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March 25, 2026

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
*OFFICE OF THE COMMISSIONER*

Lori A. Weaver  
Commissioner  
  
Morissa S. Henn  
Deputy Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857  
603-271-9200 1-800-852-3345 Ext. 9200  
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March 2, 2026

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, to enter into a **Sole Source** cooperative project agreement with University of New Hampshire (VC #315187 B083), Durham, NH, in the amount of \$94,250 to conduct a federally-required Market Rate Survey and Narrow Cost Analysis of licensed child care providers in New Hampshire, with the option to renew for up to two (2) additional years, effective upon Governor and Council approval through June 30, 2027. 100% Federal Funds.

Funds are available in the following account for State Fiscal Years 2026 and 2027, 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.

**05-95-45-451110-23360000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: DIV ECONOMIC STABILITY, CHILD DEVELOPMENT, CHILD CARE DVLP-QUALITY ASSURE**

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2026	102-500731	Contract for Program Servi	TBD	\$44,998
2027	102-500731	Contract for Program Servi	TBD	\$49,252
			<b>Total</b>	<b>\$94,250</b>

**EXPLANATION**

The purpose of this request is for the Contractor to conduct a Market Rate Survey and a Narrow Cost Analysis of all licensed child care providers statewide. The Market Rate Survey will identify prevailing rates charged to families across regions and provider types, to ensure compliance with 45 CFR §98.45 for setting subsidy payment rates. The Narrow Cost Analysis will determine costs associated with providing child care including covering staffing, facilities, materials, and other expenses to support equitable and sustainable reimbursement practices. This request is **Sole Source** because the Contractor possesses the expertise necessary to perform federally required Market Rate Survey and Narrow Cost Analysis work, is familiar with New Hampshire child care data systems, has existing relationships with New Hampshire child care stakeholders, and has an existing data sharing plan with the Department necessary to conduct this work immediately to comply with federal requirements and deadlines. Additionally,

Her Excellency, Governor Kelly A. Ayotte  
and the Honorable Council  
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the Contractor has extensive experience working with the Department on New Hampshire child care licensing, the Child Care Scholarship program, and prior Market Rate Survey data.

This Market Rate Survey and Narrow Cost Analysis data will inform the New Hampshire Child Care Scholarship reimbursement rates in accordance with 45 CFR §98.45, ensuring that low-income parents eligible to receive subsidies have equal access to comparable child care services. Federal regulations mandate that payment rates be supported by current market data or an approved alternative methodology conducted within two (2) years of the state's Child Care and Development Fund Plan submission.

Access to reliable child care is essential for parents eligible to receive subsidies through the NH Child Care Scholarship Program to work, attend school, and participate in structured job search activities. Reliable child care promotes children's learning and healthy development. Eligible families benefit from the continuance of available child care subsidies through the scholarship program.

The Department will monitor services to ensure the Contractor is adhering to the Department-approved work plan and the analysis is reliable and can be used by the Department to determine the cost of child care and make an informed recommendation regarding child care provider reimbursement rates statewide in accordance with federal requirements.

As referenced in Exhibit A of the attached agreement, the parties have the option to extend the agreement for up 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 Executive Council not authorize this request, Market Rate Survey and Narrow Cost Analysis may not be completed in accordance with federal requirements and timeframes, risking Child Care and Development Fund funding and negatively impacting families' ability to work, attend school, and support children's development. This could also result in setting inaccurate reimbursement rates, which may reduce provider participation and limit access to child care for families receiving subsidies.

Area served: Statewide.

Source of Federal Funds: Assistance Listing Number 93.575, FAIN 2601NHCCDD.

