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

Lori A. Weaver
Commissioner

Melissa A. Hardy
Director

105 PLEASANT STREET, CONCORD, NH 03301
603-271-5034 1-800-852-3345 Ext. 5034
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December 1, 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 of Long Term Supports and Services, to amend an existing contract with Area Agency of Greater Nashua, Inc., d/b/a Gateways Community Services (VC#155784-B001), Nashua, NH, for ongoing financial management and employer of record services to manage payments for respite and supplemental support services for caregivers under the New Hampshire Family Caregiver Support Program and the Alzheimer's Disease and Related Disorders Program, by exercising a contract renewal option by increasing the price limitation by \$1,614,712 from \$2,293,564 to \$3,908,276 and by extending the completion date from June 30, 2024 to June 30, 2026, effective July 1, 2024, upon Governor and Council approval. 46.90% Federal Funds. 53.10% General Funds.

The original contract was approved by Governor and Council on June 29, 2022, item #42.

Funds are available in the following accounts for State Fiscal Year 2025, and are anticipated to be available in State Fiscal Year 2026, 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.

05-95-48-481010-2638 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: ELDERLY AND ADULT SERVICES, GRANTS FOR SOCIAL SVC PROG, GF MATCH ARPA TITLE III FUNDING

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2023	570-500928	Family Caregiver	48130623	\$279,426	\$0	\$279,426
2024	570-500928	Family Caregiver	48130623	\$279,426	\$0	\$279,426
			Subtotal	\$558,852	\$0	\$558,852

05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: ELDERLY AND ADULT SERVICES, GRANTS FOR SOCIAL SERVICE PROGRAMS, ADM ON AGING GRANTS

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2023	570-500928	Family Caregiver	48130316	\$564,849	\$0	\$564,849
2024	570-500928	Family Caregiver	48130316	\$564,849	\$0	\$564,849
2025	570-500928	Family Caregiver	48130316	\$0	\$504,849	\$504,849
2026	570-500928	Family Caregiver	48130316	\$0	\$504,849	\$504,849
			Subtotal	\$1,129,698	\$1,009,698	\$2,139,396

05-95-48-481010-8943 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: ELDERLY AND ADULT SERVICES, GRANTS FOR SOCIAL SERVICE PROGRAMS, ADRD

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2023	502-500891	Payment to Providers	48130400	\$302,507	\$0	\$302,507
2024	502-500891	Payment to Providers	48130400	\$302,507	\$0	\$302,507
2025	502-500891	Payment to Providers	48130400	\$0	\$302,507	\$302,507
2026	502-500891	Payment to Providers	48130400	\$0	\$302,507	\$302,507
			Subtotal	\$605,014	\$605,014	\$1,210,028
			Total	\$2,293,564	\$1,614,712	\$3,908,276

EXPLANATION

The purpose of this request is for the Contractor to continue to provide financial management and employer of record services to manage payments for respite and supplemental support services for caregivers under the New Hampshire Family Caregiver Support Program and the Alzheimer's Disease and Related Disorders Program. Additional funds will sustain the management and implementation of these programs through State Fiscal Year 2026.

Approximately 1,350 individuals will be served during State Fiscal Years 2025 and 2026.

Services through this Agreement will continue to be available statewide to:

- Caregivers who are over the age of eighteen (18) and care for a person who:
 - Has Alzheimer's Disease or other related dementia or cognitive impairment;
or
 - Requires assistance with at least two (2) activities of daily living and is over the age of sixty (60);
- Parents of adult children with disabilities, when the adult child is not receiving services through a Medicaid 1915(c) waiver, or through Aid & Attendance or Housebound benefits from the U.S. Department of Veterans Affairs; and
- Grandparents and other relatives over age fifty-five (55) who are raising their minor relative(s).

The Contractor will continue to work in partnership with contractors to ensure authorized services are accurately paid and accounted for. Services will continue to include setting up individual accounts for eligible program participants, managing funds and authorized budgets, reimbursing payment requests, accounting for expenditures made on behalf of a caregiver or care recipient, and employer of record services for family-managed employees.

The Department will continue to monitor services through regularly scheduled meetings and the review of submitted monthly invoices and program reports to ensure:

- Contract deliverables are met and timelines are adhered to;
- Encountered and foreseeable key issues are reviewed and addressed; and
- Suggested strategies to improve contract performance are discussed and implemented as requested.

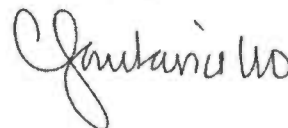
As referenced in Exhibit A, Revisions to Standard Agreement Provisions, Paragraph 3, Subparagraph 3.3, of the original agreement, the parties have the option to extend the agreement for up to four (4) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is exercising its option to renew services for two (2) of the four (4) years available.

Should the Governor and Council not authorize this request, individuals who provide care and support to individuals served through the New Hampshire Family Caregiver Support Program and the Alzheimer's Disease and Related Disorders Program will not have access to financial management services that ensure accurate and timely payment for approved provided services. Approximately 700 unpaid caregivers would not receive respite and/or ancillary services, resulting in the caregivers being at a higher risk of caregiver burden, burnout, and depression, which according to research, leads to an increase in the use of the State's Long-Term Care services, such as Medicaid's home and community-based services and nursing home placements.

Area served: Statewide.

Source of Federal Funds: Assistance Listing Number 93.052, FAIN 2301NHOAFC and 2101NHFCC6.

Respectfully submitted,



for:

Lori A. Weaver
Commissioner

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

This Amendment to the Financial Management Services for NH Family Caregiver Support Program contract is by and between the State of New Hampshire, Department of Health and Human Services (“State” or “Department”) and Area Agency of Greater Nashua, Inc., d/b/a Gateways Community Services (“the Contractor”).

WHEREAS, pursuant to an agreement (the “Contract”) approved by the Governor and Executive Council on June 29, 2022 (Item 42), 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, 2026
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$3,908,276
3. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:
Robert W. Moore, Director
4. Modify Exhibit C, Payment Terms, Section 1, to read:
 1. This Agreement is funded by:
 - 1.1. 51.78% Federal funds:
 - 1.1.1. 41.06% from Older Americans Act Title III – Family Caregiver, as awarded on 4/27/22, by the U.S. Department of Health and Human Services, Administration of Community Living, Title III E, CFDA #93.052, FAIN 2201NHOAFC, 2301NHOAFC;
 - 1.1.2. 10.72% from American Rescue Plan (ARP) for Family Caregiver under Title III-E of the Older Americans Act, as awarded on 5/3/21, by the U.S. Department of Health and Human Services, Administration of Community Living, ARP Title III E, CFDA 93.052, FAIN #2101NHFCC6; and
 - 1.2. 48.22% General funds.
5. Modify Exhibit C, Payment Terms, Section 3, to read:
 3. Payment must be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and must be in accordance with the approved line items, as specified in Exhibits C-1, SFY 2023 Budget through Exhibit C-3, Budget Sheet, Amendment #1.
6. Add Exhibit C-3, Budget Sheet, Amendment #1, which is attached hereto and incorporated by reference herein.

DS
SP

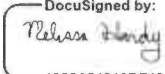
All terms and conditions of the Contract not modified by this Amendment remain in full force and effect. This Amendment shall be effective July 1, 2024, upon Governor and Council approval.

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

State of New Hampshire
Department of Health and Human Services

11/30/2023

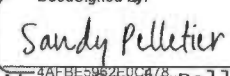
Date

DocuSigned by:

1323A24040DF495...
Name: Melissa Hardy
Title: Director, DLTSS

Area Agency of Greater Nashua, Inc. d/b/a Gateways
Community Services

11/29/2023

Date

DocuSigned by:

4AF-BE582E1CA78...
Name: Sandy Pelletier
Title: President/CEO

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

OFFICE OF THE ATTORNEY GENERAL

12/1/2023

Date

DocuSigned by:
Robyn Guarino
748734844941460
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:

New Hampshire Department of Health and Human Services

Area Agency of Greater Nashua, Inc. d/b/a

Contractor Name: *Gateways Community Services*

Financial Management Services for NH Family

Budget Request for: *Caregiver Support Program*

Budget Period: *July 1, - June 30 (SFYs 2025 & 2026)*

Indirect Cost Rate (if applicable) 0.00%

Line Item	Program Cost - Funded by DHHS - SFY 25	Program Cost - Funded by DHHS - SFY 26
1. Salary & Wages	\$144,848	\$144,848
2. Fringe Benefits	\$45,770	\$45,770
3. Consultants	\$0	\$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	\$0
5.(a) Supplies - Educational	\$0	\$0
5.(b) Supplies - Lab	\$0	\$0
	\$0	\$0
5.(c) Supplies - Pharmacy		
5.(d) Supplies - Medical	\$0	\$0
6. Travel	\$0	\$0
7. Software	\$2,145	\$2,145
8. (a) Other - Marketing/Communications	\$0	\$0
8. (b) Other - Education and Training	\$0	\$0
8. (c) Other - Other (specify below)	\$0	\$0
<i>Other Occupancy</i>	\$2,770	\$2,770
<i>Other Background checks</i>	\$2,057	\$2,057
<i>Other Office Supplies</i>	\$4,249	\$4,249
<i>Other Direct Services</i>	\$605,517	\$605,517
<i>Other (please specify)</i>	\$0	\$0
<i>Other (please specify)</i>	\$0	\$0
<i>Other (please specify)</i>	\$0	\$0
9. Subrecipient Contracts	\$0	\$0
Total Direct Costs	\$807,356	\$807,356
Total Indirect Costs	\$0	\$0
Subtotals	\$807,356	\$807,356
TOTAL	\$	1,614,712.00

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 AREA AGENCY OF GREATER NASHUA, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on December 12, 1983. 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: 74294

Certificate Number: 0005766846



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 26th day of April A.D. 2022.

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

David M. Scanlan
Secretary of State

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 GATEWAYS COMMUNITY SERVICES is a New Hampshire Trade Name registered to transact business in New Hampshire on March 20, 2008. 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: **593338**

Certificate Number: **0005763882**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 21st day of April A.D. 2022.

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

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

I, Mark Thornton, 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 Area Agency of Greater Nashua, Inc. d.b.a. Gateways Community Services.
(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 February 22, 2023, at which a quorum of the Directors/shareholders was present and voting.
(Date)

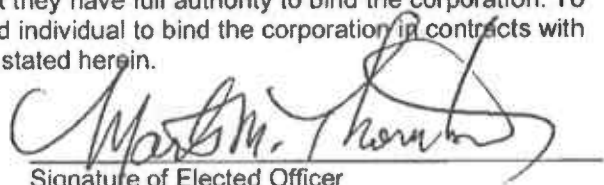
VOTED: That Sandra B. Pelletier, CEO of Gateways Community Services (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Area Agency of Greater Nashua, Inc. d.b.a. Gateways Community Services 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 was **valid thirty (30) days prior to and remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: Nov. 29 2023



Signature of Elected Officer
Name: Mark Thornton
Title: Past Board President



Mission

Gateways Community Services believes that all people are of great value. We provide innovative, high-quality, long-term services to support individuals throughout their lifetimes so they can lead meaningful lives in their communities.



CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

with

FEDERAL REPORTS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

June 30, 2022 and 2021

With Independent Auditor's Reports



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services and Area Agency Properties, Inc. (the Organization), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of activities, functional revenue and support, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

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

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

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.
Page 2

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

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

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2022 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
November 8, 2022

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Financial Position

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current assets		
Cash	\$ 8,738,934	\$ 7,201,333
Client accounts	485,034	639,880
Accounts receivable, net	4,736,783	4,896,941
Veterans accounts receivable, net	1,824,588	1,785,787
Prepaid expenses and other	<u>99,606</u>	<u>174,514</u>
Total current assets	15,884,945	14,698,455
Property and equipment, net	2,320,937	2,164,947
Deposits	105,600	72,917
Investments - deferred compensation	1,080,404	1,256,918
Beneficial interest in an agency fund	<u>48,019</u>	<u>51,991</u>
Total assets	<u>\$ 19,439,905</u>	<u>\$ 18,245,228</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term debt	\$ 63,004	\$ 78,466
Current portion of accrued retention bonus	360,000	-
Accounts payable	3,936,045	2,313,983
Accrued expenses and other	1,176,572	1,662,076
Paycheck Protection Program (PPP) funding	-	2,554,730
Deferred revenue	1,444,453	1,680,409
Client accounts	<u>485,034</u>	<u>639,880</u>
Total current liabilities	7,465,108	8,929,544
Deferred compensation	1,080,404	1,256,918
Accrued retention bonus, net of current portion	1,440,000	-
Long-term debt, net of current portion	<u>9,308</u>	<u>72,312</u>
Total liabilities	<u>9,994,820</u>	<u>10,258,774</u>
Net assets		
Without donor restrictions	9,212,775	7,658,545
With donor restrictions	<u>232,310</u>	<u>327,909</u>
Total net assets	<u>9,445,085</u>	<u>7,986,454</u>
Total liabilities and net assets	<u>\$ 19,439,905</u>	<u>\$ 18,245,228</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Activities

**For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2022 Total</u>	<u>2021 Total</u>
Revenue and support				
Medicaid	\$ 52,514,246	\$ -	\$ 52,514,246	\$ 50,009,693
New Hampshire Bureau of Developmental Services	1,405,307	-	1,405,307	1,346,333
Veterans individual program service	2,434,165	-	2,434,165	2,464,442
American Rescue Plan Act (ARPA) funding	2,350,511	-	2,350,511	-
Long-term care stabilization funds	-	-	-	1,535,250
Coronavirus disease (COVID-19) funding	-	-	-	449,968
Forgiveness of PPP funding	2,554,730	-	2,554,730	-
Provider Relief Funds (PRF)	586,466	-	586,466	897,731
Contributions and grants	1,052,325	14,326	1,066,651	1,129,556
Client fees	202,109	-	202,109	205,555
Adult day service program	82,645	-	82,645	240
Rental income	83,096	-	83,096	89,146
Other revenues	1,072,102	-	1,072,102	445,019
The PLUS Company, Inc. services	122,004	-	122,004	122,004
United Way	12,013	-	12,013	11,000
Third party insurance	1,043,644	-	1,043,644	964,875
Production sales and service	35,068	-	35,068	57,689
Net assets released from restrictions	<u>109,925</u>	<u>(109,925)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>65,660,356</u>	<u>(95,599)</u>	<u>65,564,757</u>	<u>59,728,501</u>
Operating expenses				
Program services				
Adult services	50,277,326	-	50,277,326	46,213,018
Children services	4,793,266	-	4,793,266	3,808,463
Elder services	<u>5,097,377</u>	<u>-</u>	<u>5,097,377</u>	<u>4,631,202</u>
Total program services	<u>60,167,969</u>	<u>-</u>	<u>60,167,969</u>	<u>54,652,683</u>
Supporting services				
General management	3,845,985	-	3,845,985	3,224,212
Fundraising	<u>92,172</u>	<u>-</u>	<u>92,172</u>	<u>139,218</u>
Total supporting services	<u>3,938,157</u>	<u>-</u>	<u>3,938,157</u>	<u>3,363,430</u>
Total operating expenses	<u>64,106,126</u>	<u>-</u>	<u>64,106,126</u>	<u>58,016,113</u>
Change in net assets	1,554,230	(95,599)	1,458,631	1,712,388
Net assets, beginning of year	<u>7,658,545</u>	<u>327,909</u>	<u>7,986,454</u>	<u>6,274,066</u>
Net assets, end of year	<u>\$ 9,212,775</u>	<u>\$ 232,310</u>	<u>\$ 9,445,085</u>	<u>\$ 7,986,454</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Activities

For the Year Ended June 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and support			
Medicaid	\$ 50,009,693	\$ -	\$ 50,009,693
New Hampshire Bureau of Developmental Service	1,346,333	-	1,346,333
Veterans individual service program	2,464,442	-	2,464,442
Long-term care stabilization funds	1,535,250	-	1,535,250
COVID-19 funding	449,968	-	449,968
Provider Relief Funds (PRF)	897,731	-	897,731
Contributions and grants	1,083,901	45,655	1,129,556
Client fees	205,555	-	205,555
Adult day service program	240	-	240
Rental income	89,146	-	89,146
Other revenues	445,019	-	445,019
The PLUS Company, Inc. services	122,004	-	122,004
United Way	11,000	-	11,000
Third party insurance	964,875	-	964,875
Production sales and service	57,689	-	57,689
Net assets released from restrictions	<u>181,933</u>	<u>(181,933)</u>	<u>-</u>
Total revenue and support	<u>59,864,779</u>	<u>(136,278)</u>	<u>59,728,501</u>
Operating expenses			
Program services			
Adult services	46,213,018	-	46,213,018
Children services	3,808,463	-	3,808,463
Elder services	<u>4,631,202</u>	<u>-</u>	<u>4,631,202</u>
Total program services	<u>54,652,683</u>	<u>-</u>	<u>54,652,683</u>
Supporting services			
General management	3,224,212	-	3,224,212
Fundraising	<u>139,218</u>	<u>-</u>	<u>139,218</u>
Total supporting services	<u>3,363,430</u>	<u>-</u>	<u>3,363,430</u>
Total operating expenses	<u>58,016,113</u>	<u>-</u>	<u>58,016,113</u>
Change in net assets	1,848,666	(136,278)	1,712,388
Net assets, beginning of year	<u>5,809,879</u>	<u>464,187</u>	<u>6,274,066</u>
Net assets, end of year	<u>\$ 7,658,545</u>	<u>\$ 327,909</u>	<u>\$ 7,986,454</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2022

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Total Area Agency	Area Agency Properties	Eliminations	Total
Medicaid	\$ -	\$ -	\$ 48,764,134	\$ 2,252,002	\$ 1,498,110	\$ 52,514,246	\$ -	\$ -	\$ 52,514,246
New Hampshire Bureau of Developmental Services	-	-	571,282	834,025	-	1,405,307	-	-	1,405,307
Veterans individual service program	-	-	-	-	2,434,165	2,434,165	-	-	2,434,165
ARPA funding	-	-	2,185,976	94,020	70,515	2,350,511	-	-	2,350,511
Forgiveness of PPP funding	2,554,730	-	-	-	-	2,554,730	-	-	2,554,730
PRF	-	-	586,466	-	-	586,466	-	-	586,466
Contributions and grants	-	121,430	87,721	68,801	788,699	1,066,651	30,000	(30,000)	1,066,651
Client fees	-	-	182,774	-	-	182,774	19,335	-	202,109
Adult day service program	-	-	-	-	82,645	82,645	-	-	82,645
Rental income	-	-	83,096	-	-	83,096	421,788	(421,788)	83,096
Other revenues	-	(3,972)	250,253	728,065	97,754	1,072,100	2	-	1,072,102
The PLUS Company, Inc. service	120,278	13	1,296	308	109	122,004	-	-	122,004
United Way	-	-	1,805	-	10,208	12,013	-	-	12,013
Third party insurance	-	-	-	1,043,644	-	1,043,644	-	-	1,043,644
Production sales and service	30,210	-	(21,395)	16,714	9,539	35,068	-	-	35,068
Management fees	-	-	77,538	-	-	77,538	-	(77,538)	-
Total revenue and support	<u>\$ 2,705,218</u>	<u>\$ 117,471</u>	<u>\$ 52,770,946</u>	<u>\$ 5,037,579</u>	<u>\$ 4,991,744</u>	<u>\$ 65,622,958</u>	<u>\$ 471,125</u>	<u>\$ (529,326)</u>	<u>\$ 65,564,757</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2021

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Total Area Agency	Area Agency Properties	Eliminations	Total
Medicaid	\$ -	\$ -	\$ 46,569,520	\$ 2,330,689	\$ 1,109,484	\$ 50,009,693	\$ -	\$ -	\$ 50,009,693
New Hampshire Bureau of Developmental Services	-	-	548,993	797,340	-	1,346,333	-	-	1,346,333
Veterans individual service program	-	-	-	-	2,464,442	2,464,442	-	-	2,464,442
Long-term care stabilization funds	-	-	1,488,150	25,200	21,900	1,535,250	-	-	1,535,250
COVID-19 funding	-	-	-	-	449,968	449,968	-	-	449,968
PRF	-	-	897,731	-	-	897,731	-	-	897,731
Contributions and grants	-	222,128	88,115	59,466	759,847	1,129,556	22,500	(22,500)	1,129,556
Client fees	-	-	186,016	-	-	186,016	19,539	-	205,555
Adult day service program	-	-	-	-	240	240	-	-	240
Rental income	-	-	89,146	-	-	89,146	481,788	(481,788)	89,146
Other revenues	-	-	206,037	165,190	73,775	445,002	17	-	445,019
The PLUS Company, Inc. services	111,156	9,144	1,285	325	94	122,004	-	-	122,004
United Way	-	-	1,400	-	9,600	11,000	-	-	11,000
Third party insurance	-	-	-	964,875	-	964,875	-	-	964,875
Production sales and service	30,210	-	3,615	13,378	10,486	57,689	-	-	57,689
Management fees	-	-	77,538	-	-	77,538	-	(77,538)	-
Total revenue and support	<u>\$ 141,366</u>	<u>\$ 231,272</u>	<u>\$ 50,157,546</u>	<u>\$ 4,356,463</u>	<u>\$ 4,899,836</u>	<u>\$ 59,786,483</u>	<u>\$ 523,844</u>	<u>\$ (581,826)</u>	<u>\$ 59,728,501</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2022

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Total Area Agency	Area Agency Properties	Eliminations	Total
Payroll and related expenses									
Salaries and wages	\$ 2,012,475	\$ 1,056	\$ 4,257,148	\$ 2,219,656	\$ 2,847,679	\$ 11,338,014	\$ -	\$ -	\$ 11,338,014
Employee benefits	588,665	21,084	921,385	534,010	289,837	2,354,981	-	-	2,354,981
Payroll taxes	156,826	6,887	339,701	188,631	225,187	917,232	-	-	917,232
Staff retention program	319,496	168	675,856	352,388	452,092	1,800,000	-	-	1,800,000
Total payroll and related expenses	<u>3,077,462</u>	<u>29,195</u>	<u>6,194,090</u>	<u>3,294,685</u>	<u>3,814,795</u>	<u>16,410,227</u>	<u>-</u>	<u>-</u>	<u>16,410,227</u>
Other expenses									
Client treatment services	327	6	4,749,793	573,174	932,843	6,256,143	-	-	6,256,143
Professional fees	429,139	12,480	838,061	35,343	95,191	1,410,214	7,236	-	1,417,450
Staff development and training	71,889	67	4,381	1,847	-	78,184	-	-	78,184
Rent and mortgage interest	78,122	1,068	368,819	26,255	9,304	483,568	2,916	(421,788)	64,696
Other occupancy costs	-	-	-	-	-	-	34,996	-	34,996
Utilities	5,745	259	26,757	6,356	2,252	41,369	10,047	-	51,416
Repairs and maintenance	10,396	468	114,110	11,614	10,581	147,169	264,267	(107,538)	303,898
Office, building and household	39,758	291	94,245	18,444	16,164	168,902	-	-	168,902
Equipment rental	9,246	348	36,014	8,555	3,986	58,149	-	-	58,149
Advertising	6,350	1,924	16,324	6,196	13,639	44,433	-	-	44,433
Communications	9,118	229	29,738	10,340	10,673	60,098	-	-	60,098
Transportation	4,738	96	112,140	25,684	21,445	164,103	-	-	164,103
Insurance	11,197	504	52,148	12,387	4,843	81,079	19,207	-	100,286
Other	93,609	45,252	228,634	80,160	163,709	611,364	823	-	612,187
Subcontractor	-	-	37,431,454	683,722	-	38,115,176	-	-	38,115,176
Total other expenses	<u>769,634</u>	<u>62,992</u>	<u>44,102,618</u>	<u>1,500,077</u>	<u>1,284,630</u>	<u>47,719,951</u>	<u>339,492</u>	<u>(529,326)</u>	<u>47,530,117</u>
Total operating expenses before depreciation, Area Agency Properties, and elimination allocations	3,847,096	92,187	50,296,708	4,794,762	5,099,425	64,130,178	339,492	(529,326)	63,940,344
Depreciation allocation	582	26	3,072	644	228	4,552	161,230	-	165,782
Area Agency Properties allocation	29,635	721	393,045	37,472	39,849	500,722	(500,722)	-	-
Elimination allocation	(31,328)	(762)	(415,499)	(39,612)	(42,125)	(529,326)	-	529,326	-
Total operating expenses	<u>\$ 3,845,985</u>	<u>\$ 92,172</u>	<u>\$ 50,277,326</u>	<u>\$ 4,793,266</u>	<u>\$ 5,097,377</u>	<u>\$ 64,106,126</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,106,126</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2021

