School	Career Design School
Tuition	\$ 19,824,972	\$ 287,248
Less: book and tool sales	(566,428)	-
Less: application and insurance fees	(119,444)	-
Subtotal	19,139,100	287,248
Add: student Refunds and Returns to Federal Family Education Loan Programs included above	505,802	-
Gross tuition for tuition assessment calculations	\$ 19,644,902	\$ 287,248

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 15 - NET ASSETS

Net assets with donor restrictions were restricted for the following purposes as of September 30,:

	<u>2023</u>	<u>2022</u>
For use in future periods for		
Employment and job search programs	\$ 236,488	\$ 260,388
ESCT HUD capital advances	3,071,648	3,185,559
Time restricted - beneficial interest in remainder trust	2,577,709	2,395,008
Time restricted - general	<u>47,416,091</u>	<u>1,137,964</u>
	53,301,936	6,978,919
Beneficial interest in perpetual trusts and endowment funds subject to appropriation and satisfaction of donor restrictions	<u>2,158,054</u>	<u>2,003,074</u>
	<u>\$ 55,459,990</u>	<u>\$ 8,981,993</u>

Beneficial interest in perpetual trusts and endowment funds are comprised of the following as of September 30:

	<u>2023</u>	<u>2022</u>
Easter Seals - beneficial interest in perpetual trusts	\$ 1,993,803	\$ 1,842,325
ReServe endowment	85,471	82,306
CWS endowment	<u>78,780</u>	<u>78,443</u>
	<u>\$ 2,158,054</u>	<u>\$ 2,003,074</u>

Net assets released from restrictions during the years ended September 30, 2023 and 2022 amounted to \$3,249,208 and \$669,536, respectively.

Net assets released from restrictions are comprised of the following as of September 30:

	<u>2023</u>	<u>2022</u>
Time Restricted - general	\$ 3,084,970	\$ -
ESCT HUD Capital Advances	113,913	113,913
Employment and job search programs	<u>50,325</u>	<u>555,623</u>
	<u>\$ 3,249,208</u>	<u>\$ 669,536</u>

NOTE 16 - RELATED-PARTY TRANSACTIONS

A CWS Board member is a trustee of the Eaton Fund. CWS leases its facilities from the Eaton Fund. The rent paid to Eaton Fund for each of the years ended September 30, 2023 and 2022 was \$130,000 and \$97,500, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 17 - EMPLOYEE BENEFIT PLANS

Effective January 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the IRC for employee voluntary salary reduction contributions. Employees are eligible to participate in the plan as of their employment date.

Effective October 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the IRC for employees working on government contracts with a defined contribution pension plan based on a contractual formula. Employees are eligible to participate in the plan upon satisfactory completion of a three-month probationary period.

Effective October 1, 1994, FEDCAP established a Defined Contribution Plan under Section 403(b) of the IRC for qualified participants, primarily employees who do not work on contracts. In November 1, 2010, the Defined Contribution Plan was amended to allow all employees to participate in the plan immediately upon hire. FEDCAP matches employee contributions up to 3% of their salaries. Employer matching contributions fully vest after three years of employment.

Plan contributions are invested in one or more of the funding vehicles available to participants under the plans. Each participant is fully and immediately vested in employee contributions. Employer contributions to the plans amounted to \$13,520,332 and \$12,381,925 for the years ended September 30, 2023 and 2022, respectively.

NOTE 18 - CONCENTRATIONS

FEDCAP provides building services for federal buildings, which comprised 18% of total revenues during the years ended September 30, 2023 and 2022. FEDCAP provides offsite data entry personnel, custodial and other services to various branches of the state and city government through one New York State organization, which comprised 5% of total revenues during the years ended September 30, 2023 and 2022.

Financial instruments that potentially subject FEDCAP to concentrations of credit and market risk consist principally of cash and cash equivalents on deposit with financial institutions, which from time to time may exceed the Federal Deposit Insurance Corporation limit. Management does not believe that a significant risk of loss exists due to the failure of a financial institution.

NOTE 19 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

FEDCAP regularly monitors liquidity required to meet its operating needs and other contractual commitments. FEDCAP has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities, and lines of credit. See Note 8 for information about FEDCAP's lines of credit.

For purposes of assessing resources available to meet general expenditures over a 12-month period, FEDCAP considers all expenditures related to its ongoing activities.

In addition to financial assets available to meet general expenditures over the next 12 months, FEDCAP operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

As of September 30, 2023 and 2022, the following tables show the total financial assets held by FEDCAP and the amounts of those financial assets that could readily be made available within one year of the balance sheet date to meet general expenditures.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

Financial assets available to meet general expenditures over the next 12 months:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 25,187,907	\$ 55,878,023
Accounts receivable, net	59,466,388	48,355,344
Contributions and grants receivable, net	2,819,540	1,179,787
Investments	<u>10,626,090</u>	<u>9,006,938</u>
Total financial assets available within the next 12 months	98,099,925	114,420,092
Less amounts unavailable for general expenditure due to:		
Donor-imposed restrictions	(4,772,847)	(4,583,655)
Minimum liquidity and collateral requirements under borrowing and other arrangements	<u>(18,900,000)</u>	<u>(17,500,000)</u>
Total financial assets available to meet general expenditures over the next 12 months	<u>\$ 74,427,078</u>	<u>\$ 92,336,437</u>

NOTE 20 - SUBSEQUENT EVENTS

FEDCAP evaluated its September 30, 2023 consolidated financial statements for subsequent events through February 15, 2024, the date the consolidated financial statements were available for issuance. FEDCAP is unaware of any events which would require recognition or disclosure in the accompanying consolidated financial statements other than what is described in this note.

On October 24, 2023, FEDCAP entered into an agreement with Provident Bank for a non-revolving construction line of credit in the amount of \$10,000,000. The line of credit will be used to finance the construction of certain improvements related to the Civic Hall lease. The line of credit has a maturity date of December 31, 2027 and fixed interest rate of 7.14%.

SUPPLEMENTARY INFORMATION



BOARD OF DIRECTORS

Nick Brattan, Chairman

Board Date 6/13/2018



Profession: President – NE Document Systems Inc.

William Rider

Board Date 2009



Profession: CEO/President-Greater Manchester Mental Health

Lynne Westaway, Treasurer

Board Date 8/1/2007



Profession: CPA/Partner-WIPFLI

James Sweeney PhD

Board Date 10/1/2020



Profession: PhD, Counseling

Peter Burke

Board Date 4/1/21



Profession: Community Education Manager @ St. Joseph Hospital

Cassandra Durand

Board Date 3/16/23



Profession: Director of ProHealth Integrated Primary Care

Kate Turcotte

Board Date 3/6/24



Profession: MSW, Professor and Therapist

Patrick Long

Board date 4/12/2026



Attorney

JENICA MILLS

 jmills@granitepathways.org

SKILLS

- Extensive Knowledge of Coping Skills (including CBT, DBT, ACT Skills)
- Active Listening & Motivational Interviewing
- Stages of Change & Stages of Recovery
- Problem-Solving Skills
- Advocacy & Providing Community Resources & Referrals
- Interpersonal Communication
- Knowledge of Multiple Pathways of Recovery & Mental Health Services
- Self-Motivated
- Recovery Support Group Facilitation
- Suicide Prevention

CERTIFICATIONS

- CPS - Certified Peer Support Specialist, NH DHHS
- CPR for Adults & Infants Training - Feb. 2020

EDUCATION

IPS/ CPS Academy

The Mental Health Center Of Greater Manchester • 10/2021

CPS NH Certification: Intentional Peer Support

NH Recovery Coach Academy

CCAR/ Granite Pathways In Manchester, NH
• 04/2019

PROFESSIONAL SUMMARY

Dedicated & empathetic Certified Peer Support Specialist; known for helping people in challenging situations, and achieving recovery successes.

Understanding & knowledgeable in mental health & substance abuse care system navigation and willing to share life experiences related to mental illness & Substance Use Disorder. Energetic professional with more than 5 years of expertise providing recovery support, and more than 5 1/2 years of sobriety. Ready to help others reclaim lives through use of proper, individualized services

WORK EXPERIENCE

Granite Pathways- Community Navigator

Manchester, NH • 11/2024 - Current

- Outreach DCYF Central Intake Reporters to offer knowledge and resources they can offer families in the future.
- Outreach families that have been screened out from DCYF Central Intake to offer community resources and direct referrals that may help them avoid future DCYF reports/ involvement.
- Utilize experience in child welfare system & recovery to help support families w/ connecting to community resources.
- Administrative work including outreach and referral documentation, written correspondence & other data entry duties as needed.

Granite Pathways- Strength To Succeed - Parent Partner

Manchester, NH • 06/2023 - 11/2024

- Provide peer support & recovery coach services to individuals and families involved with NH Division for Children, Youth and Families (DCYF)
- Help families navigate relationships with DCYF Staff and other providers
- Assist caregiver w/ identifying needs, developing goal setting through Care Coordination Plans, developing coping skills and planning for routine & crisis situations
- Utilized experience in child welfare system and recovery to better serve parents.
- Facilitate Nurturing Parenting education sessions for individuals and groups.
- Administrative work including case documentation, written correspondence & other data entry duties as needed.

The Mental Health Center Of Greater Manchester - Certified Peer Support Specialist

Manchester, NH • 11/2020 - 04/2024

Cert. of Completion: CRSW (Certified Recovery Support Worker)

Exeter High School
Exeter, NH • 06/2004

High School Diploma

VOLUNTEER

Safe Harbor Recovery Center- Portsmouth, NH

March 2019 - July 2019

- Used strong interpersonal communication skills to convey information to visitors/ members, face-to-face & via telephone.
- Guided visitors/ members to tools and resources necessary for healing & recovery.
- Maintained clean, neat, and operational facilities to serve program needs.
- Assisted w/ transporting members to/ from treatment facilities & sober residences.

- Built connections with clients struggling w/ Substance Use disorder &/or mental health issues, based upon trust, honesty & mutual respect, by using active listening & dynamic communication skills.
- Demonstrated extensive knowledge of mental health, recovery, wellness principles & resources, & shared this information with others in recovery.
- Collaborated with other professionals to remove barriers & coordinate comprehensive care for clients
- Observed strict regulations & procedures regarding each client, to maintain confidentiality of PII & PHI.
- Organized & participated in clinical staff meetings & coordinated w/ clinical staff to develop individualized treatment plans.
- Initiated & facilitated weekly Women for Sobriety meetings.

The Maris Center For Women - Recovery Support Specialist

Saisbury, MA • 06/2019 - 11/2020

- Supervised residents to ensure compliance w/ house rules.
- Administered random urine & breathalyzer tests to assess adherence to recovery plans & house rules.
- Documented all shift activity for accurate, reliable records.
- Provided compassionate support & encouragement to residents in recovery from Substance and/ or Alcohol Use Disorder.

Kristi Southers

Ksouthers@granitepathways.org

Summary

I am very driven, hardworking, and reliable. I am eager and willing to grow within a company, to learn and add to my professional development toolbox. I am also willing to show my strong set of skills that I obtain. I am highly organized, proactive, and punctual with a team-oriented mentality. I am a team player and want to be a part of a company where we can all grow together.