Respectfully submitted,



*For:*

Lori A. Weaver  
Commissioner

**COOPERATIVE PROJECT AGREEMENT**

between the

STATE OF NEW HAMPSHIRE,

and the

**University of New Hampshire** of the UNIVERSITY SYSTEM OF NEW HAMPSHIRE

- A. This Cooperative Project Agreement (hereinafter "Project Agreement") is entered into by the State of New Hampshire, Division of Economic Stability, (hereinafter "State" or "Department"), and the University System of New Hampshire, acting through **University of New Hampshire**, (hereinafter "Campus" or "Contractor"), for the purpose of undertaking a project of mutual interest. This Cooperative Project shall be carried out under the terms and conditions of the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002, except as may be modified herein.
- B. This Project Agreement and all obligations of the parties hereunder shall become effective on the date the Governor and Executive Council of the State of New Hampshire approve this Project Agreement ("Effective date") and shall end on June 30, 2027. If the provision of services by Campus precedes the Effective date, all services performed by Campus shall be performed at the sole risk of Campus and in the event that this Project Agreement does not become effective, State shall be under no obligation to pay Campus for costs incurred or services performed; however, if this Project Agreement becomes effective, all costs incurred prior to the Effective date that would otherwise be allowable shall be paid under the terms of this Project Agreement.
- C. The work to be performed under the terms of this Project Agreement is described in the proposal identified below and attached to this document as Exhibit A, the content of which is incorporated herein as a part of this Project Agreement.

Project Title: Market Rate Survey and Narrow Cost Analysis Reports

- D. The Following Individuals are designated as Project Administrators. These Project Administrators shall be responsible for the business aspects of this Project Agreement and all invoices, payments, project amendments and related correspondence shall be directed to the individuals so designated.

**State Project Administrator**

Name: AnnMarie Censullo  
 Address: Bureau of Child Development and Head Start Collaboration  
129 Pleasant Street  
Concord, NH 03301  
 Phone: 603-271-4864

**Campus Project Administrator**

Name: Gretchen Swain  
 Address: University of New Hampshire  
Sponsored Programs Administration  
51 College Rd.  
Durham, NH 03824  
 Phone: N/A

- E. The Following Individuals are designated as Project Directors. These Project Directors shall be responsible for the technical leadership and conduct of the project. All progress reports, completion reports and related correspondence shall be directed to the individuals so designated.

**State Project Director**

Name: Jessica Carver  
 Address: Bureau of Child Development and Head Start Collaboration  
129 Pleasant Street  
Concord, NH 03301  
 Phone: 603-202-6925

**Campus Project Director**

Name: Jess Carson  
 Address: University of New Hampshire  
Carsey School of Public Policy  
73 Main Street  
Durham, NH 03824  
 Phone: 603-862-3215

F. Total State funds in the amount of \$94,250 have been allotted and are available for payment of allowable costs incurred under this Project Agreement. State will not reimburse Campus for costs exceeding the amount specified in this paragraph.

Check if applicable

Campus will cost-share % of total costs during the term of this Project Agreement.

Federal funds paid to Campus under this Project Agreement are from Grant/Contract/Cooperative Agreement No. SS-2027-DES-03-MRSCA-01, from Administration for Children & Families under ALN 93.575. Federal regulations required to be passed through to Campus as part of this Project Agreement, and in accordance with the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002, are attached to this document as Exhibit B, the content of which is incorporated herein as a part of this Project Agreement.

G. Check if applicable

Article(s) of the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002 is/are hereby amended as follows:

H.  State has chosen **not to take** possession of equipment purchased under this Project Agreement.  
 State has chosen **to take** possession of equipment purchased under this Project Agreement and will issue instructions for the disposition of such equipment within ninety (90) days of the Project Agreement's end-date. Any expenses incurred by Campus in carrying out State's requested disposition will be fully reimbursed by State.

This Project Agreement and the Master Agreement constitute the entire agreement between State and Campus regarding this Cooperative Project, and supersede and replace any previously existing arrangements, oral or written; all changes herein must be made by written amendment and executed for the parties by their authorized officials.

IN WITNESS WHEREOF, the University System of New Hampshire, acting through the **University of New Hampshire**, and the State of New Hampshire, have executed this Project Agreement.