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Total Area Agency	Area Agency Properties	Eliminations	Total
Payroll and related expenses									
Salaries and wages	\$ 1,797,251	\$ 68,404	\$ 3,675,750	\$ 2,214,813	\$ 2,538,051	\$ 10,294,269	\$ -	\$ -	\$ 10,294,269
Long-term care stabilization funds	-	-	60,200	25,200	21,900	107,300	-	-	107,300
Employee benefits	581,477	19,340	861,591	558,368	239,772	2,260,548	-	-	2,260,548
Payroll taxes	117,619	4,916	269,874	160,769	191,102	744,280	-	-	744,280
Total payroll and related expenses	<u>2,496,347</u>	<u>92,660</u>	<u>4,867,415</u>	<u>2,959,150</u>	<u>2,990,825</u>	<u>13,406,397</u>	<u>-</u>	<u>-</u>	<u>13,406,397</u>
Other expenses									
Client treatment services	1,705	-	4,587,534	572,666	1,002,997	6,164,902	-	-	6,164,902
Long-term care stabilization funds paid to subcontractors	-	-	1,427,950	-	-	1,427,950	-	-	1,427,950
Professional fees	405,195	364	624,586	42,993	428,820	1,501,958	7,236	-	1,509,194
Staff development and training	80,354	57	7,386	1,300	135	89,232	-	-	89,232
Rent and mortgage interest	90,187	1,165	372,380	41,110	8,348	513,190	5,496	(481,788)	36,898
Other occupancy costs	-	-	-	-	-	-	31,780	-	31,780
Utilities	4,706	216	21,119	6,269	1,545	33,855	5,081	-	38,936
Repairs and maintenance	14,303	651	176,532	17,500	4,812	213,798	297,726	(100,038)	411,486
Office, building and household	71,387	14,044	27,568	15,521	12,811	141,331	-	-	141,331
Equipment rental	9,099	360	35,252	8,927	3,696	57,334	-	-	57,334
Advertising	2,832	1,424	5,735	2,363	117	12,471	-	-	12,471
Communications	10,433	210	24,893	10,621	8,413	54,570	-	-	54,570
Transportation	1,877	-	89,874	7,999	5,554	105,304	-	-	105,304
Insurance	10,206	468	45,804	12,080	3,760	72,318	17,342	-	89,660
Other	28,826	27,765	202,547	89,280	165,057	513,475	4,550	-	518,025
Subcontractor	-	-	33,747,964	25,537	-	33,773,501	-	-	33,773,501
Total other expenses	<u>731,110</u>	<u>46,724</u>	<u>41,397,124</u>	<u>854,166</u>	<u>1,646,065</u>	<u>44,675,189</u>	<u>369,211</u>	<u>(581,826)</u>	<u>44,462,574</u>
Total operating expenses before depreciation, Area Agency Properties, and elimination allocations	3,227,457	139,384	46,264,539	3,813,316	4,636,890	58,081,586	369,211	(581,826)	57,868,971
Depreciation allocation	877	40	4,223	997	288	6,425	140,717	-	147,142
Area Agency Properties allocation	29,229	1,458	395,361	41,492	42,388	509,928	(509,928)	-	-
Elimination allocation	(33,351)	(1,664)	(451,105)	(47,342)	(48,364)	(581,826)	-	581,826	-
Total operating expenses	<u>\$ 3,224,212</u>	<u>\$ 139,218</u>	<u>\$ 46,213,018</u>	<u>\$ 3,808,463</u>	<u>\$ 4,631,202</u>	<u>\$ 58,016,113</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,016,113</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Cash Flows

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Cash received from revenue and support	\$ 65,464,214	\$ 60,113,265
Cash paid to suppliers and employees	(63,500,365)	(58,782,104)
Interest received	9,918	1,440
Interest paid	<u>(2,916)</u>	<u>(5,496)</u>
Net cash provided by operating activities	<u>1,970,851</u>	<u>1,327,105</u>
Cash flows from investing activities		
Change in deposits	(32,683)	-
Acquisition of property and equipment	<u>(322,101)</u>	<u>(224,100)</u>
Net cash used by investing activities	<u>(354,784)</u>	<u>(224,100)</u>
Cash flows from financing activities		
Payments on long-term debt	<u>(78,466)</u>	<u>(97,426)</u>
Net increase in cash	1,537,601	1,005,579
Cash, beginning of year	<u>7,201,333</u>	<u>6,195,754</u>
Cash, end of year	<u>\$ 8,738,934</u>	<u>\$ 7,201,333</u>
Reconciliation of change in net assets to net cash provided by operating activities		
Change in net assets	\$ 1,458,631	\$ 1,712,388
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Forgiveness of PPP funding	(2,554,730)	-
Depreciation	165,782	147,142
Loss on disposal of property and equipment	329	2,966
Change in beneficial interest in an agency fund	3,972	(13,195)
Change in assets and liabilities		
Accounts receivable	121,357	(80,314)
Prepaid expenses and other	74,908	(54,985)
Accrued retention bonus	1,800,000	-
Accounts payable	1,622,062	(1,139,813)
Accrued expenses and other	(485,504)	295,703
Deferred revenue	<u>(235,956)</u>	<u>457,213</u>
Net cash provided by operating activities	<u>\$ 1,970,851</u>	<u>\$ 1,327,105</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

Nature of Activities

Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services (Gateways) provides a comprehensive residential and service delivery system for elders and people with developmental disabilities in southern New Hampshire. Its primary funding sources are federal and state governmental programs.

Area Agency Properties, Inc. (Properties) owns various homes and commercial office spaces that are used as residences for clients and for general operations.

1. Summary of Significant Accounting Policies

Principles of Consolidation

U.S. generally accepted accounting principles (U.S. GAAP) requires consolidation of related organizations when common control and economic dependency exists. At June 30, 2022 and 2021, common control existed for Properties through common board members. The consolidated financial statements include the accounts of Gateways and Properties (collectively, the Organization) as required by U.S. GAAP. All material intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified as follows based on the existence or absence of donor-imposed restrictions:

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions are to be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At June 30, 2022 and 2021, net assets with donor restrictions consisted of restricted contributions temporary in nature.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

All contributions are considered to be contributions without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as increases in net assets with donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions with donor restrictions whose restrictions are met in the same year as received are reflected as net assets without donor restrictions in the accompanying financial statements.

The Organization reports contributions of land, buildings or equipment as support without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Estimates

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

Income Taxes

Gateways and Properties are tax-exempt organizations as described in Section 501(c)(3) and Section 501(c)(2), respectively, of the U.S. Internal Revenue Code (the Code) and are exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these consolidated financial statements.

Cash

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

Accounts Receivable

Accounts receivable are stated at the amount that management expects to collect from outstanding balances. The Organization uses a reserve method to account for uncollectible accounts calculated based upon specific identification by management. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the reserve and a credit to accounts receivable.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

Accounts receivable and Veterans accounts receivable, net, amounted to \$6,561,371, \$6,682,728 and \$6,603,073 as of June 30, 2022, 2021 and 2020, respectively.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at their estimated value at date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	10-40 years
Furniture, equipment and vehicles	5-10 years

Deferred Revenue

As of June 30, 2022, 2021 and 2020, the Organization's deferred revenue consists of funds received in advance from the State of New Hampshire in the amount of \$927,833, \$1,168,524 and \$1,223,196, respectively, for services to be performed at a later date.

Revenue Recognition

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

Under the Organization's contractual arrangements, the Organization provides services to clients for an agreed upon fee. The Organization recognizes revenue for client services in accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*.

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

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

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

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Building related expenses are allocated on a square-footage basis among General Management, Fundraising and the Adult Services functions. Agency related expenses are allocated to Program, General Management and Fundraising functions based on the percentage of total functional expense to total expense.

Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through November 8, 2022 which is the date that the consolidated financial statements were available to be issued.

2. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize its available funds. The Organization has various sources of liquidity at its disposal, including cash and a line of credit, as disclosed in Note 4.

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

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover expenditures not covered by donor-restricted resources or, where appropriate, borrowings. Refer to the statements of cash flows, which identify the sources and uses of the Organization's cash and cash equivalents and the generation of positive cash from operations for fiscal years 2022 and 2021.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

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

	<u>2022</u>	<u>2021</u>
Cash	\$ 8,738,934	\$ 7,201,333
Accounts receivable, net	4,736,783	4,896,941
Veterans accounts receivable, net	<u>1,824,588</u>	<u>1,785,787</u>
	15,300,305	13,884,061
Less amounts not available for general expenditures: Net assets with donor restrictions	<u>232,310</u>	<u>327,909</u>
Financial assets available to meet general expenditures within one year	<u>\$ 15,067,995</u>	<u>\$ 13,556,152</u>

3. Property and Equipment

Property and equipment consisted of the following:

	<u>2022</u>	<u>2021</u>
Land and improvements	\$ 604,520	\$ 604,520
Buildings and building improvements	4,112,553	3,869,336
Equipment and furniture	<u>573,451</u>	<u>496,932</u>
	5,290,524	4,970,788
Less accumulated depreciation	<u>(2,969,587)</u>	<u>(2,805,841)</u>
	<u>\$ 2,320,937</u>	<u>\$ 2,164,947</u>

4. Line of Credit

Gateways has available an unsecured line of credit, with maximum borrowing of \$2,000,000. The agreement provides that any borrowings are due on demand, with interest due monthly at the lender's base rate (4.75% at June 30, 2022). The Organization had no outstanding balance at June 30, 2022 and 2021. The line of credit is due for renewal on February 28, 2024.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

5. Long-Term Debt

Long-term debt consisted of the following:

	<u>2022</u>	<u>2021</u>
New Hampshire Health and Education Facilities Authority note payable, due in monthly installments of \$3,419 including interest at 1.00%, through June 2023; collateralized by a first position lien on land and buildings.	\$ 40,861	\$ 81,259
Mortgage note, payable in monthly installments of \$2,408 including interest at 3.75%. Note was paid in full during 2022.	-	16,922
Mortgage note, payable in monthly installments of \$1,928 including interest at 4.55%, through November 2023; collateralized by real estate.	<u>31,451</u>	<u>52,597</u>
	<u>72,312</u>	150,778
Less current portion	<u>(63,004)</u>	<u>(78,466)</u>
	<u>\$ 9,308</u>	<u>\$ 72,312</u>

Long-term debt maturities are as follows:

2023	\$ 63,004
2024	9,308

Certain notes payable of Properties contain financial covenants, which require that Properties maintain a debt service coverage ratio, as defined, of 1.2:1. Properties was in compliance with the debt service coverage ratio as of June 30, 2022 and 2021.

6. Net Assets With Donor Restrictions

Net assets subject to use restrictions are as follows:

	<u>2022</u>	<u>2021</u>
Family support program	\$ 205,015	\$ 260,514
Other	<u>27,295</u>	<u>67,395</u>
	<u>\$ 232,310</u>	<u>\$ 327,909</u>

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

7. Concentration of Credit Risk

For the years ended June 30, 2022 and 2021, approximately 80% and 84%, respectively, of revenue and support of the Organization was derived from contracts with the State of New Hampshire's Medicaid program. As of June 30, 2022 and 2021, accounts receivable due from the State of New Hampshire's Medicaid Program was approximately 62% and 66%, respectively.

8. Affiliate

The Organization has an affiliation agreement with The PLUS Company, Inc. (PLUS) which provides for the sharing of certain administrative functions. For the years ended June 30, 2022 and 2021, approximately 64% and 66%, respectively, of the revenue and support generated by PLUS was subcontracted from Gateways, making PLUS financially dependent on Gateways.

U.S. GAAP requires consolidation of related organizations when common control and economic dependency exists. At June 30, 2022 and 2021, common control did not exist. However, due to the significant concentration of revenues generated by Gateways, economic dependence exists. As such consolidation in 2022 and 2021 is allowed but not required. The Organization's general purpose combined financial statements, which are presented separately from these financial statements, include the accounts of PLUS because it was deemed to provide a meaningful presentation.

The following is summarized financial data of PLUS:

	<u>2022</u>	<u>2021</u>
Total assets	<u>\$ 7,971,022</u>	<u>\$ 7,567,677</u>
Total liabilities	<u>\$ 1,951,818</u>	\$ 3,661,539
Total net assets	<u>6,019,204</u>	<u>3,906,138</u>
Total liabilities and net assets	<u>\$ 7,971,022</u>	<u>\$ 7,567,677</u>
Total revenue and support	<u>\$14,358,030</u>	\$13,513,193
Total operating expenses	<u>12,244,964</u>	<u>12,188,713</u>
Change in net assets	<u>\$ 2,113,066</u>	<u>\$ 1,324,480</u>
Due to PLUS included in accounts payable	<u>\$ 420,935</u>	<u>\$ 244,902</u>
PLUS services support included in subcontractor expense	<u>\$ 9,171,515</u>	<u>\$ 8,984,843</u>

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

9. Retirement Plans

The Organization maintains a qualified 403(b) retirement plan (the Plan) which covers all employees who have reached the age of 21 and completed 1,000 hours of service during the Plan year. The Plan provides for matching contributions at the discretion of the Organization. Additionally, the plan allows for additional discretionary contributions to be made to the Plan. The total matching and discretionary contributions charged to operations for the Plan were \$250,199 and \$238,552 for the years ended June 30, 2022 and 2021, respectively. During the years ended June 30, 2022 and 2021, the Organization made a 2% discretionary contribution to the Plan in the amount of \$132,490 and \$126,079, respectively.