Experience

Granite Pathways | Manchester NH

Field Supervisor STS/Community Navigator 2024-Present

- Allot the time necessary to work with and be supervised by the Granite Pathways Program Director.
- Demonstrate an understanding of and an ability to successfully implement concepts presented in orientation and training.
- Possess professional behavior elements including ability to supervise field staff, clearly communicate, engage staff in respectful interactions and maintain a high level of confidentiality.
- Maintain and update personnel files.
- Conduct monthly individual supervision with all staff.
- Facilitate monthly group CRSW supervision with all staff.
- Coordinate clinical supervision for all staff.
- Attend required DCYF, community and internal meetings representing the programming.
- Clear understanding of the contract requirements and roles of all staff.
- New hire trainings coordination and oversight.
- Developing and implementing professional development plans along with improvement plans.
- Overseeing credentialing, ensuring timely completion, and ongoing recertification for all field staff.
- Supporting all staff in developing and enhancing time management, documentation, direct service and professional skills.
- Manage day to day operations including workload coverage, staff caseloads, budgets, contract training delivery, equipment maintenance, supplies and technical issues.
- Contract management includes aggregate reporting, referral tracking, contract performance, DYCF collaboration and communication.
- Quality tracking of field staff performance; ensuring the maintenance of accurate, complete, timely and high-quality documentation and data collection to meet best practice standards that comply with program policies and procedures, payor requirements and external regulatory standards.
- Practice cultural competency.
- Complete annual training as required.
- Always display and maintain confidentiality.
- Perform other related duties as assigned. This job description is not designed to cover or contain a comprehensive listing of activities, duties, or responsibilities.

Granite Pathways | Manchester NH

Parent Partner-Certified Recovery Support Worker 08/2019 - 2024

- Offer peer-to-peer support from staff who have lived through their own adversities and have had positive outcomes
- Provide peer-to-peer support for parents including treatment navigation, recovery support, housing support, employment support, health/wellness support, DCYF case navigation support, court support and more. also act as resource navigators for the DCYF staff in the offices they are located in.
- Familiar with TEAMS, EXCEL, POWERPOINT, FEDCAPCARES, CISCO Connect, ADP, Oracle, and more.

MAS Home Care | Manchester, NHLNA 03/2018 - 08/2019

- Collaborated with interdisciplinary healthcare teams to provide high-quality patient care.
- Collected urine/stool samples to complete needed tests for patients, checking for changes that indicated potentially dangerous conditions;
- Engaged with patient family and friends to provide courteous, efficient visit experience.
- Administered medications and educated patients and families on correct at-home administration;
- Responded to patient alarms and needs-assessment requests to identify the course of treatment.;
- Promoted patient satisfaction by assisting with daily living needs such as bathing, dressing, toileting and exercising;
- Documented information in patient charts and communicated status updates to interdisciplinary care team; and,
- Attended to patients in bed units, continuously checking on needs and maintaining high standards of patient care.

Education and Training

- Northern Essex Community College | Haverhill, MA //General Studies
- Certified Recovery Support Worker | Concord, NH Licensed by OPLC
- Certified Recovery Coach | Concord, NHCWEP: Recovery Coach in 07/2019

References Available Upon Request

Amanda Durand

adurand@granitepathways.org

PROFESSIONAL QUALIFICATIONS

I am a highly Competent professional with over 12 years of experience. I have superior communication skills with a positive attitude and genuine compassion for others. I demonstrate outstanding leadership, interpersonal communication, and problem resolution.

EXPERIENCE

Granite Pathways, Community Navigator- Manchester, NH

Director 2024

Navigator 2023-2024

- Complete Training in: Mandated Reporting, Motivational Interviewing, Diversity, Equity, and Inclusion, Trauma Informed Practice, Reflective Practice, Strategic Sharing, DCYF 101 and DCYF Core.
- Complete Monthly Contract Reporting and attend monthly contractor meetings.
- Data reporting on scope of service requirements and amplification requirements.
- Program oversight, and contract compliance
- Continue quality management of workflows, standard operating procedures, trainings and professional development tools
- Educate professionals and nonprofessional reporters on local resources for families in need and who do not rise to the level of involvement with child protection.
- Educate professional reporters on engagement techniques including trauma informed, reflective listening, and motivational interviewing with families.
- Education reporters on facilitated referrals.
- Continued research and education on regional resources including Family Resources Center Program schedules.
- Partnership and collaboration with local resources, having firsthand knowledge of what families can expect when they engage in services.
- Practice cultural competence.
- Completed annual training in engagement skills, engagement techniques, DEI, Trauma informed and Motivational Interviewing.
- Demonstrate the ability to pivot and work in ambiguity, understanding community resources change and family's needs will vary.
- Administrative work including case documentation, written correspondence, monthly contractor reporting and other data entry duties as needed.
- Provide supervision and training to all staff.

Granite Pathways, Strength to Succeed- Manchester, NH

Director 2024

Parent Partner/CRSW-S 2020-2024

- Program oversight, and contract compliance
- Data reporting on scope of service requirements and amplification requirements.

- Develop and implement program policies.
- Participate in Professional Development training.
- Attend monthly contractor meetings and bi-weekly leadership meetings
- Oversight of Nurturing Parenting and PASTA Training Facilitation
- Provide Field Supervision and CRSW Supervision to all staff.
- Continue quality management of workflows, standard operating procedures, trainings and professional development tools
- Demonstrate an understanding of and an ability to successfully implement concepts presented in orientation and training.
- Utilize evidence-based home models including but not limited to; Nurturing Families and PASTA (Parenting a Second Time Around).
- Facilitate Parenting a Second Time Around workshop curriculum for relative care and kinship population.
- Administrative work including case documentation, written correspondence and other data entry duties as needed.
- Staff meeting and MLADAC supervision attendance.
- Attend DCYF staff meetings, Better Together meetings and other family voice programming requirements.
- Always display and maintain confidentiality.

Granite Pathways- Manchester, NH
Admissions Coordinator – 2019-2020

- Coordinate communication between patients, family members, medical staff, administrative staff, or regulatory agencies
- Interview patients or their representatives to identify problems relating to care.
- Maintain knowledge of community services and resources available to patients.
- Explain policies, procedures, or services to patients using medical or administrative knowledge.
- Provide the patient service through active listening next step of the admission process education
- Review of State Program Grants per budget guidelines
- Management of Program invoicing
- Manage Outreach & Marketing via e-mail campaign and prospective customer visits
- Maintain monthly statistical reports and inquiry trends and reports.
- Participation in Program Steering Committee

EDUCATION

B.S. Early Childhood Development

Cum Sum Laude

Southern New Hampshire University- Manchester, NH - 2011

References Available Upon Request

SAMANTHA BOUTSIANIS

SBOUTSIANIS@granitepathways.org

SUMMARY

Innovative and result-oriented professional with a passion for business and people. Seeking a full-time position with leadership opportunities. 15+ years of administrative and interpersonal experience from varied backgrounds, with an emphasis in confidentiality and privacy regulations. Versatile employee that will add value to any team.

SKILLS & PROFICIENCIES

Hard Skills

- Program Coordination
- Office Management
- Microsoft Suite
- HTML/CSS Coding
- Database Management
- CRM (Salesforce, Monday)
- EMR (SmartCare, KIPU, BDAS)
- Interpersonal Communications
- Record Keeping

- Quality Assurance
- Technical Writing
- HIPAA/Privacy Awareness
- Event Coordination
- Case Management
- Cross-Functional Collaboration
- Relationship Building
- Research & Strategy
- ASAM 12 Core Functions
- Process Improvement

Soft Skills

- Learning Agility
- Multifaceted
- Collaborative
- Customer-Centric
- Active Listener
- Empathetic
- Problem Solver
- Innovative
- Ethical
- Dependable
- Creative
- Receptive
- Organized
- Communicative
- Diligent
- Self-Disciplined
- Honest
- Leader
- Accountable
- Self-Motivated
- Adaptable
- Mindful

WORK HISTORY

PROGRAM COORDINATOR

Granite Pathways | Manchester, NH | June 2024 – Present

- Assist Operations Manager and Program Directors with assigned tasks to support Granite Pathways management
- Develop targeted communication strategies and tools for the company and each program
- Assist all program areas with medical billing
- Program manual and SOP maintenance and management
- Help manage and organize all GP staff trainings
- High level technological skills for implementing, operating and staff training in case management systems

INTAKE COORDINATOR | IOP PROGRAM COORDINATOR

WestBridge | Manchester, NH | Nov 2022 – Present

- Cross-functionally collaborated with billing, admissions, and clinical leadership teams to facilitate the development, launch, and management of WestBridge's Intensive Outpatient Program (IOP)
- Developed and implemented IOP intake and administrative processes
- Established and maintained strategic relationships to drive revenue opportunities
- Defined, organized, and managed day to day office operations
- Conducted weekly and monthly chart audits to ensure regulatory compliance
- Trained new employees in admissions and IOP policies and procedures
- Ensured quality data collection and record management in accordance with HIPAA, 42 CFR Part 2, and company policies

LEAD INTAKE SPECIALIST (REMOTE) | PARTNER SUCCESS MANAGER

PursueCare (Startup) | Connecticut | May 2021 – Mar 2022

- Co-lead team of eight intake specialists, overseeing daily admissions and customer service operations
- Monitored team member's productivity and quality, and fostered professional development.
- Assisted in the development and implementation of admissions processes and procedures
- Coordinated special projects with outside collaborating partner
- Established and maintained strategic relationships to drive revenue opportunities
- Utilized multiple online platforms to conduct and manage patient admissions, consistently observing patient privacy and confidentiality
- Ensured quality data collection and record management in accordance with HIPAA, 42 CFR Part 2, and company policies

WORK HISTORY CONTINUED

BUSINESS DEVELOPMENT REPRESENTATIVE, CONNECTICUT

Granite Recovery Centers (GRC) | Salem, NH | Feb 2020 – May 2021

- Identified prospective accounts and developed new target market initiatives in Connecticut.
- Strategically cultivated relationships with prospective and pre-existing referring accounts
- Pursued leads through utilizing cold calls, emails, in-person meetings, and performed in-service presentations
- Liaised between referring accounts, clients, and GRC program staff to ensure successful transitions to and from treatment programs
- Ensured quality data collection and record management in accordance with HIPAA, 42 CFR Part 2, and company policies

RECOVERY SUPPORT/CASE MANAGER

The Doorway at Granite Pathways | Manchester, NH | Apr 2019 – Feb 2020

- Responsible for supporting individuals with Substance Use Disorder (SUDs) by navigating them to treatment based on their level of care needs
- Executed patient screenings, treatment plans and referrals
- Coached and modeled recovery core principles and values
- Collaborated with community organizations and resources to facilitate continuity of care
- Supervised office operations, staff, and clients during evening hours when supervisors were not in-office
- Ensured quality data collection and record management in accordance with HIPAA, 42 CFR Part 2, and company policies

RESIDENTIAL ASSISTANT/INTERNSHIP

Southeastern NH Alcohol and Drug Services | Dover, NH | Sept 2017 – Dec 2018

- Provided addiction recovery support services to residents in the 28-day and 90-day in-patient programs
- Collaborated with multi-disciplined team of counselors, case managers and residential assistants, adhering to and supporting resident treatment plans
- Planned and facilitated resident's daily activities and needs, such as psychoeducation groups and lectures, admissions and discharges, and monitored prescribed medication intake
- Coached and modeled recovery core principles and values
- Ensured quality data collection and record management in accordance with HIPAA, 42 CFR Part 2, and company policies

DIVISION HEAD SECRETARY (*Secret Security Clearance*)

Dept. of the Navy, Portsmouth Naval Shipyard | Kittery, ME | Apr 2015 – Jan 2016

- Administratively responsible for two separate divisions and their respective division head supervisors
- Edited technical and non-technical interoffice documents, manuals and correspondence prior distribution
- Coordinated various Naval Sea Systems Command reports, briefings, meetings, and conferences, and took meeting minutes if necessary
- Requisitioned inventory of office materials, equipment, supplies, publications etc.
- Tracked division budget and employee timesheets
- All duties performed in accordance with specific NAVSEA policies and with strict confidentiality

EDUCATION

Freemote: Website Development Coding Boot Camp	N/A	Jun 2022 – Aug 2022
NHTI – Concord's Community College Major: Addicton Counseling	Associates in Applied Science GPA: 3.4	Sept 2016 – May 2018
Lakes Region Community College Major: Office Management	22 Accredited Hours GPA: 3.8	Jan 2007 – Jan 2008

CURRENT CERTIFICATIONS

Suicide Prevention Certification	Mar 2023 – Mar 2025
Nonviolent Crisis Intervention – Crisis Prevention Institute (CPI)	Dec 2023 – Dec 2024

References available upon request

BRIAN LEMIRE

blemire@granitepathways.org

PERSONAL SUMMARY

Enthusiastic, accomplished, and motivated graduate passionate in supporting individuals with substance use disorder.