**By An Authorized Official of:  
University of New Hampshire**

Name: Dianne Hall

Title: Manager, Sponsored Programs Administration

Signed by: Signature and Date: Dianne Hall 3/3/2026

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**By An Authorized Official of:  
Department of Health and Human Services**

Name: Morissa Henn

Title: Deputy Commissioner

Signed by: Signature and Date: Morissa Henn 3/3/2026

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**By An Authorized Official of: the New  
Hampshire Office of the Attorney General**

Name: Robyn Guarino

Title: Attorney

Signed by: Signature and Date: Robyn Guarino 3/4/2026

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**By An Authorized Official of: the New  
Hampshire Governor & Executive Council**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature and Date: \_\_\_\_\_

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**EXHIBIT A**

**A. Project Title:** Market Rate Survey and Narrow Cost Analysis Reports SS-2027-DES-03-MRSCA-01

**B. Project Period:** Upon Governor and Executive Council approval through June 30, 2027.

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.

**C. Objectives:** See Exhibit A-1, Scope of Services

**D. Scope of Work:** See Exhibit A-1, Scope of Services and Exhibit A-2, DHHS Information Security Requirements.

**E. Deliverables Schedule:** See Exhibit A-1 Scope of Services

**F. Budget and Invoicing Instructions:** See Exhibit A, Item F-1 Budget; and Exhibit A, Item F-2 – Payment Terms.

**EXHIBIT B**

This Project Agreement is funded under a Grant/Contract/Cooperative Agreement to State from the Federal sponsor specified in Project Agreement article F. All applicable requirements, regulations, provisions, terms and conditions of this Federal Grant/Contract/Cooperative Agreement are hereby adopted in full force and effect to the relationship between State and Campus, except that wherever such requirements, regulations, provisions and terms and conditions differ for INSTITUTIONS OF HIGHER EDUCATION, the appropriate requirements should be substituted (e.g., OMB Circulars A-21 and A-110, rather than OMB Circulars A-87 and A-102). References to Contractor or Recipient in the Federal language will be taken to mean Campus; references to the Government or Federal Awarding Agency will be taken to mean Government/Federal Awarding Agency or State or both, as appropriate.

Special Federal provisions are listed here:  None or .

**University of New Hampshire  
Market Rate Survey and Narrow Cost Analysis Reports  
Exhibit A, Item F-1 Budget**

Budget Items	SFY 2026 Budget	SFY 2027 Budget	Total
1. Salaries & Wages	\$ 23,411	\$ 22,751	\$ 46,162
2. Employee Fringe Benefits	\$ 9,434	\$ 11,949	\$ 21,383
3. Travel	\$ -	\$ -	\$ -
4. Supplies and Services	\$ -	\$ 1,250	\$ 1,250
5. Equipment	\$ -	\$ -	\$ -
6. Indirect Facilities & Admin Costs (37%)	\$ 12,153	\$ 13,302	\$ 25,455
<b>Totals</b>	<b>\$ 44,998</b>	<b>\$ 49,252</b>	<b>\$ 94,250.00</b>

SS-2027-DES-03-MRSCA-01  
University of New Hampshire

Exhibit A, Item F-1

Campus Authorized Official Initial  
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Date 3/3/2026

## New Hampshire Department of Health and Human Services

### Exhibit A-2

## DHHS Information Security Requirements

### A. Definitions

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

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

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

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

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## New Hampshire Department of Health and Human Services

### Exhibit A-2

## DHHS Information Security Requirements

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

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

### I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

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

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

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## New Hampshire Department of Health and Human Services

### Exhibit A-2

### DHHS Information Security Requirements

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

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

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

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## New Hampshire Department of Health and Human Services

### Exhibit A-2

#### DHHS Information Security Requirements

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

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

#### A. Retention

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

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## New Hampshire Department of Health and Human Services

### Exhibit A-2

## DHHS Information Security Requirements

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

### B. Disposition

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

## IV. PROCEDURES FOR SECURITY

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

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## New Hampshire Department of Health and Human Services

### Exhibit A-2

#### DHHS Information Security Requirements

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

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## New Hampshire Department of Health and Human Services

### Exhibit A-2

#### DHHS Information Security Requirements

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

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

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/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.