The Organization has a top hat deferred compensation plan established under section 457 of the Code. The plan permits certain management and highly compensated employees to defer portions of their compensation based on Internal Revenue Service guidelines. The Organization has cumulatively recorded \$1,080,404 and \$1,256,918 at June 30, 2022 and 2021, respectively, related to this plan. The related investments are segregated in a separate account and reported in the consolidated statements of financial position along with the Organization's related liability to the employees.

10. Funds Held by Others

The Organization is a beneficiary of a designated fund maintained at the New Hampshire Charitable Foundation (NHCF). Pursuant to the terms of the resolution establishing this designated fund, property contributed by unrelated parties to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF has been granted the power to redesignate the funds contributed by unrelated parties, if the Organization is incapable of fulfilling its mission. The designated fund is not included in these consolidated financial statements, since NHCF has the ability to redesignate funds contributed by unrelated parties. The total fair value of the designated fund was approximately \$638,000 at June 30, 2022 and \$689,000 at June 30, 2021.

In accordance with its spending policy, NHCF will make annual distributions of approximately 5% of the market value which will be equally divided between the beneficiaries once the funds have reached an agreed upon minimum market value of \$1,000,000. There were no distributions from the funds in 2021 and 2021.

The Organization is also a beneficiary of an agency fund at NHCF. Pursuant to the terms of the resolution establishing this agency fund, property contributed by the Organization to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF does not have the power to redesignate the funds contributed by the Organization. At June 30, 2022 and 2021, the estimated value of the future distributions from the agency fund in the amount of \$48,019 and \$51,991, respectively, is included in the consolidated statements of financial position as beneficial interest in an agency fund.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

11. Commitments and Contingencies

Self-Insurance Program

The Organization self-insures a portion of its employee health benefits. Stop loss insurance is in effect which limits the Organization's exposure to loss on an individual basis of \$50,000 and an annual aggregate basis of \$1,000,000. In 2022 and 2021, total claims for health benefits were \$1,197,619 and \$1,082,519, respectively. As of June 30, 2022 and 2021 the Organization accrued a liability for claims that have been incurred, but not yet reported of \$126,079 and \$289,911, respectively.

Employee Retention Bonus Program

During 2022, the Organization established an employee retention bonus program. All active employees as of June 30, 2022 are eligible for the retention bonus program. If an employee leaves the Organization, they are no longer eligible for employee retention bonus program payments and the remaining amount of funding will be reallocated amongst the remaining pool of active employees that were employed at June 30, 2022. Total retention bonus program payments are approximately \$1.8 million and will be paid out equally over a five year period through 2026. As of June 30, 2022, the total accrued retention bonus liability was \$1,800,000.

12. Fair Value Measurements

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

The fair market values of the Organization's measured on a recurring basis using Level 1 inputs as follows:

	<u>2022</u>	<u>2021</u>
Investments - deferred compensation		
Mutual funds	<u>\$ 1,080,404</u>	<u>\$ 1,256,918</u>

The fair value of the Organization's beneficial interest in an agency fund is categorized as a Level 3 measurement because the interest is not marketable. The fair value of the assets held in the agency fund is based on the quoted market prices of the underlying assets. Due to the level of risk associated with the fair value of the underlying securities and the level of uncertainty related to changes in their value, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the consolidated statements of financial position. Changes in fair value of the Organization's beneficial interest in the agency fund consisted of depreciation of \$3,972 and appreciation of \$13,195 for the years ended June 30, 2022 and 2021, respectively.

13. Uncertainty and Relief Funding

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. Local, U.S., and world governments encouraged self-isolation to curtail the spread of COVID-19 by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group gatherings. Most sectors are experiencing disruption to business operations and may feel further impacts related to delayed government reimbursement. The Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 provides several relief measures to allow flexibility to providers to deliver critical care. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and additional government actions to mitigate them. Accordingly, while management expects this matter to impact operating results, the related financial impact and duration cannot be reasonably estimated.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

The U.S. government has responded with three phases of relief legislation, as a response to the COVID-19 outbreak. The U.S government has enacted statutes into law to address the economic impact of the COVID-19 outbreak: the first on March 27, 2020, called the CARES Act; the second on December 27, 2020, called the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA); and the third on March 11, 2021 called the American Rescue Plan Act (ARPA). The CARES Act, CRRSAA and ARPA, among other things, 1) authorize emergency loans to distressed businesses by establishing, and providing funding for, forgivable bridge loans; 2) provide additional funding for grants and technical assistance; 3) delay due dates for employer payroll taxes and estimated tax payments for organizations; and 4) revise provisions of the Code, including those related to losses, charitable deductions, and business interest. Management has evaluated the impact of these statutes on the Organization, including their potential benefits and limitations that may result from additional funding. Management has evaluated the impact of the CARES Act, CRRSAA and ARPA on the Organization, including its potential benefits and limitations that may result from additional funding.

During 2020, the Organization obtained \$2,554,730 under the CARES Act PPP funding. The PPP has specific criteria for eligibility and provides for forgiveness of the funds under the program if the Organization meets certain requirements. Any portion of the funds that is not forgiven is to be repaid within 5 years at a 1% interest rate. During 2022, the Organization received notification from the Small Business Administration (SBA) that the PPP funds obtained were fully forgiven and are included as forgiveness of PPP funding in the consolidated statement of activities. The PPP funding is subject to audit from the SBA for six years from the date of notification.

The CARES Act also established the PRF to support healthcare providers in the battle against the COVID-19 outbreak. The PRF is being administered by the U.S. Department of Health and Human Services. These funds are to be used for qualifying expenses and to cover lost revenue due to COVID-19. The PRF are recognized as income when qualifying expenditures have been incurred, or lost revenues have been identified. During the years ended June 30, 2022 and 2021, the Organization received Phase 4 of PRF in the amount of \$74,581 and Phase 3 of PRF in the amount of \$1,409,616, respectively.

During the year ended June 30, 2021, management believed the Organization had met the conditions necessary to recognize a portion of Phase 3 PRF which were presented separately in the consolidated statement of activities in the amount of \$897,731. The remaining PRF of \$511,885 were included in deferred revenue in the consolidated statement of financial position at June 30, 2021. During the year ended June 30, 2022, management believed the Organization had met the conditions necessary to recognize the remaining amount of Phase 3 PRF and the Phase 4 funding received. As a result, \$586,466 of PRF is presented separately in the consolidated statement of activities. Management believes the position taken is a reasonable interpretation of the rules currently available. Due to the complexity of the reporting requirements and the continued issuance of clarifying guidance, there is at least a reasonable possibility the amount of income recognized may change by a material amount. Any difference between amounts previously estimated and amounts subsequently determined to be recoverable or payable will be included in income in the year that such amounts become known.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2022 and 2021

During 2021, the Organization also received and recognized emergency grant funding under the CARES Act passed through the State of New Hampshire in the amount of approximately \$1,535,200 to help offset incremental costs related to the pandemic. This funding is commonly referred to as long-term care stabilization funds which are presented separately in the consolidated statement of activities.

During 2022, the Organization was awarded emergency grant funding under ARPA and the funds were passed through the State of New Hampshire in the amount of \$2,863,947 for the purpose of recruitment, retention or training of direct support workers. As of June 30, 2022, management believed the Organization had met the conditions necessary to recognize a portion of the ARPA funds in the amount of \$2,347,327 which is presented separately in the consolidated statement of activities. The remaining \$516,620 of ARPA funds are included in deferred revenue in the consolidated statement of financial position at June 30, 2022. The Organization has until fiscal year 2024 to spend the remaining ARPA funds.



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

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services and Area Agency Properties, Inc. (the Organization), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional revenue and support, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 8, 2022.

Report on Internal Control over Financial Reporting

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

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

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

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
November 8, 2022



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

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services and Area Agency Properties, Inc.'s (the Organization) compliance with the types of compliance requirements described in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2022. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Board of Directors

Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
November 8, 2022

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

<u>Federal Grant/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Contract/Pass -Through Identifying Number</u>	<u>Total Federal Expenditures</u>
<u>United States Department of Health and Human Services:</u>			
Direct:			
COVID-19 - Provider Relief Fund	93.498	N/A	\$ 1,409,616
Pass-through:			
New Hampshire Department of Health and Human Services, Division of Community Based Care Services, Bureau of Developmental Services:			
Social Services Block Grant	93.667	N/A	46,847
New Hampshire Department of Health and Human Services:			
National Family Caregiver Support, Title III, Part E	93.052	05-95-48- 481010-7872	452,699
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	93.044	N/A	<u>1,260</u>
Total United States Department of Health and Human Services			<u>1,910,422</u>
<u>United States Department of Education:</u>			
Pass-through:			
State of New Hampshire Department of Education:			
Special Education – Grants for Infants and Families	84.181	05-95-93- 930010-7852	<u>336,825</u>
Total Expenditures of Federal Awards			\$ <u>2,247,247</u>

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services and Area Agency Properties, Inc. (the Organization) for the year ended June 30, 2022. The information in this Schedule is presented in accordance with requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass through identifying numbers are presented where available.

The amount reported on the Schedule for the Provider Relief Funds (PRF) is based upon the Phase 3 PRF report that was required to be submitted to Health Resources and Services Administration reporting portal.

The Organization has not elected to use the 10% de minimis indirect cost rate.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

Section I. Summary of Auditor's Results

Consolidated Financial Statements

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiency(ies) identified not considered to be material weaknesses?	___ yes <u>X</u> none reported
Noncompliance material to financial statements noted?	___ yes <u>X</u> no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiency(ies) identified not considered to be material weaknesses?	___ yes <u>X</u> none reported
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes <u>X</u> no

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
93.498	COVID-19 – Provider Relief Fund

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

Auditee qualified as low-risk auditee? X yes ___ no

Section II. Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Government Auditing Standards

None noted.

Section III. Findings and Questioned Costs for the Major Federal Program

None noted.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2022

None noted.

GATEWAYS COMMUNITY SERVICES - BOARD OF DIRECTORS LIST (updated 10/2023)	
EXECUTIVE COMMITTEE	
Peggy Gilmour (2011) – Chair (2023)	Rich Pietravalle* (1997) – Vice Chair (2023)
Edgar Carter (2008) – Treasurer (2023)	Jim Moran* (2017) – Secretary (2023)
DIRECTORS	
Steve Beals (2023)	Leah Brokhoff (2014)
Bob Corcoran* (2015)	Bonnie Dunham* (2019)
Joe Gamache* (2009)	Tom Gaul (2023)
Lucille Jordan (2019)	Jim McKenna (2007)
Lauren Primmer* (2014)	Lou Primmer* (2015)
Marc Sadowsky (2013)	Lisa Scheib, MD (2015)
Mark Thornton* (2007)	Amy Wheeler Teas* (2019)
Jessica Wojcik (2019)	

SANDRA B. PELLETIERGateways Community Services, [REDACTED]
[REDACTED]**PROFESSIONAL SUMMARY**

Chief Executive of a non-profit organization for the past 38 years. Experience includes hands-on leadership in all development phases of a community-based service delivery system (second largest of ten regions within the State of New Hampshire). Extensive background in all aspects of non-profit organization and oversight. Responsibilities include executive and financial management; initiation of a close-knit affiliation between the Gateways and PLUS Company Boards of Directors, structuring and nurturing of community and civic partnerships between Gateways, a myriad of vendors and sponsors, grant writing, strategic planning, and total quality management. Experience also involves re-engineering, including new development and mergers, and significant involvement in redefining public policy vis-à-vis the legislative process. Consultant to other states in the field of developmental disabilities and elder participant driven services.

EDUCATION

Leadership New Hampshire

Certificate

Intensive 10-month statewide leadership development program (seminar format)

Antioch College Management Institute, Keene, NH

Certificate

Management of Non-Profit Agencies

University of New Hampshire, Durham, NH

M.Ed.