EDUCATION

Southern New Hampshire University – Manchester, NH
Bachelor of Science: Business Mgmt. /Admin
• Graduated Magna Cum Laude (3.5+ G.P.A.)

New Hampshire Technical Institute – Concord, NH
• **Associate of Science: Real Estate**

G.E.D. - Manchester, NH

Central High School – Manchester, NH

CCAR Recovery Coach Academy
Suicide Prevention Training
Ethics Training
HIV Training

SKILLS

- Complex problem solving
- Client service focused
- Professional phone etiquette
- Excellent planner and coordinator
- Attention to detail
- Proficient in Microsoft Word, Excel, and PowerPoint
- Works well under pressure
- Exceptional oral and written communication

WORK HISTORY

Operations Manager, 10/1/21 to Present

Granite Pathways – Strength to Succeed- Manchester, NH

- Assist director and support staff in day-to-day operations
- Support in advanced special projects
- Prepare and take notes for quarterly BOD
- New hire orientation and onboarding
- Administrative support for RFP submissions
- Oversee IT applications and training
- Billing oversight for medical and contract billing

Program Coordinator, 8/5/2019 to 10/1/21

Granite Pathways – Strength to Succeed- Manchester, NH

- Assist manager and support staff in day-to-day operations
- Oversee IT applications and trainings
- Billing oversight

Kitchen Supervisor, 3/2016 to 11/2018

Salona Bar and Grill- Manchester, NH

- Managed kitchen staff and coordinated food preparations
- Helped resolve customer complaints
- Assisted in placing weekly food and beverage orders
- Maintained sanitation and safety standards

- Trained new employees

Assistant Property Manager, 6/1/2009 to 2/13/15

Carisbrooke at Manchester – Manchester, NH

- Managed a community of 100+ apartment units
- Carefully screened applicants for tenancy
- Communicated effectively with owners, residents, and on-site associates
- Followed up on delinquent tenants and helped coordinate collection procedures
- Monitored the timely receipt and reconciliation of rent collections in accordance with proprietor and resident statutes
- Scheduled and coordinated contractors for janitorial and maintenance issues

Lori A. Hebert
LHebert@granitepathways.org

Professional Qualifications

- Over 20 years of leadership, customer and contract management combined with an extensive background in government contract development, oversight, and expansion.

Civic Engagement and Advising Experience

New Hampshire Department of Health and Human services

Division for Children Youth and Families (DCYF)

2015-2017

Parent Leader – Practice Advisor

- Serve as an advisor to the field and the Division's leadership in matters of family engagement.
- Training partner facilitating DCYF Core Academy Better Together Workshops for DCYF staff on how to partner with families to improve child welfare outcomes.
- Statewide Steering Committee Meeting participation, providing oversight and leadership to the Parent Partner Program, a program that promotes parents as leaders within Child Welfare.
- Provide coaching and support to parents new to the system through a peer support model to improve reunification outcomes and the lives of children in New Hampshire.

New Hampshire Legislature Office of the Governor

DCYF Advisory Board

2022- Present

Chair in good standing

- Advises the Director of DCYF on policy and program priorities for children, youth, and families in NH.
- Provide leadership in advocating the needs and concerns of families.
- Advise and assist DCYF in its mission to our communities.

Professional Work History

Granite Pathways a member of The Fedcap Group

2018-Present

Director of Community Bases Programming and Development

- Direct and manage program design, development, and delivery of services company wide.
- Developed policies and procedures related to program integrity, staff training, and key metric tracking.
- Policy and procedure approval ensuring compliance with Federal, State, Medicaid regulations and standards.
- Oversee management of expense and revenue billing operations.
- Oversee administrative tracking platforms and mechanisms for documentation compliance and service delivery.
- Supervise programming directors.
- Maintained statewide presence engaging in community meetings and developing business partnerships for companywide opportunities.

DCYF Involved Program Director

- Hired in 2018 to build and implement peer support programming (Strength to Succeed STS) for families involved within the Division for Child Youth and Families (DCYF).

- Hiring, training, developing, and leading a staff of individuals with lived systems experience to deliver Peer Support Services.
- Program oversight, contract compliance and outcome deliverables.
- Data reporting on scope of service requirements and amplification metrics.
- Implementation of expansion services in 2019, 2020 and 2021 increasing service deliverables and the population served.
- Development and continue quality management of, workflows, policy manuals, standard operating procedures, trainings, professional development tools.
- Designed and delivered DCYF 101 and Addiction/Recovery trainings for DCYF staff, families, and community partners.
- Lead the team in the shift from grant funding to fee for service in 2021, STS services are now embedded in the DCYF provider service array as an approved Medicaid service.
- Oversight of Nurturing Parenting training facilitation.
- June 2023 developed and launched Community Navigator contract with DCYF, this program offers education to reporters and prevention services to families with needs who do not rise to the level of DCYF involvement throughout New Hampshire.

Department of Health and Human Services

Division of Health and Human Services (DCYF)

2017-2018

Parent Consultant

- Statewide consultation to DCYF within development of internal policies and statewide programs.
- Parent Leader recruitment and development.
- Participate in planning, testing, and evaluation for new programming.
- Monthly reporting on measurable and deliverables.

Cityside Management Corporation, Manchester NH

2004-2013

Project Manager

- Government RFP (Request for Proposal) submissions, negotiations, and implementation.
- Development and start-up of Housing and Urban Development (HUD) Asset Manager contracts.
- HUD program administration and management in accordance with housing regulations and scope of service compliance.
- Supervise large staff, including recruiting, onboarding, and professional development.
- Training and seminar facilitation for regional listing brokers
- Co-developed an Asset Management software platform.
- Manage and coordinate negotiations with HUD Contractors including the Mortgage Compliance Managers and Field Service Manager.
- Member of senior leadership team.

Education

1992-1995 Keene State College

2021 Graduated Corporate Leadership Academy with The Fedcap Group

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:

Granite Pathways

NAME	JOB TITLE	ANNUAL AMOUNT PAID FROM THIS CONTRACT	ANNUAL SALARY
Jenica Mills	Community Navigator	\$44,587.00	\$44,587.00
To Be Determined	Parent Partner supporting Community Navigator	\$8,233.60	\$41,168.00
Kristi Southers	Supervisor	\$14,678.70	\$48,929.00
Amanda Durand	Program Director	\$18,088.50	\$60,295.00
Samantha Boutsianis	Program Coordinator	\$2,329.60	\$58,240.00
Brian Lemire	Operations Manager	\$2,593.08	\$64,827.00
Lori Hebert	Director of Community Based Programming and Development	\$3,600.00	\$90,000.00

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**STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR CHILDREN, YOUTH & FAMILIES**

Lori A. Weaver
Interim Commissioner

Joseph E. Ribsam, Jr.
Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4451 1-800-852-3345 Ext. 4451
Fax: 603-271-4729 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

April 17, 2023

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Children, Youth and Families, to enter into a contract with Granite Pathways (VC# 228900-B001), Manchester, NH, in the amount of \$388,594 for the provision of Community Navigator outreach services to families, with the option to renew for up to two (2) additional years, effective upon Governor and Council approval through June 30, 2025. 100% Federal Funds.

Funds are available in the following account for State Fiscal Year 2023, and are anticipated to be available in State Fiscal Years 2024 and 2025, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

05-95-042-4210-24640000 HEALTH AND HUMAN SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES, CHILD PROTECTION, ARPA CAPTA

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2023	074-500585	Contracts for Opr Svc	TBD	\$44,612
2024	074-500585	Contracts for Opr Svc	TBD	\$171,991
2025	074-500585	Contracts for Opr Svc	TBD	\$127,379
			Subtotal	\$343,982

05-95-042-4210-29690000 HEALTH AND HUMAN SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES, CHILD PROTECTION, CAPTA

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2025	102-500731	Contracts for Prog Svc	TBD	\$44,612
			Subtotal	\$44,612
			Total	\$388,594

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
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EXPLANATION

The purpose of this request is to provide Community Navigator outreach services to families who do not rise to the level of being assessed by the Division for Children Youth and Families (DCYF), by educating professional reporters and families on available resources in their specific region and assisting families with navigating referrals to specific resource(s) in order to connect families with community supports and services. The goal of these services are to connect families identified in DCYF Central Intake screen out reports to community resources and referrals and to engage reporters who file reports by outreaching the identified reporter and educating them on supporting a family.

Approximately 2,400 families could be served during State Fiscal Years 2023, 2024, and 2025.

The target population includes caregivers under the age of 26, families with children under the age of three, pregnant women and legal guardians who are reported to DCYF Central Intake but do not meet the stated criteria for a formal assessment and as a result has been screened out but could benefit from continued community supportive services. The Contractor will provide Community Navigator outreach services to both reporters and families. This outreach will:

- Educate reporters on the program and discuss the report.
- Educate families on available resources in their region, and connect the family by providing information or meeting directly with the families to assist with navigating the referral to specific resources in the community.
- Ensure families are successfully engaged with Family Resource Centers in order to reduce the rate of recidivism and future DCYF involvement.

The Department will monitor services by the amount of successful family and reporter engagements.

The Department selected the Contractor through a competitive bid process using a Request for Proposals (RFP) that was posted on the Department's website from July 18, 2022 through August 31, 2022. The Department received six (6) responses that were reviewed and scored by a team of qualified individuals. The Scoring Sheet is attached.

As referenced in Exhibit A, Revisions to Standard Agreement Provisions, Section 1, Subsection 1.1. of the attached agreement, the parties have the option to extend the agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

Should the Governor and Council not authorize this request the children and families of the target population may not be aware of the support services available for them to access in their community, placing them at risk of future reports to DCYF and possible abuse and/or neglect to occur.