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## New Hampshire Department of Health and Human Services

### Exhibit A-2

#### DHHS Information Security Requirements

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

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

#### V. LOSS REPORTING

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

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

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

Contractor Initials 

## New Hampshire Department of Health and Human Services

### Exhibit A-2

### DHHS Information Security Requirements

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

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

#### VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov B.

DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

Contractor Initials 

Date 3/3/2026

**New Hampshire Department of Health and Human Services  
Market Rate Survey and Narrow Cost Analysis Reports**

**Exhibit A, Item F-2**

**Payment Terms**

1. This Agreement is funded by:
  - 1.1. 100% Federal funds, Child Care Development Block Grant, as awarded on November 20, 2025, by the U.S. Department of Health and Human Services, Administration for Children & Families, Assistance Listing Number 93.575, FAIN 2601NHCCDD.
2. For the purposes of this Agreement the Department has identified:
  - 2.1. The Contractor as a Contractor, in accordance with 2 CFR 200.331.
  - 2.2. The Agreement as NON-R&D, in accordance with 2 CFR 200.332.
  - 2.3. The Indirect Cost Rate for this Agreement as 37%.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and in accordance with the approved line item, as specified in Exhibit A, Item F-1 Budget.
4. The Contractor shall submit an invoice to the Department monthly following the month in which the allowable expenses were incurred and in accordance with the Contractor's usual and customary business practices and 2 CFR 200. 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 expenses for the previous month, in accordance with 2 CFR 200.403 or other applicable Federal or State laws or regulations.
  - 4.4. Includes supporting documentation as requested by the Department for allowable costs, which may include but is not limited to, payroll records, receipts for purchases, and proof of expenditures as follows:
    - 4.4.1. With the first invoice for services provided under this Agreement.
    - 4.4.2. With subsequent invoices, upon request by the Department.
  - 4.5. Is completed, dated and returned to the Department or allowable expenses to initiate payment.
  - 4.6. Is assigned an electronic signature and is emailed to [dhhs.bcdhsinvoices@dhhs.nh.gov](mailto:dhhs.bcdhsinvoices@dhhs.nh.gov) or mailed to:

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

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Market Rate Survey and Narrow Cost Analysis Reports**

**Exhibit A, Item F-2**

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5. The Department shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.
6. The final invoice shall be due to the Department no later than sixty (60) days, or sooner if available, after the contract completion date.
7. The Contractor must provide the services in Exhibit A-1, Scope of Services, in compliance with funding requirements.
8. 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 and must be in accordance with Section 7, Project Costs, of the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire, approved by Governor and Executive Council on November 13, 2002.
9. Funding for this Agreement is based upon and subject to availability of the Grant Award to support this project. If the funding for this Agreement is not available at the proposed levels, the Agreement will be amended accordingly.