University of Maine, Orono, ME

B.A**PERSONAL AWARDS**

25 Extraordinary Women – The Telegraph, Nashua, NH	2013
Easter Seals Special Achievement in the area of developmental services	2003
“Citizen of the Year” designate, The PLUS Company, Nashua, NH	2001
Recipient, “Book of Golden Deeds Award” from the Nashua Exchange Club	1991
Recipient, “Distinguished Service Award in the field of Developmental Disabilities”,	1989

CORPORATE AWARDS

Business New Hampshire Magazine Non-profit of Year	2016
Recognized nationally as the primary entrepreneurial leaders for Consumer Directed Services	2012
By the Center on Human Policy, Syracuse University	
Recipient of “The Walter J. Dunfey Award for Excellence in Management” from the	1990
New Hampshire Charitable Foundation – The Corporate Fund	

EXPERIENCE

Gateways Community Services, Nashua, NH

President/CEO**1983 - Present**

Oversees a \$ 65 million private non-profit corporation, recognized nationally as a highly effective model of delivery, and one promoting community participant driven services. Responsibilities include executive oversight and fiscal management of new development, operations, and maintenance of a continuum of services to 3,800 children and adults with disabilities, their families, and elders in need of long-term care in the State of New Hampshire and Massachusetts. Gateways also has key strategic alliances, C2 property corporation and acts as a 25 million Trading Partner. Gateways is supported by the State’s general funds, Federal Medicaid billings, Insurance dollars and Development dollars.

BOARD MEMBERSHIPS

Communitas- Oakland, California	2017 - Present
Rotary of Nashua West, Nashua, NH	2002 - Present
The PLUS Company, Nashua, NH	1996 - Present
CSNI, Concord, NH (founding Board Chair)	1995 - Present
Endowment for Health Foundation, NH – Including a term as President of the Board	2008-2014
New Hampshire Charitable Fund Regional Board	2019- Present
SHARE	2016-2020

TIMOTHY A. LEACH, C.P.A.

Gateways Community Services, [REDACTED]

CHIEF FINANCIAL OFFICER

Professional capable of immediate impact on organization's issues with respect to finance/fiscal operations, corporate tax, audit, budget preparation, revenue recognition, reporting and compliance, data analysis, strategic and organizational planning, business operations and administration.

SUMMARY OF QUALIFICATIONS

M.B.A., C.P.A. with extensive professional experience in financial/fiscal operations, performance and business analysis, compliance, staff development and training, business operations and administration. Bottom-line individual with a solid track record for increasing operational efficiency, generating cost savings and contributing to company profits. Demonstrated ability to coordinate and manage multiple complex projects simultaneously. Designed/implemented policies and procedures with respect to business, finance/fiscal operations and administration. Proven ability to interface with all levels of an organization, to lead, to motivate and to get the job done. Reliable, goal-oriented achiever, innovative problem solver, and effective decision-maker. Excellent communication, leadership, interpersonal, presentation and organizational skills.

Expertise and knowledge in financial areas such as:

- Certified Public Accountant
- Audits/Internal Controls
- Policy Design
- International Operations
- Finance/Fiscal Operations
- Budgeting
- Strategic/Organizational Planning
- Revenue Recognition
- Corporate Tax
- Foreign Currency Translations
- System Implementation
- Staff Development
- Consolidated Financials
- Procurement of Goods
- Asset Management

SELECTED ACCOMPLISHMENTS

IMPROVED consolidated financial statement timeliness and accuracy by reducing cycle time by three days through process improvements despite headcount reductions. The consolidated financials include American, European, and Asian operations. The financial statement and narrative summary are completed within six workdays of month end for presentation to the Board of Directors.

COORDINATED annual audit and tax return prepared by Ernst & Young resulting in savings of \$15K. Responsible for preparing consolidated financial statements through supporting documentation including footnotes for American, European, and Asian operations. Corporate tax includes six state returns.

DEVELOPED accounts receivable policies and procedures and initiated billing to worldwide customers. Responsible for global billing, collecting, and establishing customer credit limit. Billing is generated within two working days of month end. One hundred percent of billings have been collected to date.

SUCCESSFULLY implemented three new accounting systems for organizations. Also served as part of organization-wide implementation team to coordinate all applications throughout firm.

PROFESSIONAL EXPERIENCE

AREA AGENCY OF GREATER NASHUA, INCORPORATED, Nashua, NH 2003 – present

Chief Financial Officer

- Responsible for the day to day business operations of the Area Agency.

ACCELLION INCORPORATED, Auburn, NH (Global Internet Start Up) 2001 – 2003

Senior Finance Manager

- Promoted to Senior Finance Manager within six months.
- Prepared monthly consolidated financial statements for Board of Directors, including consolidation of American, Asian, and European operations; and maintain a level of proficiency in foreign currency exchange transactions.
- Monitored cash on a daily basis; reported weekly cash forecast (American, European, and Asian) to CFO for global operations; monitored global budget; and monitored global accounting policies and procedures; and prepared annual audit and corporate tax returns including multiple states returns.
- Managed all accounts receivable, including functions such as new client set-up, billing, follow-up, customer relations, and collections.

Senior Accountant

- Implemented General Ledger, Accounts Payable/Receivable functions for a global Internet start-up.
- Prepared monthly close of American operations including preparation and posting of all required journal entries.
- Installed Best Fixed Asset System software for asset tracking; monitored all worldwide fixed assets.

MONADNOCK COMMUNITY HOSPITAL, Peterborough, NH 1989-2000

Accounting Manager

- Supervised the Accounting and Accounts Payable functions of the Hospital and prepared monthly financial and statistical information for Management, Board of Trustees, and Affiliated Healthcare entities.
- Served as Hospital resource for all financial issues; prepared and monitored operating and capital budgets; handled all receipts and disbursements; monitored cash position of a daily basis; maintained the fixed asset system; and oversaw the processing of accounts payable invoices for payment; managed the Hospital insurance policies (Workers Compensation, Property, and Umbrella), including the functions of contracting, monitoring, and upgrading the Hospital insurance portfolio.
- Chaired capital budget, investment, management information system, condo association, and Y2K committees; active member of strategic operations, finance, resource, and leadership committees.
- Presented monthly financial statements to the Board of Trustees, Finance Committee, and Leadership Group and acted as liaison for all financial matters pertaining to the Hospital as Interim Chief Financial Officer from February through April 2000.

PURDY, BORNSTEIN, HAMEL & BURRELL CPA's, Salem, NH 1988-1989

Senior and Staff Accountant

- Performed audit, review, and compilation engagements; prepared corporate, partnership, and personal tax returns.

EDUCATION

Master of Business Administration, New Hampshire College, Manchester, NH
Bachelor of Science in Accounting, New Hampshire College, Manchester, NH

LICENSE/CERTIFICATION

Licensed Certified Public Accountant in the State of New Hampshire

ASSOCIATIONS/AFFILIATIONS

New Hampshire Society of CPAs, Milford Community Athletic Association (MCAA) Coach,
 Volunteer – Nashua Soup Kitchen

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary Amount Paid from this Contract
Sandra Pelletier	CEO/President	0
Tim Leach	CFO	0

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

Lori A. Shibleyette
Commissioner

Melissa A. Hardy
Director

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

June 13, 2022

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Long Term Supports and Services, to enter into a contract with Area Agency of Greater Nashua, Inc., d/b/a Gateways Community Services (VC#155784-B001), Nashua, NH, in the amount of \$2,293,564 for financial management and employer of record services to manage payments for respite and supplemental support services for caregivers under the New Hampshire Family Caregiver Support Program and the Alzheimer's Disease and Related Disorders Program, with the option to renew for up to four (4) additional years, effective July 1, 2022, upon Governor and Council approval through June 30, 2024. 55.21% Federal Funds. 44.79% General Funds.

Funds are available in the following accounts for State Fiscal Year 2023, and are anticipated to be available in State Fiscal Year 2024, 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.

05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2023	570-500928	Family Caregiver	48130316	\$564,849.00
2024	570-500928	Family Caregiver	48130316	\$564,849.00
		Subtotal		\$1,129,698.00

05-95-48-481010-8943 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANT - ADRD

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2023	502-500891	Payments to Providers	48130400	\$302,507.00
2024	502-500891	Payments to Providers	48130400	\$302,507.00
		Subtotal		\$605,014.00

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 2 of 3

05-95-48-481010-2638, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: ELDERLY & ADULT SVCS DIV, GRANTS FOR SOCIAL SVC PROG, GF MATCH ARPA TITLE III FUNDING

Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
2023	570-500928	Family Caregiver	48130623	\$279,426.00
2024	570-500928	Family Caregiver	48130623	\$279,426.00
		Subtotal		\$558,852.00
		Grand Total		\$2,293,564.00

EXPLANATION

The purpose of this request is for the Contractor to provide financial management and employer of record services to manage payments for respite and supplemental support services for caregivers under the New Hampshire Family Caregiver Support Program and the Alzheimer Disease and Related Disorders Program.

Approximately 1300 individuals will be served during State Fiscal Years 2023 and 2024.

Services through this Agreement will be available statewide to caregivers who are over the age of 18 and care for a person who has Alzheimer's Disease or other related dementia; caregivers caring for someone over the age of 60 with a memory/cognitive impairment or requiring assistance with at least two activities of daily living; parents of adult children with disabilities, who are not receiving services through a Medicaid 1915 (c) waiver; and grandparents and other relatives over age 55 who are raising their minor relatives.

The Contractor will work in partnership with the New Hampshire ServiceLink Aging and Disability Resource Center and related contractors to ensure authorized services are accurately paid and accounted for. Services will include setting up individual accounts for eligible program participants, managing funds and authorized budgets, processing and paying invoices, accounting for expenditures made on behalf of a caregiver or care recipient, and employer of record services for family-managed employees.

The Department will monitor services through regularly scheduled meetings and the review of submitted monthly invoices and program reports to ensure:

- Contract deliverables are met and timelines are adhered to;
- Encountered and foreseeable key issues are reviewed and addressed; and
- Suggested strategies to improve contract performance are discussed and implemented as requested.

The Department selected the Contractor through a competitive bid process using a Request for Applications (RFA) that was posted on the Department's website from March 24, 2022 through April 28, 2022. The Department received two (2) 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, of the attached agreement, the parties have the option to extend the agreement for up to four (4) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

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

Should the Governor and Council not authorize this request individuals who provide care and support to individuals served through the New Hampshire Family Caregiver Support Program (NHFCSP) and the Alzheimer Disease and Related Disorders Program will not have access to financial management services that ensure accurate and timely payment for approved provided services. Approximately 700 unpaid caregivers would not receive respite and/or ancillary services, resulting in the caregivers being at a higher risk of caregiver burden, burnout, and depression, which according to research, leads to an increase in the use of the State's Long-Term Care services such as Medicaid's home and community-based services and nursing home placements.

Area served: Statewide

Source of Federal Funds: Assistance Listing Number #93.052, FAIN #2201NHOAFC, Title III E, and Assistance Listing Number 93.052, FAIN# 2101NHFCC6. ARP Title III E.

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

Respectfully submitted,


Lora A. Shabinette
Commissioner

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

Project ID # RFA-2023-BEAS-01-FINAN-01

Project Title Financial Management Services for NH Family Caregiver Support Program

	Maximum Points Available	Gateways Community Services	GT Independence
Technical			
Ability Q1	30	30	25
Capacity Q2	40	40	20
Experience Q3	30	30	17
Staffing Q4	10	10	7
TOTAL POINTS	110	110	69

Reviewer Name

1 Jean Crouch

2 Tami Wickens

3 Tina Goulet

Title

Supervisor VII

Business Administrator III

Manager of Family Caregiver Supports

Subject: Financial Management Services for NH Family Caregiver Support Program (RFA-2023-BEAS-01-FINAN-01)

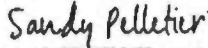
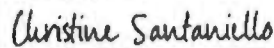
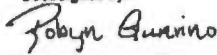
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services		1.4 Contractor Address 144 Canal Street, Nashua, NH 03064	
1.5 Contractor Phone Number (603) 882-6333	1.6 Account Number 048-78720000-500928 048-89430000-500891 048-26380000-500928	1.7 Completion Date June 30, 2024	1.8 Price Limitation \$2,293,564
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature 6/3/2022 <small>DocuSigned by:</small>  Date:		1.12 Name and Title of Contractor Signatory Sandy Pelletier President/CEO	
1.13 State Agency Signature 6/8/2022 <small>DocuSigned by:</small>  Date:		1.14 Name and Title of State Agency Signatory Christine Santaniello Associate Commissioner	
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) <small>DocuSigned by:</small> By:  On: 6/10/2022			
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.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

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

9. TERMINATION.

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

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

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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