Area served: Statewide

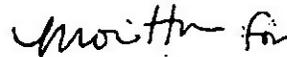
His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 3 of 3

Source of Federal Funds: Assistance Listing Number 93.669, FAIN 2101NHNCC6

Assistance Listing Number 93.669, FAIN 2101NHNCAN

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

Respectfully submitted,



Lori A. Weaver
Interim Commissioner

New Hampshire Department of Health and Human Services
 Division of Finance and Procurement
 Bureau of Contracts and Procurement
 Scoring Sheet

Project ID # RFP-2023-OCYF-01-COMMU

Project Title Community Navigator Program

	Maximum Points Available	1. Arkansas Foundation for Medical Care	2. Ascentria	3. ESB Public Health Consulting	4. Granite Pathways	5. NH Childrens Trust	6. Waypoint
Technical							
Team Structure (Q1)	20	15	15	15	18	15	15
Implementation (Q2)	40	34	30	25	38	25	34
Experience (Q3)	56	45	42	28	48	43	45
Outreach and Education (Q4)	50	45	35	20	48	25	39
Staffing (Q5)	40	34	30	20	38	32	34
Access and Availability to Services (Q6)	30	22	15	10	28	22	22
Subtotal - Technical	230	195	187	118	218	182	189
Cost							
Budget Sheet	35	28	30	20	33	30	30
Program Staff List	15	10	10	10	12	10	10
Subtotal - Cost	50	38	40	30	45	40	40
TOTAL POINTS	280	233	207	148	263	202	229
TOTAL PROPOSED VENDOR COST		\$345,180	\$345,845	\$345,844	\$339,340	\$345,845	\$344,904

Reviewer Name	Title
1 Gayleen Smith	Administrator III
2 Melinda Tupaj	Administrator II
3 Caroline Racine	Program Specialist IV
5 Angie Prindle	Supervisor IV



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
27 Hazen Dr., Concord, NH 03301
Fax: 603-271-1516 TDD Access: 1-800-735-2964
www.nh.gov/doi

Denis Goulet
Commissioner

April 18, 2023

Lori Weaver, Commissioner
Department of Health and Human Services
State of New Hampshire
95 Pleasant Street
Concord, NH 03301

Dear Commissioner Weaver:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a contract with Granite Pathways, as described below and referenced as DoIT No. 2023-081.

The purpose of this request is to provide Community Navigator outreach services to families who do not rise to the level of being assessed by the Division for Children Youth and Families (DCYF), by educating professional reporters and families on available resources in their specific region and assisting families with navigating referrals to specific resource(s) in order to connect families with community supports and services.

The Total Price Limitation will be \$388,594, effective upon Governor and Council approval through June 30, 2025.

A copy of this letter must accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

A handwritten signature in black ink that reads "Denis Goulet".

Denis Goulet

DG/jd
DoIT #2023-081

cc: Mike Williams, IT Manager

Subject: Community Navigator Program RFP-2023-DCYF-01-COMMU-01

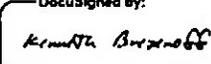
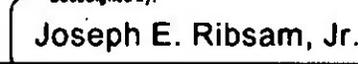
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

I. 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 Granite Pathways		1.4 Contractor Address 60 Rogers Street, Suite 205 Manchester, NH 03103	
1.5 Contractor Phone Number (603)677-9122	1.6 Account Number 05-95-042-4210-24640000	1.7 Completion Date 6/30/2025	1.8 Price Limitation \$388,594
1.9 Contracting Officer for State Agency Robert W. Moore, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature DocuSigned by:  Date: 4/17/2023		1.12 Name and Title of Contractor Signatory Kenneth Brezenoff General Counsel	
1.13 State Agency Signature DocuSigned by:  Date: 4/17/2023		1.14 Name and Title of State Agency Signatory Joseph E. Ribsam, Jr. Director	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 4/17/2023			
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 as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

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

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

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

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

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

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

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

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

7. PERSONNEL.

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

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

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

Contractor Initials DA
KB
Date 4/17/2023

8. EVENT OF DEFAULT/REMEDIES.

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

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

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

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
 - 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
 - 8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
 - 8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.
- 8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

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

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

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor Initials

Date 4/17/2023

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Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

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

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT A

Revisions to Standard Agreement Provisions

1. Revisions to Form P-37, General Provisions

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

3.3. The parties may extend the Agreement for up to two (2) additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.

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

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

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT B

Scope of Services

1. Statement of Work

- 1.1. The Contractor must provide a Community Navigator Program, by educating professional reporters and families on available resources in their specific region and assisting families with navigating referrals to specific resource(s) in order to connect families with community supports and services. The program will serve families referred by the Division for Children, Youth and Families (DCYF) Central Intake who have been screened out and has been determined no formal assessment will be needed. Contractor staff for the program are referred to as Community Navigators.
- 1.2. The Contractor must ensure services are available Statewide.
- 1.3. For the purposes of this Agreement, all references to days mean business days, excluding state and federal holidays.
- 1.4. For the purposes of this Agreement, all references to business hours mean Monday through Friday from 8:00 a.m. to 4:30 p.m.
- 1.5. The Contractor must provide Community Navigator outreach services to reporters (individuals who report concerns about a specific child/family to DCYF Central Intake) to explain the Navigator role and program and review the information.
- 1.6. The Contractor must provide Community Navigator outreach services to families in order to offer education on available resources in the families' specific region, and connect the family by providing information or meeting directly with the families to assist with navigating the referral to specific resources in the community.
- 1.7. The Contractor must provide initial outreach to families and reporters within 48 hours of receiving the referral.
- 1.8. The Contractor must call identified reporters by phone to discuss the concerns in the report and review different approaches the reporter can take with the family to engage them in accessing available community resources/referrals (on reports in which the reporter has agreed to speak with a Community Navigator).
- 1.9. The Contractor must ensure that in the event the reporter does not wish to be contacted by the Community Navigator, or the reporter does not wish to engage the family, the Community Navigator must reach out to the family via phone and text message. If the family does not respond to the call or text in the first few days of initial outreach, the Community Navigator must send a letter in the mail.
- 1.10. The Contractor must provide prompt but limited duration, outreach to the families and offer resources to supportive services in their community allowing

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT B

- for a warm hand off to those resources entities.
- 1.11. The Contractor must ensure once contact with the family is made, they work on establishing rapport with the family and inquire about specific supports the family may benefit from.
 - 1.12. The Contractor must ensure Community Navigators offer appropriate community resources/referrals to the family based on their self-reported need or other supportive services.
 - 1.13. The Contractor must attempt to refer the family to the local Family Resource Center (FRC) and/or appropriate resources/referrals via a warm handoff (virtual or by conference call).
 - 1.14. The Contractor must ensure families are successfully engaged with the Family Resource Centers in order to reduce the rate of recidivism and future DCYF involvement.
 - 1.15. The Contractor must conduct at least one needs assessment on each referral.
 - 1.16. The Contractor must provide the Single Stop web-based platform when applicable to assess the needs of individuals and determine economic and social service benefits they may be eligible for. The Single Stop tool can be utilized by:
 - 1.16.1. The Community Navigator and the reporter to develop the supports offered to the family;
 - 1.16.2. The Community Navigator and family; and
 - 1.16.3. The family on their own after working with the Community Navigator.
 - 1.17. The Contractor must comply with Exhibit L - IT Requirements Workbook.
 - 1.18. The Contractor must develop scripts to guide the Community Navigator's engagement and conversations with both the reporter and the family.
 - 1.19. The Contractor must help the reporters who are willing to further engage a family understand the importance of a warm hand off, or how a facilitated referral between a family and community resource is evidenced to be more successful.
 - 1.20. The Contractor must educate reporters and families to engage the community and help to destigmatize families in need and develop a better understanding among families and professionals. Education topics include but are not limited to:
 - 1.20.1. Reporting process.
 - 1.20.2. Abuse and neglect standards in NH.
 - 1.20.3. Family needs and prevention strategies.
 - 1.20.4. Resources and services available to families.

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT B

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- 1.21. The Contractor must ensure services are provided in a culturally competent manner to ensure services reach diverse populations within the covered population.
 - 1.22. The Contractor must ensure Community Navigators use their time in between referrals to research community resources, outreach local community service hubs, and ensure that the Single Stop database remains up to date.
 - 1.23. The Contractor must ensure that participating families sign a Contractor produced consent for services form to be approved by the Department prior to use.
 - 1.24. The Contractor must ensure Community Navigators possess at a minimum, qualifications including but not limited to:
 - 1.24.1. Appropriate "lived experience" with the child and family serving system to support families, including, but not limited to, experience as a caregiver who has needed and accessed appropriate public resources/services to support themselves and their children. This can be, but does not necessarily have to be experience with DCYF directly; and
 - 1.24.2. Diploma;
 - 1.24.3. GED; or
 - 1.24.4. HiSET.
 - 1.25. Reporting Education Services for Professional Callers:
 - 1.25.1. The Contractor must provide information to educate professional callers (such as school staff, counselors, first responders, medical staff), including but not limited to:
 - 1.25.1.1. Local resources available to families.
 - 1.25.1.2. How they operate and how a family can connect with the services.
 - 1.25.1.3. What the family can expect when working with the community support service.
 - 1.25.1.4. Skills and techniques of how to approach families to offer support.
 - 1.25.1.5. Techniques on how to engage with a family to get them to better connect with a service.
 - 1.25.1.6. Information on the success of a warm handoff approach.
 - 1.25.2. The Contractor must provide reporting education services to any professional callers including but not limited to:
 - 1.25.2.1. Law Enforcement.

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT B

- 1.25.2.2. School Staff.
- 1.25.2.3. Medical Personnel.
- 1.25.2.4. Therapists/Counselors.
- 1.25.2.5. Crisis Advocates.
- 1.26. The Contractor must participate in meetings with the Department on a monthly basis, or as otherwise requested by the Department.
- 1.27. The Contractor must participate in on-site reviews conducted by the Department on an annual basis, or as otherwise requested by the Department.
- 1.28. The Contractor must facilitate reviews of files conducted by the Department on a quarterly basis, or as otherwise requested by the Department.
- 1.29. The Contractor must ensure staff participate in annual training as required by the Department, topics include but are not limited to:
 - 1.29.1. Relevant services throughout the state.
 - 1.29.2. Engagement skills.
 - 1.29.3. Engagement techniques.
 - 1.29.4. Motivational Interviewing.
 - 1.29.5. Diversion, Equity, Inclusion (DEI).
 - 1.29.6. Trauma informed service delivery.
- 1.30. Reporting
 - 1.30.1. The Contractor must submit monthly reports to the Department within ten (10) days following the end of the reporting period, to ensure timely and effective outreach to families, which include, but are not limited to:
 - 1.30.1.1. Number of families connected with FRC's, and community resources.
 - 1.30.1.2. Number of families who did not respond to outreach.
 - 1.30.1.3. Number of reporters who engaged.
 - 1.30.1.4. Number of reporters engaged and followed up with family without a Navigator following up with the family.
 - 1.30.1.5. Number of families being successfully engaged with Family Resource Centers or other community resources.
 - 1.30.2. The Contractor may be required to provide other key data and metrics to the Department in a format specified by the Department.