# New Hampshire Department of Health and Human Services Market Rate Survey and Narrow Cost Analysis Reports

## Exhibit A-1

### Scope of Services

#### 1. Statement of Work

- 1.1. The Contractor must utilize the New Hampshire child care licensing dataset, Child Care Scholarship payment data, prior Market Rate Survey instruments and results, and other Department child care datasets to:
  - 1.1.1. Refine and update the Department's New Hampshire Market Rate Survey and Narrow Cost Analysis questions and structure to ensure accuracy, relevance, continuity with prior surveys, and compliance with current federal and state requirements in accordance with 45 CFR 98.45(c)(d)(e)(f);
  - 1.1.2. Develop and support administration of data collection in alignment with historical survey methodology and current Department data systems;
  - 1.1.3. Develop and provide one (1) Child Care Market Rate Survey (MRS) and Child Care Narrow Cost Analysis (NCA) Report with separate components for MRS and NCA.
- 1.2. The Contractor must, in accordance with 45 CFR 98.45(e)(1) & (2) and in advance of data collection, support the Department in consultation with:
  - 1.2.1. The State Advisory Council on Early Childhood Education and Care;
  - 1.2.2. Local child care program administrators;
  - 1.2.3. Local child care resource and referral agencies; and
  - 1.2.4. Organizations representing child care caregivers, teachers, and directors, and other child care organizations, agencies and entities as requested by the Department.
- 1.3. The Contractor must develop and provide final MRS and NCA Report to the Department as defined in, and in accordance with, 45 CFR 98.45; no later than April 15, 2027.
  - 1.3.1. The MRS component must:
    - 1.3.1.1. Be developed utilizing Department-provided market rate data, which is collected in the New Hampshire Connections Information System (NHCIS), New HEIGHTS, New Hampshire Bridges, and other resources and extracted from these systems for the purpose of this Agreement (hereinafter referred to as "Department data"), which shall not contain personal or confidential individual or family identifiable information.
    - 1.3.1.2. Be developed, in part, by making recommendations as a result of the Contractor's Department data analysis ~~included~~ 

## New Hampshire Department of Health and Human Services Market Rate Survey and Narrow Cost Analysis Reports

### Exhibit A-1

in the NCA Report and in accordance with 45 CFR 98.45(f)(1)&(2).

- 1.3.2. The MRS and NCA Report must include:
  - 1.3.2.1. Executive Summary;
  - 1.3.2.2. Purpose and requirements;
  - 1.3.2.3. Overview of the New Hampshire child care sector and Child Care Scholarship program;
  - 1.3.2.4. An explanation of the data collection process and/or sources, including, but not limited to:
    - 1.3.2.4.1. NHCIS.
    - 1.3.2.4.2. New HEIGHTS.
    - 1.3.2.4.3. New Hampshire Bridges.
    - 1.3.2.4.4. Additional resources utilized.
  - 1.3.2.5. Department definitions and parameters for Department data, including, but not limited to:
    - 1.3.2.5.1. Child Care Scholarship enrollment categories (full time, part time, half time, and on demand).
    - 1.3.2.5.2. Geographic parameters.
    - 1.3.2.5.3. Weekly rates, registration fees, cost-share and copayments.
    - 1.3.2.5.4. Child care licensing regulations.
  - 1.3.2.6. A description of the Department data analysis process, which must include, but is not limited to:
    - 1.3.2.6.1. Data cleansing also referred to as data cleaning or data scrubbing, which is the process of fixing incorrect, incomplete, duplicate or otherwise erroneous data in a data set, and involves identifying data errors and then changing, updating or removing data to correct them.
    - 1.3.2.6.2. Sample size.
    - 1.3.2.6.3. Data conversion.
    - 1.3.2.6.4. Analytic approach, including details of the Narrow Cost Analysis study design.
    - 1.3.2.6.5. Any limitations in conducting a Narrow Cost Analysis.

## New Hampshire Department of Health and Human Services Market Rate Survey and Narrow Cost Analysis Reports

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- 1.3.2.7. Analysis and comparison, which must include the following child care providers:
  - 1.3.2.7.1. Full-time, part-time and hourly, licensed center-based and family child care serving children birth through twelve (12) years of age, pursuant to NH Administrative Rule He-C 6914.
  - 1.3.2.7.2. License-exempt Facilities and Home Providers serving children birth through twelve (12) years of age, pursuant to NH Administrative Rule He-C 6914.
- 1.3.2.8. Analysis of weekly rates, registration fees, payment structure, and copayments charged by New Hampshire child care providers statewide and by type, category, county, and region and include additional comparisons including:
  - 1.3.2.8.1. Complete rate tables for all categories of care and age segments including the mean, median, standard deviation, and rates at the 50th, 55th, 60th, and 75th percentile;
  - 1.3.2.8.2. An exhibit comparing rates by geographic region within the State;
  - 1.3.2.8.3. Changes in New Hampshire child care rates, number of providers, enrollment rates and capacity since 2018 by NH early child care region;
  - 1.3.2.8.4. Analyses of selected current Department data, against other available data regarding poverty and issues regarding access to child care, to assist the Department in determining rates that ensure equal access;
  - 1.3.2.8.5. The estimated cost of child care, including any relevant variation by geographic location, category of provider, or age of child, necessary to support child care providers' implementation of the health, safety, quality, and staffing requirements;
  - 1.3.2.8.6. The estimated cost of higher-quality care, including any relevant variation by geographic location, category of provider, or age of child, for Granite Steps for Quality or nationally accredited programs;