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EXHIBIT A**

Revisions to Standard Agreement Provisions

1. Revisions to Form P-37, General Provisions

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

3.3. The parties may extend the Agreement for up four (4) additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.

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

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

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Scope of Services

1. Statement of Work

- 1.1. The Contractor must provide services, statewide, to eligible family caregivers who are authorized by the Department's ServiceLink contractors to receive respite and/or supplemental support services under the New Hampshire Family Caregiver Support Program (NHFCSP) and/or the Alzheimer's Disease and Related Disorders (ADRD) Program.
- 1.2. For the purposes of this Agreement, all references to days shall mean business days, excluding state and federal holidays.
- 1.3. For the purposes of this Agreement, all references to business hours shall mean Monday through Friday from 8:00 AM to 4:00 PM.
- 1.4. Financial Management Services
 - 1.4.1. The Contractor must provide financial management services (FMS), to eligible caregivers. The Contractor must ensure FMS include:
 - 1.4.1.1. Managing funds;
 - 1.4.1.2. Processing and paying invoices for authorized respite and supplemental support services;
 - 1.4.1.3. Accounting for expenditures based on authorized budgets; and
 - 1.4.1.4. Managing tax deposits and filing.
 - 1.4.2. The Contractor must maintain a monthly cash flow sufficient to pay all invoices and payroll requests.
 - 1.4.3. The Contractor must receive and accept all caregiver budget intake packets (referrals) for FMS services from ServiceLink contractors. Upon receiving a referral the Contractor must:
 - 1.4.3.1. Establish a separate file and account for each caregiver;
 - 1.4.3.2. Provide a release of information form to the caregiver for completion and signature, allowing the Contractor and ServiceLink to communicate and share information.
 - 1.4.4. The Contractor must ensure each caregiver file includes:
 - 1.4.4.1. Date the referral is received from the ServiceLink contractor;
 - 1.4.4.2. Contact information for the caregiver and care recipient;
 - 1.4.4.3. Authorized budget amount for the caregiver;
 - 1.4.4.4. Type of authorized respite and/or supplemental service(s);
 - 1.4.4.5. Name of designated provider(s) of services;

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- 1.4.4.6. Start and end dates during which budgeted services may be provided; and
- 1.4.4.7. All forms requiring signatures, as applicable, including but not limited to:
 - 1.4.4.7.1. Consent forms.
 - 1.4.4.7.2. Policy review.
 - 1.4.4.7.3. Invoices, which shall not contain protected health information.
- 1.4.5. The Contractor must maintain an accounting of each caregiver's authorized budget(s). The Contractor must ensure the accounting includes:
 - 1.4.5.1. Recording beginning budget balances;
 - 1.4.5.2. Tracking expenditures; and
 - 1.4.5.3. Calculating available balances.
- 1.4.6. The Contractor must develop, maintain, and implement policies and procedures relative to FMS. The Contractor must submit the policies and procedures to the Department for approval within 20 days of the approval of the Agreement by the Governor and Executive Council.
- 1.4.7. The Contractor must provide each caregiver a monthly account statement that includes the balance of each authorized budget.
- 1.4.8. The Contractor must process and pay invoices submitted by the caregiver for actual expenses incurred by the individual or agency that provided the respite or supplemental service(s) to the caregiver in accordance with the caregiver's authorized budget. Prior to processing payment, the Contractor must verify:
 - 1.4.8.1. Service(s) invoiced are authorized;
 - 1.4.8.2. Expense(s) for service(s) are authorized;
 - 1.4.8.3. Funds are available in the caregiver's authorized budget; and
 - 1.4.8.4. The invoice is signed and dated by the caregiver, indicating approval.
- 1.4.9. The Contractor may accept verbal approval for an invoice payment from a caregiver to prevent untimely payment for services. In instances where verbal approval is obtained, the Contractor must:
 - 1.4.9.1. Retain a photocopy of the invoice or timesheet with the date and time of the verbal approval clearly documented;

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- 1.4.9.2. Send the original invoice or timesheet to the caregiver to be signed and dated;
- 1.4.9.3. Ensure the signed and dated original invoice or timesheet is received from the caregiver; and
- 1.4.9.4. Retain the original signed and dated invoice or timesheet in the caregiver's file.
- 1.4.10. The Contractor must make payment(s) directly to the individual or agency that provided the authorized services within ten (10) business days from the date of receipt of the approved invoice as follows:
 - 1.4.10.1. Invoices received Monday will be paid on Friday of the same week;
 - 1.4.10.2. Invoices received Tuesday through Friday will be paid on the following Friday;
 - 1.4.10.3. Invoices received for emergency services, approved by the ServiceLink contractor, will be paid immediately.
- 1.4.11. The Contractor must ensure processes are in place to prevent caregiver overspending. The Contractor must ensure processes include, but are not limited to providing:
 - 1.4.11.1. Notification to caregivers when paid expenses are close to maximizing the amount of funding remaining in their authorized budget(s).
 - 1.4.11.2. Monthly account statements indicating available funding in caregiver's authorized budgets.
- 1.4.12. The Contractor must ensure invoices submitted for unauthorized services are not processed.
- 1.4.13. The Contractor must flag invoices submitted by the caregiver that are not authorized as part of the authorized budget and must notify the authorizing ServiceLink contractor.
- 1.5. Employer of Record Services
 - 1.5.1. The Contractor must provide Employer of Record Services (ERS) for family-managed employees. The Contractor must ensure ERS include, but are not limited to:
 - 1.5.1.1. Human resource functions, which include, but are not limited to:
 - 1.5.1.1.1. Final hiring and discharge decision making authority.

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- 1.5.1.1.2. Processing background checks, as applicable, including, but not limited to:
 - 1.5.1.1.2.1. Criminal background checks conducted through the county, state, and national levels for the past seven (7) years.
 - 1.5.1.1.2.2. State and national sex offender registry(ies) checks.
- 1.5.1.1.3. Review against the NH BEAS State Registry, in accordance with NH RSA 161-F:49, VIII.
- 1.5.1.1.4. Verifying the prospective workers' legal ability to work in the United States.
- 1.5.1.1.5. Providing worker's compensation liability; unemployment insurance; disability and benefit insurance coverage.
- 1.5.1.1.6. Providing payroll functions.
- 1.5.1.1.7. Completing all required federal and state paperwork, filings, and payments in accordance with all state and federal labor, tax, worker's compensation and immigration laws.
- 1.5.2. The Contractor must conduct criminal background checks, at its own expense. The Contractor must not utilize any staff, including subcontractors, who have been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or misdemeanor offense for which incarceration for up to (one) 1 year is an authorized penalty, to fulfill the obligations of the Agreement.
- 1.5.3. The Contractor must provide ERS in accordance with all applicable federal and state laws, rules and regulations.
- 1.5.4. The Contractor must develop, maintain, and implement policies and procedures relative to ERS. The Contractor must submit the ERS policies and procedures to the Department for approval within 20 days of the approval of the Agreement. ERS policies and procedures must include, but are not limited to:
 - 1.5.4.1. Hiring criteria and processes, including ensuring the family-managed employee applicant:
 - 1.5.4.1.1. Is 18 years of age, or older.

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- 1.5.4.1.2. Is not the spouse, legal guardian, or surrogate of the care recipient.
- 1.5.4.1.3. Does not live with the care recipient.
- 1.5.4.1.4. Is a citizen of the United States of America or has verified legal alien status.
- 1.5.4.1.5. All applicable background and criminal record checks are verified and approved.
- 1.5.4.2. Application process.
- 1.5.4.3. Discharge criteria and processes.
- 1.5.4.4. Provisions ensuring compliance with Health Insurance Portability and Accountability Act (HIPAA), applicable federal and state confidentiality laws and regulations, and Exhibits I and K of this Agreement..
- 1.5.4.5. Health and safety.
- 1.5.4.6. Human rights.
- 1.5.4.7. Family-managed employee policies and procedures.
- 1.5.4.8. Benefits, if applicable.
- 1.5.4.9. Timekeeping and payroll schedule.
- 1.5.5. The Contractor must collaborate with the caregiver to function as co-employers of the family-managed employee. The Contractor must ensure co-employer functions include:
 - 1.5.5.1. Recruitment;
 - 1.5.5.2. Hiring;
 - 1.5.5.3. Supervisory duties; and
 - 1.5.5.4. Discharge of family-managed employees.
- 1.5.6. The Contractor must develop a Managing Supervisor Agreement (MSA) that clearly defines roles and responsibilities of the caregiver and the Contractor as related to the family-managed employee. The MSA must include, but is not limited to:
 - 1.5.6.1. Recruitment, hiring, and discharge;
 - 1.5.6.2. Supervisory duties.
 - 1.5.6.3. Scheduling.
 - 1.5.6.4. Task(s) assignment.
 - 1.5.6.5. Training on the provision of care for the care recipient

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- 1.5.7. The Contractor must review the MSA with caregivers and provide training on tasks and functions relating to the caregivers' duties as a managing supervisor. The Contractor must ensure training is available on, but not limited to:
 - 1.5.7.1. Developing job descriptions for family-managed employees.
 - 1.5.7.2. Recruitment, interviewing, supervisory, retention, and discharge skills.
 - 1.5.7.3. Conducting reference checks.
 - 1.5.7.4. Developing performance evaluations and performance plans for family-managed employees.
 - 1.5.7.5. Developing work schedules for family-managed employees.
 - 1.5.7.6. Developing family-managed employee training as it relates to the duties in the job description, homecare environment, and participant preferences.
 - 1.5.7.7. Additional topics as requested by the caregiver and approved by the Department.
 - 1.5.7.8. Familiarization with the Contractor's ERS policies and procedures as described in above.
- 1.5.8. The Contractor must contact the caregiver within two (2) business days of receiving a referral for ERS services from a caregiver or ServiceLink contractor.
- 1.5.9. The Contractor must schedule a home visit with the caregiver and their prospective family-managed employee within seven (7) days of initial contact for ERS. The Contractor must ensure the home visit includes:
 - 1.5.9.1. Meeting with the caregiver to:
 - 1.5.9.1.1. Review the intake packet, including FMS and ERS policies and practices;
 - 1.5.9.1.2. Explain the requirements for employing a family-managed employee;
 - 1.5.9.1.3. Review of the MSA.
 - 1.5.9.1.4. Provide supervisory training for the caregiver, as applicable.
 - 1.5.9.2. Meeting with the caregiver and selected family-managed employee applicant to collaboratively review:
 - 1.5.9.2.1. Job application and description;

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- 1.5.9.2.2. Managing supervisor roles and responsibilities;
 - 1.5.9.2.3. Roles and responsibilities of the ERS provider;
 - 1.5.9.2.4. Confidentiality rules and laws, including, but not limited to HIPAA;
 - 1.5.9.2.5. Releases for all required background and criminal record checks;
 - 1.5.9.2.6. W-4 and I-9 forms, including verification of identification of documents and vehicle insurance, as applicable;
 - 1.5.9.2.7. Emergency notification forms;
 - 1.5.9.2.8. Training on blood-borne pathogens;
 - 1.5.9.2.9. Agreement to abide by the FMS Contractor's policies and procedures;
 - 1.5.9.2.10. Timesheet policies and procedures; and
 - 1.5.9.2.11. Overtime policies and the impact on the caregiver's budget design.
- 1.5.10. The Contractor must collect and retain all documents requiring signatures from either the caregiver or the family-managed employee and ensure documentation is recorded and stored in the caregiver's file.
- 1.5.11. The Contractor must ensure the hiring process is completed for each prospective family-managed employee prior to successful employment. The Contractor must ensure:
- 1.5.11.1. All required paperwork is complete and submitted;
 - 1.5.11.2. All required verifications are complete and submitted; and
 - 1.5.11.3. All required background checks are complete deemed acceptable.
- 1.5.12. The Contractor must ensure that the family-managed employee is successfully employed prior to providing services to the care recipient.
- 1.5.13. The Contractor must ensure newly hired family-managed employees begin work within 30 business days of the home visit and must notify the applicable ServiceLink contractor if the start date is past 30 business days, providing the reason(s) why the start date was delayed!
- 1.6. Payroll for Family-Managed Employees

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- 1.6.1. The Contractor must process and distribute payroll for the family-managed employee(s). The Contractor must:
 - 1.6.1.1. Receive timesheets signed by the caregiver for the actual hours the family-managed employee provided caregiver respite or other services for the care recipient. The Contractor must ensure timesheets are received no later than the timeframe identified in ERS policies and procedures.
 - 1.6.1.2. Review the authorized budget for authorized services against the timesheet(s) presented by the caregiver to verify actual expenses for services are authorized.
 - 1.6.1.3. Verify funds are available in the caregiver's account to pay the invoice.
 - 1.6.1.4. Contact the caregiver and the respective ServiceLink contractor if a discrepancy is found in the timesheet or if there is not enough funding in the caregiver's budget.
 - 1.6.1.5. Calculate the dollar amount of payment owed to the family-managed employee and the employer's share of social security taxes, unemployment insurance, and associated payroll taxes.
 - 1.6.1.6. Distribute payroll on a bi-weekly basis, with a Friday pay date.
 - 1.6.1.7. Ensure paychecks are available to the family-managed employee on the Friday pay date.
- 1.6.2. The Contractor must ensure all employer of record and payroll tax services are performed in accordance with Internal Revenue Service laws, rules, regulations and policies.
- 1.6.3. The Contractor must ensure payroll preparation and distribution is performed in accordance with Federal, state, and local employment taxes, workers' compensation insurance rules, and other applicable requirements.