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT B

2. Exhibits Incorporated

- 2.1. 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 I, Business Associate Agreement, which has been executed by the parties.
- 2.2. The Contractor must manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.
- 2.3. The Contractor must comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

3. Additional Terms

3.1. Impacts Resulting from Court Orders or Legislative Changes

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

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

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

3.3. Credits and Copyright Ownership

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

- 3.3.2. All materials produced or purchased under the Agreement must have

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prior approval from the Department before printing, production, distribution or use.

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

- 3.3.3.1. Brochures.
- 3.3.3.2. Resource directories.
- 3.3.3.3. Protocols or guidelines.
- 3.3.3.4. Posters.
- 3.3.3.5. Reports.

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

4. Records

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

4.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.

4.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

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

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

4.3. If, upon review of the Final Expenditure Report the Department must disallow any expenses claimed by the Contractor as costs hereunder, the Department

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retains the right, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

5. Background Checks

5.1. Prior to making an offer of employment or for volunteer work, or permitting any current employees to provide services under this Agreement, the Contractor must, after obtaining signed and notarized authorization from the person or persons for whom information is being sought:

5.1.1. Obtain and verify at least two (2) references for the person;

5.1.2. Submit the person's name for review against the Bureau of Elderly and Adult Services (BEAS) state registry maintained pursuant to RSA 161-F:49;

5.1.3. Submit the person's name for review against the Division for Children, Youth and Families (DCYF) central registry pursuant to RSA 169-C:35;

5.1.4. Complete a criminal records check to ensure that the person has no history of:

5.1.4.1. Felony conviction; or

5.1.4.2. Any misdemeanor conviction involving:

5.1.4.2.1. Physical or sexual assault;

5.1.4.2.2. Violence;

5.1.4.2.3. Exploitation;

5.1.4.2.4. Child pornography;

5.1.4.2.5. Threatening or reckless conduct;

5.1.4.2.6. Theft;

5.1.4.2.7. Driving under the influence of drugs or alcohol; or

5.1.4.3. Any other conduct that represents evidence of behavior that could endanger the well-being of any individual served under the contract.

5.2. Unless the selected Contractor requests and obtains a waiver from the Department, it will not hire any individual or approve any individual to act as a volunteer if:

5.2.1. The individual's name is on the BEAS state registry;

5.2.2. The individual's name is on the DCYF central registry;

5.2.3. The individual has a record of a felony conviction; or

5.2.4. The individual has a record of any misdemeanors as specified above.

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

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- 5.3. Contractor agrees it will initiate a criminal background check re-investigation of all workforce assigned to this Agreement every five years. The five-year period will be based on the date of the last Criminal Background Check conducted by the Contractor or its subcontractors.
- 5.4. The Contractor must promote and maintain an awareness of the importance of securing the State's information among the Contractor's workforce (employees, subcontractors, volunteers, interns) Contractor workforce must not be permitted to handle, access, view, store or discuss Confidential Data until the State receives a background check attestation from the Contractor that all Contractor workforce associated with fulfilling the obligations of this Contract are, based on NH DHHS provided criteria herein and their job responsibility requirements, eligible to participate in work associated with this Agreement.

6. Privacy Impact Assessment

- 6.1. Upon request, the Contractor must allow the Department to conduct a Privacy Impact Assessment (PIA) of its system 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:
- 6.1.1. How PII is gathered and stored;
 - 6.1.2. Who will have access to PII;
 - 6.1.3. How PII will be used in the system;
 - 6.1.4. How individual consent will be achieved and revoked; and
 - 6.1.5. Privacy practices.
- 6.2. 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.

7. State Owned Devices, Systems and Network Usage

- 7.1. If Contractor End Users are authorized by the States' Information Security Office to access the States' network or system and/or use a state issued device (e.g. computer, iPad, cell phone) in the fulfillment of this Contract, each individual being granted access must:
- 7.1.1. Sign and abide by applicable State and New Hampshire Department of Information Technology (NH DoIT) use agreements, policies, standards, procedures guidelines, and complete applicable trainings as required;
 - 7.1.2. Use the information that they have permission to access solely for

**New Hampshire Department of Health and Human Services
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conducting official state business and agree that all other use or access is strictly forbidden including, but not limited, to personal or other private and non-State use, and that at no time shall they access or attempt to access information without having the express authority of the State to do so;

- 7.1.3. Not access or attempt to access information in a manner inconsistent with the approved policies, procedures, and/or agreement relating to system entry/access;
- 7.1.4. Not copy, share, distribute, sub-license, modify, reverse engineer, rent, or sell software licensed, developed, or being evaluated by the State, 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 State;
- 7.1.5. Only use equipment, software, or subscription(s) authorized by the State's Information Security Officer or designee;
- 7.1.6. Not install non-standard software on any equipment unless authorized by the State's Information Security Officer or designee;
- 7.1.7. Agree that email and other electronic communication messages created, sent, and received on a state-issued email system are the property of the State of New Hampshire and to be used for business purposes only. Email is defined as "internal email systems" or "state-funded email systems."
- 7.1.8. Agree that use of email must follow State and NH DoIT policies, standards, and/or guidelines; and
- 7.1.9. When utilizing the State's email system all Contractor End Users must:
 - 7.1.9.1. Only use a state email address assigned to them with a "@ affiliate.DHHS.NH.Gov".
 - 7.1.9.2. Include in the signature lines information indicating they are a non-state workforce member; and
 - 7.1.9.3. 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."
- 7.1.10. The Contractor End Users with a State issued email and/or workspace in a State building/facility, must:

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- 7.1.10.1. Complete the State's Annual Information Security & Compliance Awareness Training prior to accessing, viewing, handling, hearing, or transmitting State data or Confidential Information.
- 7.1.10.2. Sign the State's Business Use and Confidentiality Agreement and Asset Use Agreement, and the NH DoIT Statewide Computer Use Agreement upon execution of the Contract and annually throughout the Contract term.
- 7.1.10.3. Not access the State' intranet.
- 7.1.10.4. Contractor agrees, if any End User is found to be in violation of any of the above-stated terms and conditions of the Contract, said End User may face removal from the Contract, and/or criminal and/or civil prosecution, if the act constitutes a violation of law.
- 7.1.10.5. Contractor agrees to notify the State a minimum of three business days prior to any upcoming transfers or terminations of End Users who possess State credentials and/or badges or who have system privileges. If End Users who possess State credentials and/or badges or who have system privileges are resign or are dismissed without advance notice, the Contractor agrees to notify the State's Information Security Officer or designee immediately.

8. Contract End-of-Life Transition Services

- 8.1. If applicable, upon termination or expiration of the Agreement, the Parties agree to cooperate in good faith to effectuate a smooth secure transition of the services from the Contractor to the Department and, if applicable, the Vendor engaged by the Department to assume the services previously performed by the Contractor for this section the new vendor shall be known as "Recipient"). Contract end of life services shall be provided at no additional cost. Ninety (90) days prior to the end-of the Agreement or unless otherwise specified by the Department, the Contractor must begin working with the Department and if applicable, the new Recipient to develop a Data Transition Plan (DTP). The Department shall provide the DTP template to the Contractor.
- 8.2. The Contractor must use reasonable efforts to assist the Recipient, in connection with the transition from the performance of Services by the Contractor and their Affiliates 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

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**New Hampshire Department of Health and Human Services
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infrastructure ("Internal IT Systems") of the 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.

- 8.3. If a system, database, hardware, software, and/or software licenses (Tools) was purchased or created to manage, track, and/or store State Data in relationship to this Agreement said Tools will be inventoried and returned to the Department, along with the inventory document, once transition of State Data is complete.
- 8.4. The internal planning of the Transition Services by the Contractor and its Affiliates shall be provided to the Department and if applicable the Recipient on a timely manner. Any such Transition Services shall be deemed to be Services for purposes of this Agreement.
- 8.5. Should the data Transition extend beyond the end of the Agreement, the Contractor and its affiliates agree Contract Information Security Requirements, and if applicable, the Department's Business Associates Agreement terms and conditions remain in effect until the Data Transition is accepted as complete by the Department.
- 8.6. In the event where the Contractor has comingled Department Data and the destruction or Transition of said data is not feasible, the Department and the Contractor will jointly evaluate regulatory and professional standards for retention requirements prior to destruction.

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 89% Federal funds, American Rescue Plan Act of 2021, as awarded on October 1, 2020, by the Administration for Children and Families, Assistance Living Number (ALN) 93.669, FAIN 2101NHNCC6
 - 1.2. 11% Federal Funds, Child Abuse and Neglect State Grants CAPTA: Child Abuse Prevention and Treatment Act, as awarded on October 1, 2021, ALN 93.669, FAIN 2101NHNCAN
2. For the purposes of this Agreement the Department has identified:
 - 2.1. The Contractor as a Subrecipient, in accordance with 2 CFR 200.331.
 - 2.2. The Agreement as NON-R&D, in accordance with 2 CFR §200.332.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line items, as specified in Exhibits C-1, Budget through Exhibit C-3, Budget Sheets.
4. The Contractor shall submit an invoice with supporting documentation to the Department no later than the fifteenth (15th) working day of the month following the month in which the services were provided. The Contractor shall ensure each invoice:
 - 4.1. Includes the Contractor's Vendor Number issued upon registering with New Hampshire Department of Administrative Services.
 - 4.2. Is submitted in a form that is provided by or otherwise acceptable to the Department.
 - 4.3. Identifies and requests payment for allowable costs incurred in the previous month.
 - 4.4. Includes supporting documentation of allowable costs with each invoice that may include, but are not limited to, time sheets, payroll records, receipts for purchases, and proof of expenditures, as applicable.
 - 4.5. Is completed, dated and returned to the Department with the supporting documentation for allowable expenses to initiate payment.
 - 4.6. Is assigned an electronic signature, includes supporting documentation, and is emailed to DCYFInvoices@dhhs.nh.gov or mailed to:

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

**New Hampshire Department of Health and Human Services
Community Navigator Program**

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

**New Hampshire Department of Health and Human Services
Community Navigator Program**

EXHIBIT C

- 8.4. In addition to, and not in any way in limitation of obligations of the Agreement, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Agreement to which exception has been taken, or which have been disallowed because of such an exception.