## New Hampshire Department of Health and Human Services Market Rate Survey and Narrow Cost Analysis Reports

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- 1.3.2.8.7. Analysis of market rate data and trends between 2018, 2021, 2024, and present;
  - 1.3.2.8.8. Geographic challenges related to child care in New Hampshire;
  - 1.3.2.8.9. Documentation of the extent to which providers are participating in the Child Care Development Funds subsidy program, along with analysis of barriers to participation, including barriers related to payment rates and practices; and
  - 1.3.2.8.10. Findings and summary of the cost of care by program type, age group in care, and variations statewide, including by county and NH early childhood regions.
- 1.3.2.9. Recommendations.
  - 1.3.2.10. Appendices.
  - 1.3.2.11. Citations and charts.
- 1.4. The Contractor must send and receive Department data through encrypted email only.
  - 1.5. The Contractor must ensure Department data is used strictly for the purposes of this Agreement only and is not used for any other purpose.
  - 1.6. The Contractor must collaborate and cooperate with the Department to provide, develop, review, and edit all draft documents and report, until final drafts are approved by the Department. The Contractor must:
    - 1.6.1. Meet with the Department virtually, or as otherwise requested by the Department, to collaborate with the Department on the draft and final MRS and NCA Report.
    - 1.6.2. Provide draft MRS and NCA Report in MSWord format, labeled "DRAFT," to the Department no later than March 1, 2027, for Department review and comments.
    - 1.6.3. Provide a formal presentation of the draft reports to the Department.
  - 1.7. The Contractor must ensure the MRS and NCA Report described herein include narrative sections that clearly convey the findings, data points, and conclusions; and are submitted in a clear and readable format utilizing graphics, mapping and other infographics.
  - 1.8. The Contractor must, based on the final Department-approved MRS and NCA Report, develop a Department-approved PowerPoint presentation to convey the findings to key audiences and stakeholders in a public forum at a time and place to be determined by the Department, but no later than thirty (30) business

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### Exhibit A-1

days after the date the Department received the final report. The PowerPoint presentation must simplify and visually represent the findings and recommendations to provide a concise and engaging overview.

- 1.9. The Contractor must submit a work plan within five (5) business days of the Effective Date of this Agreement.
- 1.10. The Contractor must conduct a project “kick-off” meeting with the Department no later than (7) business days after the Effective Date of this Agreement. .
- 1.11. The Contractor must participate in meetings with the Department on a monthly basis, or as otherwise requested by the Department.
- 1.12. Reporting
  - 1.12.1. The Contractor must submit monthly activity progress reports to the Department by the 15<sup>th</sup> day of each month for the preceding month.
- 1.13. Confidential Data
  - 1.13.1. The Contractor must meet all information security and privacy requirements as set by the Department and in accordance with the Department’s Information Security Requirements Exhibit as referenced below.
  - 1.13.2. The Contractor must ensure any individuals involved in delivering services through this Agreement contract sign an attestation agreeing to access, view, store, and discuss Confidential Data in accordance with federal and state laws and regulations and the Department’s Information Security Requirements Exhibit. The Contractor must ensure said individuals have a justifiable business need to access confidential data. The Contractor must provide attestations upon Department request.

### 2. Exhibits Incorporated

- 2.1. The Contractor must manage all confidential data related to this Agreement in accordance with the terms of Exhibit A-2, DHHS Information Security Requirements.

### 3. Additional Terms

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