1.7. Authorized Caregiver Budgets

- 1.7.1. The Contractor must ensure caregivers who receive FMS services:
 - 1.7.1.1. Have a current, authorized, budget(s) for respite and/or supplemental services under the NHFCSP and ADRD program, on file, as applicable.
 - 1.7.1.2. Are providing the highest level of care that must include, but is not limited to, assisting the care recipient with at least two (2) activities of daily living per day.
 - 1.7.1.3. Meet the criteria for receiving FMS services.

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- 1.7.1.4. Are providing care for an individual who has a diagnosis of dementia.
- 1.7.2. The Contractor must ensure payments to an agency or family-managed employee do not exceed the amount available in the caregiver's authorized budget(s). The Contractor must ensure payments made that exceed any authorized budget are made at the Contractor's expense.
- 1.7.3. The Contractor must ensure payments to providers and family-managed employees for respite or supplemental services are clearly documented in the associated authorized budgets.
- 1.7.4. The Contractor must work in collaboration with the ServiceLink contractor(s) to accept and process changes to caregivers' authorized budgets and update caregivers' accounts accordingly.
- 1.7.5. The Contractor must ensure the authorized budget under Title III-E for the NHFCP for each caregiver is no more than \$2,000 per state fiscal year for Title III-E, ensuring funds may be used to purchase:
 - 1.7.5.1. Respite services, which include:
 - 1.7.5.1.1. In-home respite care;
 - 1.7.5.1.2. Adult day-program services; and
 - 1.7.5.1.3. Short respite stays in an authorized facility; and
 - 1.7.5.1.4. Supplemental services, which include:
 - 1.7.5.1.4.1. Emergency response systems;
 - 1.7.5.1.4.2. Transportation to and from medical appointments and/or adult day services;
 - 1.7.5.1.4.3. Assistive devices and other similar items that complement the care being provided and are essential to the prevention or delay of nursing home placement;
 - 1.7.5.1.4.4. Chore-related services that may include, but are not limited to:
 - 1.7.5.1.4.4.1. Heavy housework;
 - 1.7.5.1.4.4.2. Yardwork;
 - 1.7.5.1.4.4.3. Snowplowing;
 - 1.7.5.1.4.4.4. Nutritional supplements

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- 1.7.5.1.4.4.5. Incontinence supplies;
 - 1.7.5.1.4.4.6. Home safety repairs or modifications that assist a family caregiver to provide care;
 - 1.7.5.1.4.4.7. Mobility aids; and/or
 - 1.7.5.1.4.4.8. Adaptive or assistive equipment including but not limited to devices or equipment to maintain or improve functional capacities.
- 1.7.6. The Contractor must ensure the authorized budget under the ADRD program for each caregiver is no more than \$2,000 and is utilized to purchase respite services that include:
- 1.7.6.1. In-home respite care;
 - 1.7.6.2. Adult day-program services; and/or
 - 1.7.6.3. Short respite stays in an authorized facility.
- 1.7.7. The Contractor must ensure ADRD program funds are not utilized to purchase supplemental services.
- 1.7.8. The Contractor must ensure authorized budgets for the American Rescue Plan Act of 2021 (ARPA) funds for each caregiver have been approved by the Department prior to use or payment of funds.
- 1.7.9. The Contractor must ensure ARPA funds are paid as a grant check or are utilized to purchase items authorized under ARPA, as directed and approved by the Department.
- 1.8. Customer Service
- 1.8.1. The Contractor must provide customer service that includes guidance, information and assistance on, but is not limited to:
- 1.8.1.1. Financial functions, including but not limited to:
 - 1.8.1.1.1. Invoicing.
 - 1.8.1.1.2. Payroll.
 - 1.8.1.1.3. Billing.
 - 1.8.1.1.4. Authorized expenditures.

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- 1.8.1.1.5. Account reconciliation.
- 1.8.1.1.6. Account balances.
- 1.8.1.2. Roles and responsibilities of ServiceLink contractors, caregivers and family-managed employees.
- 1.8.1.3. Supervision and training of family-managed employees.
- 1.8.2. The Contractor must ensure customer service is available and accessible during normal business hours to:
 - 1.8.2.1. Caregivers.
 - 1.8.2.2. Care recipients.
 - 1.8.2.3. Family-managed employees.
 - 1.8.2.4. ServiceLink contractors.
 - 1.8.2.5. Stakeholders with whom a consent to share information has been signed and granted, including, but not limited to:
 - 1.8.2.5.1. Providers of ancillary services.
 - 1.8.2.5.2. Guardians.
 - 1.8.2.5.3. Family members.
- 1.8.3. The Contractor must provide access to a toll-free number that provides customer service and assistance, with clearly defined hours of operation.
- 1.8.4. The Contractor must provide customer service in an array of formats that includes, but is not limited to:
 - 1.8.4.1. Telephone.
 - 1.8.4.2. Virtual meetings.
 - 1.8.4.3. Postal service mail.
 - 1.8.4.4. Facsimile.
 - 1.8.4.5. Email.
- 1.8.5. The Contractor must respond to customer service requests within two (2) business days.
- 1.9. Consumer Feedback Surveys
 - 1.9.1. The Contractor must develop and administer consumer feedback surveys, as approved by the Department, which are completed by caregivers at the end of each authorization service period. The Contractor must ensure surveys include, but are not limited to the following measurements:

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1.9.1.1. Timeliness of:

1.9.1.1.1. Initial contact and scheduling of home visit.

1.9.1.1.2. Invoice processing.

1.9.1.1.3. Payroll processing.

1.9.1.1.4. Resolution of billing issues.

1.9.1.1.5. Responses to customer service requests, including any necessary follow-up training.

1.9.1.2. Training satisfaction.

1.9.1.3. Ease of accessibility by telephone and/or email for caregivers.

1.9.1.4. Availability of accurate and real-time information to caregivers regarding their authorized budgets.

1.9.1.5. Quality of services provided.

1.10. Contract Monitoring

1.10.1. The Contractor must meet with the Department on a monthly basis to review:

1.10.1.1. Key work performed;

1.10.1.2. Encountered and foreseeable key issues that have been or may be barriers to contract performance; and

1.10.1.3. Suggested mitigation strategies to improve contract performance.

1.11. Waitlists

1.11.1. The Contractor must collect waitlist data from all ServiceLink contractors relative to the NHFCP and ADRD program that include, but are not limited to:

1.11.1.1. Name of caregivers and care recipients, by program and ServiceLink contractor.

1.11.1.2. Date a caregiver or care recipient was placed on the waitlist.

1.11.1.3. The reason(s) why a caregiver and/or a care recipient are on a waitlist.

1.11.1.4. Date a caregiver or care recipient was removed from the waitlist.

1.12. Transition of Services

1.12.1. 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

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Contractor engaged by the Department to assume the Services previously performed by the Contractor for this section the new Contractor shall be known as "Recipient"). Contract end of life services shall be provided at no additional cost.

- 1.12.2. The Contractor must ensure the uninterrupted delivery of all services included in this Agreement in the event that the Agreement is expiring or a new contract is to be executed with a different agency. The Contractor must:
- 1.12.2.1. Ensure a minimum of one (1) month overlap of services is provided to:
 - 1.12.2.1.1. Facilitate the transition of services, as directed by the Department; and
 - 1.12.2.1.2. Ensure all caregivers and associated records have been successfully transitioned.
 - 1.12.2.2. Develop a detailed transition plan and submit the plan to the Department for approval within 30 days of transition notification by the Department. The Contractor must ensure the transition plan includes, but is not limited to:
 - 1.12.2.2.1. A close-out date for pending, approved expenditures;
 - 1.12.2.2.2. The transfer of all records of authorized budgets for family caregivers; including expenditures and units provided to the entity determined by and as directed by the Department; and
 - 1.12.2.3. Documentation of all information necessary for the reimbursement of outstanding expense claims submitted by caregivers.
 - 1.12.2.4. Designate a person responsible for coordinating, implementing, and answering any questions related to the transition plan and must assign staff as necessary to assist in the transition.
 - 1.12.2.5. Conduct transition status meetings that include all parties, as directed by the Department, at a frequency determined by the Department.
 - 1.12.2.6. Notify employees, caregivers, and family-managed employees of the pending transition of services, utilizing a format approved by the Department.
- 1.12.3. The Contractor is responsible for mailing and postage expenses related to notification of the transition process to participants and

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those employed by the current Contractor on behalf of the caregiver(s).

1.13. Staffing

- 1.13.1. The Contractor must ensure all agency staff have appropriate training, education, experience, and orientation to perform the requirements of the positions they hold.
- 1.13.2. The Contractor must verify agency staff have all required licenses and certifications, as required, to perform their assigned duties. The Contractor must provide copies of licenses or certifications for any staff member who provides services, to the Department upon request.
- 1.13.3. The Contractor must develop and maintain a current Staffing Contingency Plan that includes but is not limited to:
 - 1.13.3.1. A process for replacement of personnel in the event of loss of key personnel;
 - 1.13.3.2. Allocation of additional resources in the event of inability to meet any performance standard;
 - 1.13.3.3. A timeframe for obtaining replacement staff members; and
 - 1.13.3.4. A plan for training new staff members.
- 1.13.4. The Contractor must ensure funds in this Agreement are not provided for vacant staff positions and that any funds paid for positions while vacant must be reimbursed to the Department during the Agreement period.
- 1.13.5. The Contractor will ensure employees involved in delivering services through the resulting Agreement, will 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 Exhibit K, Security Requirements, by signing an attestation. The Contractor shall ensure said individuals have a justifiable business need to access confidential data. The Contractor must provide attestations upon Department request.
- 1.13.6. The State may, at its sole expense, conduct reference and background screening of the Contractor Project Manager and the Contractor Key Project Staff. The State shall maintain the Confidentiality of background screening results.
- 1.13.7. The Contractor shall actively and regularly collaborate with the Department to enhance contract management and improve results.
- 1.13.8. The Contractor must, upon contract completion, maintain all contract related data and records for seven (7) years, at which time all contract

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related data and records must be destroyed in accordance with Exhibits I and K, which are attached hereto as Appendix A, P37 and Standard Exhibits.

1.14. Privacy Impact Assessment (PIA)

1.14.1. 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:

1.14.1.1. How PII is gathered and stored;

1.14.1.2. Who will have access to PII;

1.14.1.3. How PII will be used in the system;

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

1.14.1.5. Privacy practices.

1.14.2. The Department may conduct follow-up PIA's in the event there are either significant process changes or new technologies impacting the collection, processing or storage of PII. The Contractor must ensure family-managed employees are subject to the standard hiring process, application process, and all applicable background checks, as detailed in the ERS policies and procedures.

1.14.3. The Contractor shall meet with the Department at a frequency and via a method approved by the Department, to ensure project goals and timelines are being met and contract deliverables are being achieved.

2. Reporting

2.1. The Contractor must provide financial and service reports to caregivers, ServiceLink contractors, and the Department on a monthly basis and as requested.

2.2. The Contractor must ensure reports and statements do not include identifiable care receiver information.

2.3. The Contractor must ensure reports and statements are exchanged securely via secure email, a Secure File Transfer Protocol (SFTP) site, or other method that maintains the security and confidentiality of the information.

2.4. The Contractor must ensure reports include, but are not limited to the following:

2.4.1. *Caregiver Statements*

2.4.1.1. The Contractor must provide monthly reports to each caregiver, no later than the 15th of the month for the ^{OS} prior

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

month's activities. The Contractor must ensure statements for caregivers include, but are not limited to:

- 2.4.1.1.1. Budget information by program and funding source.
- 2.4.1.1.2. Beginning and end dates of the authorized services.
- 2.4.1.1.3. Total authorized budget amount.
- 2.4.1.1.4. Number of care recipients served by the caregiver.
- 2.4.1.1.5. Type of service(s) provided by category (respite, or supplemental services) for the month and year to date.
- 2.4.1.1.6. Amount of expenditures by service type, for the month and year to date.
- 2.4.1.1.7. Available balance, year to date.