New Hampshire Department of Health and Human Services Complete one budget form for each budget period.		
Contractor Name: <u>Granite Pathways</u>		
Budget Request for: <u>Community Navigator Program</u>		
Budget Period: <u>8/1/23-6/30/24</u>		
Indirect Cost Rate (if applicable): <u>15.00%</u>		
Line Item	Program Cost - Funded by DHHS	Budget Narrative <i>Explain specific line item costs included and their direct relationship to meeting the objectives of this solicitation.</i>
1. Salary & Wages	\$19,435	2 months of all salaries and allocations. The FTE will be filled with a current STE worker as a promotional step. Includes of shared admin and supervisor positions allocated to this program.
2. Fringe Benefits	\$6,808	corresponding 34% Fringe
3. Consultants	\$0	
4. Equipment <small>Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.</small>	\$1,250	1 laptop set up for the 1 FTE
5.(a) Supplies - Educational	\$0	
5.(b) Supplies - Lab	\$0	
5.(c) Supplies - Pharmacy	\$0	
5.(d) Supplies - Medical	\$0	
5.(e) Supplies Office	\$250	Printing, postage and printing supplies for follow up communications with reporters and families per the programmatic work flow.
6. Travel	\$298	travel as necessary for in person meetings for implementation.
7. Software	\$10,500	Single-Step Customization costs up front in first two months.
8. (a) Other - Marketing/Communications	\$500	Initial expenses for marketing design and printing and mailing information.
8. (b) Other - Education and Training	\$0	
8. (c) Other - Other (specify below)	\$0	
Other (please specify)	\$0	
9. Subcontracted Contracts	\$0	
Total Direct Costs	\$38,793	
Total Indirect Costs	\$5,819	Indirect costs at 15% of direct. 12% to Fedcap for supportive services, IT, HR, Finance and Legal, 3% for shared occupancy costs.
TOTAL	\$44,612	

New Hampshire Department of Health and Human Services Complete one budget form for each budget period.		
Contractor Name: Orion Pathways		
Budget Request for: Community Navigator Program		
Budget Period: FY2024: 1/1/2023-6/30/2024		
Indirect Cost Rate (if applicable): 17.80%		
Line Item	Program Cost - Funded by DHS	Budget Narrative <i>Explain specific line item costs included and their direct relationships to meeting the objectives of this solicitation.</i>
1. Salary & Wages	\$108,310	The salary total includes: 1 FTE Community Navigator to be the primary staff member and lead staff member for other staff, 2 Shared staff with DHS at a 40% allocation each position, 1 shared Supervisor position with DHS at a 20% allocation to this program. Administrative and management staff consist of: 1, program director for both DHS and Community Navigator with a CN allocation of 10% for the second year to be oversee both programs for quality management, contract compliance, 1 operations manager to assist the program with systems (Englestep) use and customization, data collection and billing at 6% allocation and 1 Executive Director who will ensure contract and fiscal management and compliance as well as sustainability at 5% allocation.
2. Fringe Benefits	\$38,825	Fringe rate is calculated at 34% for all employees. Each salary amount charged to this program has 34% charge to fringe. The fringe breakdown is as follows: 7.65% FICA, 9.40% Medical, .70% Dental, 1.10% disability, .70% Life, 2.80% unemployment, 1.80% workers comp, 6.80% pension, 3.25% other Total: 34%
3. Consultants	\$0	
4. Equipment	\$0	Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.
5 (a) Supplies - Educational	\$0	
5 (b) Supplies - Lab	\$0	
5 (c) Supplies - Pharmacy	\$0	
5 (d) Supplies - Medical	\$0	
5 (e) Supplies Office	\$825	Printing, postage and printing supplies for follow up communications with reporters and families per the programmatic work flow.
6. Travel	\$300	Staff travel related to meeting with other DCYF or program partners, pre-arranged for 9 months for year 1 budget.
7. Software	\$0	
8. (a) Other - Marketing/Communications	\$1,000	Marketing materials for program explanation for meetings to reporters and families when needed marketing materials for program and resources: design @\$50/hour and printing costs for materials
8. (b) Other - Education and Training	\$0	
8. (c) Other - Other (specify below)	\$0	
Other (please specify)	\$0	
9. Subrecipient Contracts	\$0	
Total Direct Costs	\$147,560	
Total Indirect Costs	\$24,430	Indirect costs are comprised of the following: administrative rate of 12% of direct cost total (\$18,515) for Fedlog corporate services, includes the following services to Orion Pathways: Legal, HR, IT, Finance. \$5,914.30 is for 40% of DHS Occupancy fees.
TOTAL	\$171,991	

New Hampshire Department of Health and Human Services		
Contractor Name: Grande Pathways		
Budget Request for: Community Navigator Program		
Budget Period: 3/1/2023 - 7/1/2024-6/30/2025		
Indirect Cost Rate (if applicable): 17.00%		
Line Item	Program Cost - Funded by DHHHS	Budget Narrative Explain specific line items included and their direct relationship to meeting the objectives of this solicitation
1. Salary & Wages	1,108,310	The salary total includes 1 FTE Community Navigator to be the primary staff member and lead administrator for other staff, 2 shared staff with 87% at a 40% allocation each position, 1 shared Supervisor position with 87% at a 20% allocation to this program, Administrative and management staff consisted of 1 program director for both 87% and Community Navigator with a CA allocation of 10% for the second year to be in charge both programs for quality management, contract compliance, 1 operations manager to assist the program with systems (Brightstap) use and automation, data collection and billing at 5% allocation and 1 Executive Director who will ensure contract and fiscal management and compliance as well as sustainability at 9% allocation
2. Fringe Benefits	638,825	Fringe rate is established at 34% for all employees. Each salary amount charged to this program has 34% charge to fringe. The fringe breakdown is as follows: 7.69% FICA, 9.40% Medical, 7.9% Dental, 1.10% disability, .70% Life, 2.62% unemployment, 1.80% workers comp, 8.80% pension, 3.23% other Total: 34%
3. Consultants	50	
4. Equipment	50	Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200
5 (a) Supplies - Educational	50	
5 (b) Supplies - Lab	50	
5 (c) Supplies - Postage	50	
5 (d) Supplies - Medical	50	
5 (e) Supplies - Other	925	Printing, postage and printing supplies to follow up communications with reporters and families per the programmatic work flow
6. Travel	1250	Staff travel related to meeting with other DCYF or program partners, provided for 8 months for year 1 budget
7. Software	11,000	portion of the costs for single step Source
8 (a) Other - Marketing/Communications	1250	Marketing materials for program operations for meetings to reporters and families when needed, marketing materials for program and recruitment, printing costs for materials
8 (b) Other - Education and Training	50	
8 (c) Other - Other (specify below)	50	
Other (specify amount)	50	
8 (d) Other - Other (specify below)	50	
9. Subcontract Contracts		
Total Direct Costs	1,747,385	
Total Indirect Costs	124,430	Indirect costs are comprised of the following: administrative rate of 17% of direct cost total (\$116,513) for Federal corporate services, includes the following services to Grande Pathways: Legal, HR, IT, Finance - \$3,914,921 is for 40% of 87% Occupancy fees
TOTAL	1,871,815	



New Hampshire Department of Health and Human Services
Exhibit D

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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New Hampshire Department of Health and Human Services
Exhibit D

- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Vendor Name: Granite Pathways, Inc.

4/17/2023

Date

DocuSigned by:

Kenneth Brezenoff

Name: Kenneth Brezenoff

Title: General Counsel

Vendor Initials

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Date 4/17/2023

New Hampshire Department of Health and Human Services
Exhibit E



CERTIFICATION REGARDING LOBBYING

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

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

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name: Granite Pathways, Inc.

4/17/2023

Date

DocuSigned by:

Kenneth Brezenoff

Name: Kenneth Brezenoff

Title: General Counsel

DS
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Vendor Initials

4/17/2023

Date

New Hampshire Department of Health and Human Services
Exhibit F



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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New Hampshire Department of Health and Human Services
Exhibit F

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

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

PRIMARY COVERED TRANSACTIONS

- 11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

- 13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Granite Pathways, Inc.

4/17/2023

Date

DocuSigned by:

Kenneth Brezenoff

Name: Kenneth Brezenoff

Title: General Counsel

DS
KB

Contractor Initials

4/17/2023

Date

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

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

Exhibit G

Contractor Initials

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Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

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



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

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

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

Contractor Name: Granite Pathways, Inc.

4/17/2023

Date

DocuSigned by:

Kenneth Brezenoff

Name: Kenneth Brezenoff

Title: General Counsel

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Contractor Initials

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New Hampshire Department of Health and Human Services
Exhibit H

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Granite Pathways, Inc.

4/17/2023

Date

DocuSigned by:

Kenneth Brezenoff

Name: Kenneth Brezenoff

Title: General Counsel

DS
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Contractor Initials

4/17/2023

Date

New Hampshire Department of Health and Human Services



Exhibit I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. **"Breach"** shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. **"Business Associate"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. **"Covered Entity"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. **"Designated Record Set"** shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. **"Data Aggregation"** shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. **"Health Care Operations"** shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. **"HITECH Act"** means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. **"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. **"Individual"** shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. **"Privacy Rule"** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. **"Protected Health Information"** shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

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Date 4/17/2023

New Hampshire Department of Health and Human Services



Exhibit I

- i. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

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

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

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New Hampshire Department of Health and Human Services



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

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

- c. The Business's Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

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Contractor Initials

4/17/2023
Date



New Hampshire Department of Health and Human Services

Exhibit I

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

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

3/2014

Contractor Initials

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Date 4/17/2023

New Hampshire Department of Health and Human Services



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

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Contractor Initials

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Date 4/17/2023



New Hampshire Department of Health and Human Services

Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

Department of Health and Human Services

The State by:

Joseph E. Ribsam, Jr.

Signature of Authorized Representative

Joseph E. Ribsam, Jr.

Name of Authorized Representative
Director

Title of Authorized Representative

4/17/2023

Date

Granite Pathways, Inc.

Name of the Contractor

Kenneth Brezenoff

Signature of Authorized Representative

Kenneth Brezenoff

Name of Authorized Representative

General Counsel

Title of Authorized Representative

4/17/2023

Date

New Hampshire Department of Health and Human Services
Exhibit J



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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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

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

Contractor Name: Granite Pathways, Inc.

4/17/2023

Date

DocuSigned by:

Kenneth Brezenoff

Name: Kenneth Brezenoff

Title: General Counsel

Contractor Initials

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Date 4/17/2023



New Hampshire Department of Health and Human Services
Exhibit J

FORM A

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

- The UEI (SAM.gov) number for your entity is: PFPUP9LCLMU9
- In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO YES

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

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

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

NO YES

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

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

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

Name: _____	Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

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

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data, and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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

- 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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

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

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

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

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

V. LOSS REPORTING

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

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

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

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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

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APPLICATION REQUIREMENTS				
State Requirements				
Req #	Requirement Description	Criticality	Response	Example Response
GENERAL SPECIFICATIONS				
A1.1	Ability to access data using open standards access protocol.	M	We store our data in a PostgreSQL database, which is an object-relational database system that uses and extends the SQL language. PostgreSQL databases can be freely exported and imported using industry standard methods, including table dumps to csv files.	The solution being proposed will use a commercial off the shelf (COTS) software that utilizes XML, HTML and SQL all of which leverage open standards to allow for interoperability and continued quality.
A1.2	Data is available in commonly used format over which no entity has exclusive control, with the exception of National or International standards. Data is not subject to any copyright, patent, trademark or other trade secret regulation.	M	As represented in A1.1 by utilizing open standards our solution is compliant with this requirement.	As represented in A1.1 by utilizing open standards our solution is compliant with this requirement.
A1.3	Web-based compatible and in conformance with the following W3C standards: HTML5, CSS 2.1, XML 1.1	M	The web based component of this solution conforms to w3c standards. We utilize specifically leveraging HTML5, CSS, and RESTful APIs.	The web based component of this solution conforms to w3c standards in our case specifically leveraging HTML5, XML and SOAP
APPLICATION SECURITY				
A2.1	Verify the identity or authenticate all of the system client applications before allowing use of the system to prevent access to inappropriate or confidential data or services.	M	Clients are required to give an email address or phone number, with a successful OTP (one time password - a 6-digit code) prompt to confirm ownership and access to the email/phone. Case managers, who have elevated data access, must be created by support and will have a username/password authentication method.	Utilizing our COTS solution will require the user to validate their identify through a user name and password provided after information is obtained to create the users account.
A2.2	Verify the identity and authenticate all of the system's human users before allowing them to use its capabilities to prevent access to inappropriate or confidential data or services.	M	Per A2.1, Clients need to respond to an OTP prompt to login each time. Clients only have access to their data. Case managers are setup by support and roles are given as directed by the State sponsor which determine data access levels.	Based on the role based access controls within the COTS solution we will ensure the users have access only to the data that the State authorizes.
A2.3	Enforce unique user names.	M	Our usernames are validated to be unique for each signup.	The COTS solution combined with our logical access procedure to create user accounts ensures the unique user name.
A2.4	Comply with the Department's Password Standard and DoIT's statewide User Account and Password Policy when developing, establishing, and enforcing system Administrative (privileged) and End User (non-privileged) accounts. Should a requirement conflict reside between the two documents the more restrictive requirement must be followed.	M	Privileged account passwords must be at least eight(8) characters in length and must contain mixed case, numeric and symbols. Non-privileged account use one time passcodes.	The COTS solution will comply with the requirements as listed in the Department's Password Standard and MH DoIT's Password Policy.
A2.8	Provide the ability to limit the number of people that can grant or change authorizations.	M	Any role changes must flow through Single Stop support. The request will need to be made by previously authorized individuals.	Based on State approval the system will allow for up to 3 administrators to support granting or changing permissions.

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A2.10	The application shall not store authentication credentials or sensitive data in its code.	M	All authentication credentials are stored in the database and encrypted utilizing the Advanced Encryption Standard (AES 256).	All authentication credentials are encrypted utilizing the Advanced Encryption Standard (AES)
A2.11	Log all attempted accesses that fail identification, authentication and authorization requirements.	M	Failed attempts are logged and lockout occurs after 5 failed attempts.	The system in compliance with failed attempt policy automatically logs all failed attempts to result in a lockout. See A2.4
A2.13	All logs must be kept for one (1) year, unless protected health information is entered into/stored in the system or product, then all audit logs must be kept for six (6) years for HIPPA compliance.	M	Single Stop software will maintain logs for 1 year at minimum.	The COTS solution will maintain logs for 1 years
A2.14	The application must allow a human user to explicitly terminate a session. No remnants of the prior session should then remain.	M	Besides a log out feature, we also have a session timeout feature that expires all session artifacts.	The COTS solution allows for the termination of the user account which will result in the termination of access.
A2.15	Do not use Software and System Services for anything other than they are designed for.	M	The solution will be implemented at the direction of the department to meet the requirements of the contract.	The solution will be implemented at the direction of the department to meet the requirements of the contract.
A2.16	The application Data shall be protected from unauthorized use when at rest.	M	Data is encrypted in transit and at rest. Only authorized individuals are able to access the data at rest.	The COTS solution will encrypt data in transit and at rest coupled with role based access permissions the application data will be protected at rest
A2.17	The application shall keep any sensitive Data or communications private from unauthorized individuals and programs.	M	See A2.16	See A2.16
A2.18	Subsequent application enhancements or upgrades shall not remove or degrade security requirements.	M	Subsequent upgrades will maintain or enhance security requirements.	The COTS solution and subsequent upgrades will maintain or enhance security requirements in partnership and communication with the State.
A2.19	Utilize change management documentation and procedures.	M	Single Stop is ISO 27001 certified and working on our SOC 2 certification. They require strict change management controls and we are audited annually to ensure strict adherence to the change management process. We require our application teams to strictly adhere to our change management policies.	The COTS solution will follow industry best practices for change management and the configuration administrators will document all changes made to production after final user acceptance of the changes.
A2.20	Web Services : The service provider shall use Web services exclusively to interface with the State's data in near real time when possible.	M	We will not utilize web services to interface with the State's data systems; however the solution will be able to export the information into CSV or similar functions and provide the information to the State for ingestion.	The COTS solution will not utilize web services to interface with the State's data systems; however the solution will be able to export the information into CSV, Excel or similar functions and provide the information to the State for ingestion.

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<p>A2.21</p>	<p>Logs must be configured using "fail-safe" configuration. Audit logs must contain the following minimum information:</p> <ol style="list-style-type: none"> 1. User IDs (of all users who have access to the system) 2. Date and time stamps 3. Changes made to system configurations 4. Addition of new users 5. New users level of access 6. Files accessed (including users) 7. Access to systems, applications and data 8. Access trail to systems and applications (successful and unsuccessful attempts) 9. Security events 	<p>M</p>	<p>All database changes are logged in Single Stop including date and timestamps and who made the change. Individual file access is not logged, however access trail is logged including when a user goes to the screen where files can be accessed. Security events among many other events are also logged.</p>	<p>The COTS solution will be able to maintain the following information either in a log or separate documentation:</p> <ol style="list-style-type: none"> 1. User IDs (of all users who have access to the system) 2. Date and time stamps 3. Changes made to system configurations 4. Addition of new users 5. New users level of access 6. Files accessed (including users) 7. Access to systems, applications and data 8. Access trail to systems and applications (successful and unsuccessful attempts) 9. Security events
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TESTING REQUIREMENTS				
State Requirements				
Req #	Requirement Description	Criticality	Response	Example Response
APPLICATION SECURITY TESTING				
T1.1	All components of the Software shall be reviewed and tested to ensure they protect the Department and State's web site and its related Data assets.	M	As this is a COTS solution the components of the software that will be reviewed and tested will focus on the configuration of the system to meet the business and technical requirements of the solution.	As this is a COTS solution the components of the software that will be reviewed and tested will focus on the configuration of the system to meet the business and technical requirements of the solution.
T1.2	The Vendor shall be responsible for providing documentation of security testing, as appropriate. Tests shall focus on the technical, administrative and physical security controls that have been designed into the System architecture in order to provide the necessary confidentiality, integrity and availability.	M	The COTS solution has published documentation to address the technical, administrative and physical security controls available upon request.	The COTS solution has published documentation to address the technical, administrative and physical security controls available upon request.
T1.3	Provide evidence that supports the fact that Identification and Authentication testing has been recently accomplished; supports obtaining information about those parties attempting to log onto a system or application for security purposes and the validation of users.	M	This is addressed via logs associated with login attempts	This is addressed via logs associated with login attempts
T1.4	Test for Access Control; supports the management of permissions for logging onto a computer or network.	M	NA This COTS solution is a cloud based SaaS.	See A2.4
T1.5	Test for encryption; supports the encoding of data for security purposes, and for the ability to access the data in a decrypted format from required tools.	M	See A2.4 and A2.16	See A2.4 and A2.16
T1.6	Test the Intrusion Detection; supports the detection of illegal entrance into a computer system.	M	See T1.2	See T1.2
T1.8	Test the User Management feature; supports the administration of computer, application and network accounts within an organization.	M	See A2.4, this process is tested each time an account is activated or de-activated	See A2.4, this process is tested each time an account is activated or de-activated
T1.9	Test Role/Privilege Management; supports the granting of abilities to users or groups of users of a computer, application or network.	M	This will be accomplished after final configuration and account creation has been completed and validated by the department	This will be accomplished after final configuration and account creation has been completed and validated by the department
T1.10	Test Audit Trail Capture and Analysis; supports the identification and monitoring of activities within an application or system.	M	The COTS solution has an internal testing plan for ensuring the audit trail logs are in place.	The COTS solution has an internal testing plan for ensuring the audit trail logs are in place.
T1.11	Test Input Validation; ensures the application is protected from buffer overflow, cross-site scripting, SQL injection, and unauthorized access of files and/or directories on the server.	M	The COTS solution has an internal testing plan and is covered contractually to protect against the items listed	The COTS solution has an internal testing plan and is covered contractually to protect against the items listed
T.1.12	For web applications, ensure the application has been tested and hardened to prevent critical application security flaws. (At a minimum, the application shall be tested against all flaws outlined in the Open Web Application Security Project (OWASP) Top Ten (http://www.owasp.org/index.php/DWASP_Top_Ten_Project).	M	The COTS solution has an internal testing plan for ensuring the audit trail logs are in place.	The COTS solution has an internal testing plan for ensuring the audit trail logs are in place.

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T1.13	Provide the State with validation of 3rd party security reviews performed on the application and system environment. The review may include a combination of vulnerability scanning, penetration testing, static analysis of the source code, and expert code review (please specify proposed methodology in the comments field).	M	Executive summary of 3rd part penetration tests are available upon request. All code requires code review and approval. All code undergoes static code analysis and vulnerability scanning as part of SOLC.	The 3rd party scans can be provided upon request. These reports are a sub-contract component with the COTS solution being employed on this solution.
T1.14	Prior to the System being moved into production, the Vendor shall provide results of all security testing to the Department of Information Technology for review and acceptance.	M	Single Stop is ISO 27001 certified and working on our SOC 2 certification. Policies and procedures can be provided upon request.	As the COTS solution maintains FedRamp Moderate certification all testing was completed in order to maintain compliance. It is anticipated that testing of the configuration will be accomplished prior to production use.
T1.15	Vendor shall provide documented procedure for migrating application modifications from the User Acceptance Test Environment to the Production Environment.	M	See T1.14	All configurations will be accomplished in a single environment and approved to be implemented on demand. No migration will be performed for this COTS solution.
STANDARD TESTING				
T2.1	The Vendor must test the software and the system using an industry standard and State approved testing methodology.	M	See T1.14	See T1.14
T2.2	The Vendor must perform application stress testing and tuning.	M	See T1.14	See T1.14
T2.3	The Vendor must provide documented procedure for how to sync Production with a specific testing environment.	M	See T1.14	See T1.14
T2.4	The vendor must define and test disaster recovery procedures.	M	See T1.14	See T1.14

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HOSTING-CLOUD REQUIREMENTS				
State Requirements				
Req #	Requirement Description	Criticality	Response	Example Response
OPERATIONS				
H1.1	Vendor shall provide an ANSI/TIA-942 Tier 3 Data Center or equivalent. A tier 3 data center requires 1) Multiple independent distribution paths serving the IT equipment, 2) All IT equipment must be dual-powered and fully compatible with the topology of a site's architecture and 3) Concurrently maintainable site infrastructure with expected availability of 99.982%.	M	Single Stop is hosted in AWS a Tier 4 Data Center and meets or exceeds the qualifications. Also See T1.14.	See T1.14
H1.2	Vendor shall maintain a secure hosting environment providing all necessary hardware, software, and internet bandwidth to manage the application and support users with permission based logins.	M	See H1.1	See T1.14
H1.3	The Data Center must be physically secured – restricted access to the site to personnel with controls such as biometric, badge, and others security solutions. Policies for granting access must be in place and followed. Access shall only be granted to those with a need to perform tasks in the Data Center.	M	See H1.1	See T1.14
H1.4	Vendor shall install and update all server patches, updates, and other utilities within 60 days of release from the manufacturer.	M	See H1.1	See T1.14
H1.5	Vendor shall monitor System, security, and application logs.	M	See H1.1. We utilize AWS GuardDuty, CloudWatch, and other monitoring features to notify us of events and anomalies.	See T1.14
H1.6	Vendor shall manage the sharing of data resources.	M	See T1.14	See T1.14
H1.7	Vendor shall manage daily backups, off-site data storage, and restore operations.	M	Using Aurora PostgreSQL, we have a rolling backup of 14 days and maintain weekly, monthly, and yearly backups according to our backup policy.	Daily backups will be performed nightly per sub-contract with COTS solution
H1.8	The Vendor shall monitor physical hardware.	M	See H1.1 and H1.5	See T1.14
H1.9	Remote access shall be customized to the State's business application. In instances where the State requires access to the application or server resources not in the DMZ, the Vendor shall provide remote desktop connection to the server through secure protocols such as a Virtual Private Network (VPN).	M	N/A - Single Stop is a cloud based SaaS application. Role based access and permissions are configured as part of the launch of a new partner. No server access or remote desktop or VPN access is necessary.	The COTS solution will be a cloud based solution accessible based on the role based access permissions configured as part of the project based on the State's requirements.
DISASTER RECOVERY				
H2.1	Vendor shall have documented disaster recovery plans that address the recovery of lost State data as well as their own. Systems shall be architected to meet the defined recovery needs.	M	See T1.14	See T1.14
H2.2	The disaster recovery plan shall identify appropriate methods for procuring additional hardware in the event of a component failure. In most instances, systems shall offer a level of redundancy so the loss of a drive or power supply will not be sufficient to terminate services however, these failed components will have to be replaced.	M	See T1.14	See T1.14