2.4.2. ServiceLink Contractor Reports

2.4.2.1. The Contractor must provide **monthly** reports to each ServiceLink contractor, no later than the 15th of the month, for the prior month's activities. The Contractor must ensure reports identify expenditures and program utilization of caregivers located in the ServiceLink contractor's respective service area and include, but are not limited to:

- 2.4.2.1.1. Copies of statements provided to each caregiver, as detailed above.
- 2.4.2.1.2. A summary of monthly and year-to-date expenditures for each caregiver.
- 2.4.2.1.3. Total authorized budget amount(s) for each caregiver.
- 2.4.2.1.4. Total amount allocated to the ServiceLink contractor.
- 2.4.2.1.5. Amount of expenditures by program and type, as applicable to:
 - 2.4.2.1.5.1. ADRD respite;
 - 2.4.2.1.5.2. Title III-E respite;
 - 2.4.2.1.5.3. Title III-E supplemental services; and

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2.4.2.1.5.4. ARPA funds.

2.4.2.1.6. Amount of remaining balances available.

2.4.2.1.7. Total number of caregivers by each respective ServiceLink contractor.

2.4.2.1.8. Total number of care recipients for each caregiver.

2.4.3. Department Reports

2.4.3.1. The Contractor must submit a Denial of Invoice report to the Department and the applicable ServiceLink contractor within (2) days of denial determination. The Contractor must ensure Denial of Invoice reports include, but are not limited to:

2.4.3.1.1. Name of caregiver.

2.4.3.1.2. Date of receipt of invoice.

2.4.3.1.3. Date of invoice denial determination.

2.4.3.1.4. Reason for denial.

2.4.3.2. The Contractor must submit **monthly** reports to the Department, no later than the 15th of the month, for the prior month's activities, which identifies the prior month's activities. The Contractor must ensure reports to the Department include, but are not limited to:

2.4.3.2.1. Copies of all information provided to caregivers and ServiceLink contractors by the Contractor.

2.4.3.2.2. A monthly and year-to-date summary of the caregivers' activities, including, but not limited to:

2.4.3.2.2.1. Total authorized budget amounts.

2.4.3.2.2.2. Amount of expenditures by program type and funding source.

2.4.3.2.2.3. Amount of available balances remaining to pay for services.

2.4.3.2.2.4. Total number of care recipients by caregiver.

2.4.3.2.2.5. Number of caregivers by ServiceLink contractor.

2.4.3.2.2.6. Number of invoices processed and paid to vendors that provided

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- respite and/or supplemental services.
- 2.4.3.2.2.7. Number of payrolls processed and paid to family-managed employees.
- 2.4.3.2.2.8. Number of hours used to:
 - 2.4.3.2.2.8.1. Process and pay invoices.
 - 2.4.3.2.2.8.2. Process and distribute payroll.
 - 2.4.3.2.2.8.3. Establish the employer of record service with each caregiver.
 - 2.4.3.2.2.8.4. Provide customer service.
- 2.4.3.3. The Contractor must provide **monthly** consumer survey reports, no later than the 15th of the month, for the prior month's activities, detailing consumer responses and satisfaction ratings.
- 2.4.3.4. The Contractor must provide information, data, and reports, as requested by the Department, for purposes that may include, but are not limited to:
 - 2.4.3.4.1. Program monitoring.
 - 2.4.3.4.2. Compiling the annual report to the Administration for Community Living on service utilization.
 - 2.4.3.4.3. Responding to requests for information by the Governor and State Legislators.
- 2.4.3.5. The Contractor must complete and submit an **annual**, end-of-year report to the Department, no later than 60 days following the end of the state fiscal year, which includes, but is not limited to:
 - 2.4.3.5.1. A complete program overview.
 - 2.4.3.5.2. Accomplishments toward program goals and performance measures.
 - 2.4.3.5.3. End-of-year financial report.

2.4.4. *Waitlist Reports*

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2.4.4.1. The Contractor must collect waitlist data from all ServiceLink contractors relative to the NHFCP and ADRD and submit **monthly** reports to the Department, no later than the 15th of the month, for the prior month's activities, that include, but are not limited to:

2.4.4.1.1. The number of caregivers and care recipients on a waitlist, by program and ServiceLink contractor.

2.4.4.1.2. The reason(s) why a caregiver and/or a care recipient are on a waitlist.

2.4.4.2. The Contractor must ensure waitlist reports are created and maintained in a Microsoft Excel format.

2.4.5. *Title III-E Annual Federal Reporting*

2.4.5.1. The Contractor must provide an **annual** report for the period of October 1 through September 30, in a format approved by the Department, to the Department, no later than December 15, of each year, for completion of the annual Title III-E Federal Report that includes, but is not limited to:

2.4.5.1.1. A comparison of data elements from current year to previous year, where applicable.

2.4.5.1.2. Other data and information as requested by the Department.

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

3. Performance Measures

3.1. The Department will use the following measures to evaluate and monitor performance of the Contractor:

3.1.1. 85% or better of invoices are paid against the approved budgets within 30 days or less.

3.1.2. 90% of customer service requests receive a response within two (2) business days.

3.1.3. Consumer survey results show 85% or better in consumer satisfaction ratings.

4. Exhibits Incorporated

4.1. The Contractor shall 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

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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.

- 4.2. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.
- 4.3. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

5. Additional Terms

5.1. Impacts Resulting from Court Orders or Legislative Changes

- 5.1.1. 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.

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

- 5.2.1. The Contractor shall 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.

5.3. Credits and Copyright Ownership

- 5.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Agreement shall 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."
- 5.3.2. All materials produced or purchased under the Agreement shall have prior approval from the Department before printing, production, distribution or use.
- 5.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

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- 5.3.3.1. Brochures.
- 5.3.3.2. Resource directories.
- 5.3.3.3. Protocols or guidelines.
- 5.3.3.4. Posters.
- 5.3.3.5. Reports.

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

6. Records

6.1. The Contractor shall keep records that include, but are not limited to:

6.1.1. 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.

6.1.2. 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.

6.2. 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 shall have access to all reports and records maintained pursuant to the Agreement for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Agreement and upon payment of the price limitation hereunder, the Agreement and all the obligations of the parties hereunder (except such obligations as, by the terms of the Agreement are to be performed after the end of the term of this Agreement and/or survive the termination of the Agreement) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

**New Hampshire Department of Health and Human Services
Financial Management Services for the New Hampshire Family Caregiver
Support Program**

EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 55.21% Federal funds:
 - 1.1.1. 36.94% from Older Americans Act Title III – Family Caregiver, as awarded on 4/27/22, by the U.S. Department of Health and Human Services, Administration of Community Living, Title III E, CFDA #93.052, FAIN #2201NHOAFC; and
 - 1.1.2. 18.27% from American Rescue Plan(ARP) for Family Caregiver under Title III-E of the Older Americans Act, as awarded on 5/3/21, by the U.S. Department of Health and Human Services, Administration of Community Living, ARP Title III E, CFDA 93.052, FAIN #2101NHFCC6
 - 1.2. 44.79% General funds.
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, SFY2023 Budget through Exhibit C-2 SFY2024 Budget
4. The Contractor shall submit an invoice with supporting documentation to the Department no later than the fifteenth (15th) working day of the month following the month in which the services were provided. The Contractor shall ensure each invoice:
 - 4.1. Includes the Contractor's Vendor Number issued upon registering with New Hampshire Department of Administrative Services.
 - 4.2. Is submitted in a form that is provided by or otherwise acceptable to the Department.
 - 4.3. Identifies and requests payment for allowable costs incurred in the previous month.
 - 4.4. Includes supporting documentation of allowable costs with each invoice that may include, but are not limited to, time sheets, payroll records, receipts for purchases, and proof of expenditures, as applicable.
 - 4.5. Is completed, dated and returned to the Department with the supporting documentation for allowable expenses to initiate payment.

**New Hampshire Department of Health and Human Services
Financial Management Services for the New Hampshire Family Caregiver
Support Program**

EXHIBIT C

- 4.6. Is assigned an electronic signature, includes supporting documentation, and is emailed to beasinvoices@dhhs.nh.gov or mailed to:
- Financial Manager
Department of Health and Human Services
105 Pleasant Street
Concord, NH 03301
5. The Department shall make payments to the Contractor within thirty (30) days of receipt of each invoice and supporting documentation for authorized expenses, subsequent to approval of the submitted invoice.
6. The final invoice and supporting documentation for authorized expenses shall be due to the Department no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
7. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
8. Audits
- 8.1. The Contractor must email an annual audit to dhhs.act@dhhs.nh.gov if any of the following conditions exist:
- 8.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
- 8.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$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

**New Hampshire Department of Health and Human Services
Financial Management Services for the New Hampshire Family Caregiver
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EXHIBIT C

shall submit quarterly progress reports on the status of implementation of the corrective action plan.

- 8.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
- 8.4. In addition to, and not in any way in limitation of obligations of the Contract, 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 Contract to which exception has been taken, or which have been disallowed because of such an exception.

BT-1.0

Exhibit C-1 SFY 2023

RFA-2023-BEAS-01-FINAN-01

New Hampshire Department of Health and Human Services Complete one budget form for each budget period.	
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services	
Contractor Name:	
Budget Request for: <i>Financial Management Services</i>	
Budget Period: <i>SFY 2023 (July 1, 2022 through June 30, 2023)</i>	
Indirect Cost Rate (if applicable): 0.00%	
Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$162,087
2. Fringe Benefits	\$51,217
3. Consultants	\$0
4. Equipment <i>Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.</i>	\$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	\$4,755
6. Travel	\$0
7. Software	\$2,400
8. (a) Other - Marketing/Communications	\$0
8. (b) Other - Education and Training	\$0
8. (c) Other - Other (specify below)	
<i>Other Occupancy</i>	\$3,100
<i>Other Background Checks</i>	\$2,300
<i>Other (please specify)</i>	\$0
<i>Direct Service Dollar</i>	\$920,923
9. Subrecipient Contracts	\$0
Total Direct Costs	\$1,146,782
Total Indirect Costs	\$0
TOTAL	\$1,146,782

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6/3/2022

New Hampshire Department of Health and Human Services Complete one budget form for each budget period. Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services Contractor Name:	
Budget Request for: <i>Financial Management Services</i>	
Budget Period: <i>SFY 2024 (July 1, 2023 through June 30, 2024)</i>	
Indirect Cost Rate (if applicable): <i>0.00%</i>	
Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$178,296
2. Fringe Benefits	\$56,338
3. Consultants	\$0
4. Equipment <i>Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.</i>	\$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	\$5,231
6. Travel	\$0
7. Software	\$2,640
8. (a) Other - Marketing/Communications	\$0
8. (b) Other - Education and Training	\$0
8. (c) Other - Other (specify below)	
<i>Other Occupancy</i>	\$3,410
<i>Other Background Checks</i>	\$2,530
<i>Other (please specify)</i>	\$0
<i>Direct Services Dollars</i>	\$898,337
9. Subrecipient Contracts	\$0
Total Direct Costs	\$1,146,782
Total Indirect Costs	\$0
TOTAL	\$1,146,782



6/3/2022



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



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: Area Agency of Greater Nashua, Inc.

6/3/2022

Date

DocuSigned by:

 Name: Sandy Pelletier
 Title: President/CEO



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-I.)
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: Area Agency of Greater Nashua, Inc.

6/3/2022

Date

DocuSigned by:

 Name: Sandy Pelletier
 Title: President/CEO

Vendor Initials 
 Date 6/3/2022



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 (I)(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: Area Agency of Greater Nashua, Inc.

6/3/2022

Date

DocuSigned by:
Sandy Pelletier
Name: Sandy Pelletier
Title: President/CEO

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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: Area Agency of Greater Nashua, Inc.

6/3/2022

Date

DocuSigned by:
Sandy Pelletier
Name: Sandy Pelletier
Title: President/CEO

Exhibit G

Contractor Initials SP

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 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: Area Agency of Greater Nashua, Inc.

6/3/2022

Date

DocuSigned by:

Sandy Pelletier

Name: Sandy Pelletier

Title: President/CEO



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 6/3/2022



New Hampshire Department of Health and Human Services

Exhibit I

- l. "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

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 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

3/2014

Contractor Initials

SP

Date 6/3/2022



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



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 SP

Date 6/3/2022



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:
Christine Santaniello
 Signature of Authorized Representative
 Christine Santaniello
 Name of Authorized Representative
 Associate Commissioner
 Title of Authorized Representative
 6/8/2022
 Date

Area Agency of Greater Nashua, Inc.
 Name of the Contractor
Sandy Pelletier
 Signature of Authorized Representative
 Sandy Pelletier
 Name of Authorized Representative
 President/CEO
 Title of Authorized Representative
 6/3/2022
 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 (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

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

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

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

Contractor Name: Area Agency of Greater Nashua, Inc.

6/3/2022

Date

DocuSigned by:

Sandy Pelletier

Name: Sandy Pelletier

Title: President/CEO

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Contractor Initials

Date 6/3/2022



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.

1. The DUNS number for your entity is: 193539343

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

 NO X YES

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

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

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

 NO X YES

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

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

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

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
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