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H2.3	Vendor shall adhere to a defined and documented back-up schedule and procedure.	M	See H1.7	See H1.7
H2.4	Back-up copies of data are made for the purpose of facilitating a restore of the data in the event of data loss or System failure.	M	See H1.7	See H1.7
H2.5	Scheduled backups of all servers must be completed regularly. The minimum acceptable frequency is differential backup daily, and complete backup weekly.	M	See H1.7	See H1.7
H2.6	Tapes or other back-up media tapes must be securely transferred from the site to another secure location to avoid complete data loss with the loss of a facility.	M	Backups are stored in AWS in at least 2 different US regions/data centers.	See H1.7
H2.7	Data recovery – In the event that recovery back to the last backup is not sufficient to recover State Data, the Vendor shall employ the use of database logs in addition to backup media in the restoration of the database(s) to afford a much closer to real-time recovery. To do this, logs must be moved off the volume containing the database with a frequency to match the business needs.	M	All data recovery is managed via the backup and restore process.	All data recovery is managed via the backup and restore process
HOSTING SECURITY				
H3.2	If State data is hosted on multiple servers, data exchanges between and among servers must be encrypted.	M	All data is encrypted in transit and at rest regardless of number of servers.	All data is encrypted and at rest regardless of number of servers.
H3.4	All components of the Infrastructure shall be reviewed and tested to ensure they protect the State's hardware, software, and its related data assets. Tests shall focus on the technical, administrative and physical security controls that have been designed into the System architecture in order to provide confidentiality, integrity and availability.	M	All security controls are tested and addressed via the Item T1.14	All security controls are tested and addressed via the Item T1.14
H3.7	All servers and devices must have event logging enabled. Logs must be protected with access limited to only authorized administrators. Logs shall include System, Application, Web and Database logs.	M	All security controls are tested and addressed via the item T1.14	All security controls are tested and addressed via the item T1.14
H3.8	Operating Systems (OS) and Databases (DB) shall be built and hardened in accordance with guidelines set forth by CIS, NIST or NSA.	M	All security controls are tested and addressed via the item T1.14 and H1.1	All security controls are tested and addressed via the item T1.14
SERVICE LEVEL AGREEMENT				
H4.1	The Vendor's System support and maintenance shall commence upon the Effective Date and extend through the end of the Contract term, and any extensions thereof.	M	The COTS solution will be maintained, operated and supported per the contract terms.	The COTS solution will be maintained, operated and supported per the contract terms.
H4.2	The vendor shall maintain the hardware and Software in accordance with the specifications, terms, and requirements of the Contract, including providing, upgrades and fixes as required.	M	The COTS solution will be maintained, operated and supported per the contract terms.	The COTS configuration may be changed as needed to meet the State's requirements.
H4.3	The vendor shall repair or replace the hardware or software, or any portion thereof, so that the System operates in accordance with the Specifications, terms, and requirements of the Contract.	M	The COTS solution will be maintained, operated and supported per the contract terms.	Since the solution is dependent upon the COTS solution proposed any replacement of the software would require a change order and amendment to the contract.

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H4.4	All hardware and software components of the Vendor hosting infrastructure shall be fully supported by their respective manufacturers at all times. All critical patches for operating systems, databases, web services, etc., shall be applied within sixty (60) days of release by their respective manufacturers.	M	This will follow the COTS solutions roadmaps for patches in alignment with Item T1.14	This will follow the COTS solutions roadmaps for patches in alignment with Item T1.14
H4.5	The State shall have unlimited access, via phone or Email, to the Vendor technical support staff between the hours of 8:30am to 5:00pm-Monday through Friday EST.	M	The COTS solution will be maintained, operated and supported per the contract terms.	The proposal will include technical support for the State between 8:30am and 5:00pm EST Monday through Friday.
H4.6	The Vendor shall conform to the specific deficiency class as described: <ul style="list-style-type: none"> o Class A Deficiency - Software - Critical, does not allow System to operate, no work around, demands immediate action; Written Documentation - missing significant portions of information or unintelligible to State; Non Software - Services were inadequate and require re-performance of the Service. o Class B Deficiency - Software - important, does not stop operation and/or there is a work around and user can perform tasks; Written Documentation - portions of Information are missing but not enough to make the document unintelligible; Non Software - Services were deficient, require reworking, but do not require re-performance of the Service. o Class C Deficiency - Software - minimal, cosmetic in nature, minimal effect on System, low priority and/or user can use System; Written Documentation - minimal changes required and of minor editing nature; Non Software - Services require only minor reworking and do not require re-performance of the Service. 	M	The COTS solution will be maintained, operated and supported per the contract terms.	The proposed solution will be a COTS solution and thus the solution will be able to comply with the following: Class A Deficiency - system is not available or is not performing the function agreed upon during production go live Class B Deficiency - COTS configuration issue with a workaround not impacting system utilization, but requires attention to resolve manual workaround. Class C Deficiency - COTS configuration that has minimum impact on the function. Would be de prioritized to complete remediation on Class B and Class A deficiencies.
H4.7	As part of the maintenance agreement, ongoing support issues shall be responded to according to the following: a. Class A Deficiencies - The Vendor shall have available to the State on-call telephone assistance, with issue tracking available to the State, eight (8) hours per day and five (5) days a week with an email / telephone response within two (2) hours of request; or the Vendor shall provide support on-site or with remote diagnostic Services, within four (4) business hours of a request; b. Class B & C Deficiencies -The State shall notify the Vendor of such Deficiencies during regular business hours and the Vendor shall respond back within four (4) hours of notification of planned corrective action; The Vendor shall repair or replace Software, and provide maintenance of the Software in accordance with the Specifications, Terms and Requirements of the Contract.	M	The COTS solution will be maintained, operated and supported per the contract terms.	The proposed solution will be able to provide response times as described herein.
H4.8	The hosting server for the State shall be available twenty-four (24) hours a day, 7 days a week except for during scheduled maintenance.	M	The site will be available 24 hours a day and 7 days a week; however support will be per contract terms	The COTS solution will be available 24 hours a day and 7 days a week; however support will be available as described in H4.5

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H4.9	A regularly scheduled maintenance window shall be identified (such as weekly, monthly, or quarterly) at which time all relevant server patches and application upgrades shall be applied.	M	Most maintenance can occur without impact to business functionality due to failover and planning. On the rare occasion downtime is required, notice will be given in advance of scheduled maintenance window.	The COTS solution has full failover functionality allowing for maintenance to occur without impact to the business functionality.
H4.10	If The Vendor is unable to meet the uptime requirement, The Vendor shall credit State's account in an amount based upon the following formula: (Total Contract Item Price/365) x Number of Days Contract Item Not Provided. The State must request this credit in writing.	M	The COTS solution will be maintained, operated and supported per the contract terms.	Agreed for any uptime requirement not met for the COTS solution included in the proposal.
H4.13	The Vendor shall maintain a record of the activities related to repair or maintenance activities performed for the State and shall report quarterly on the following: Server up-time; All change requests implemented, including operating system patches; All critical outages reported including actual issue and resolution; Number of deficiencies reported by class with initial response time as well as time to close.	M	The COTS solution will be maintained, operated and supported per the contract terms. Release notes are provided as part of each release that describe changes in each release.	The COTS solution will not be able to provide the details identified herein. The proposed solution will be able upon request to provide documentation surrounding configurations changes that were completed in production through the change management process, see A2.19.
H4.14	The Vendor will give two-business days prior notification to the State Project Manager of all changes/updates and provide the State with training due to the upgrades and changes.	M	The COTS solution will be maintained, operated and supported per the contract terms.	Following the change management process see item A2.19 notification will be provided prior to implementation in production and training shall be performed either via in-person, video computer based training, and/or in documentation.

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SUPPORT & MAINTENANCE REQUIREMENTS				
State Requirements				
Req #	Requirement Description	Criticality	Response	Example Response
SUPPORT & MAINTENANCE REQUIREMENTS				
S1.1	The Vendor's System support and maintenance shall commence upon the Effective Date and extend through the end of the Contract term, and any extensions thereof.	M	The COTS solution will be maintained, operated and supported per the contract terms.	Agreed
S1.3	Repair Software, or any portion thereof, so that the System operates in accordance with the Specifications, terms, and requirements of the Contract.	M	The COTS solution will be maintained, operated and supported per the contract terms.	Based on assigned deficiencies the support team will resolve the issue and obtain acceptance following standard change management practices.
S1.6	The Vendor shall make available to the State the latest program updates, general maintenance releases, selected functionality releases, patches, and Documentation that are generally offered to its customers, at no additional cost.	M	The COTS solution will be maintained, operated and supported per the contract terms. Release notes are provided as part of each release that describe changes in each release.	These documents will be provided based on their availability from the third-party COTS solution.
S1.7	For all maintenance Services calls, The Vendor shall ensure the following information will be collected and maintained: 1) nature of the Deficiency; 2) current status of the Deficiency; 3) action plans, dates, and times; 4) expected and actual completion time; 5) Deficiency resolution information, 6) Resolved by, 7) Identifying number i.e. work order number, 8) Issue identified by;	M	The COTS solution will be maintained, operated and supported per the contract terms.	Agreed
S1.8	The Vendor must work with the State to identify and troubleshoot potentially large-scale System failures or Deficiencies by collecting the following information: 1) mean time between reported Deficiencies with the Software; 2) diagnosis of the root cause of the problem; and 3) identification of repeat calls or repeat Software problems.	M	The proposed solution and support will be able to diagnose root cause as needed as well as problem management to address repeat calls or configuration issues.	The proposed solution and support will be able to diagnose root cause as needed as well as problem management to address repeat calls or configuration issues.
S1.15	The State shall provide the Vendor with a personal secure FTP site to be used by the State for uploading and downloading files if applicable.	M	NA	agreed
S1.16	The hosting server for the State shall be available twenty-four (24) hours a day, 7 days a week except for during scheduled maintenance.	M	See H4.8	See H4.8

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