PAY FOR SUCCESS CONTRACT

by and between

THE COMMONWEALTH OF MASSACHUSETTS

and

MASSACHUSETTS ALLIANCE FOR SUPPORTIVE HOUSING LLC

DATED AS OF DECEMBER 3, 2014

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PAY FOR SUCCESS CONTRACT

ARTICLE 1
INTRODUCTION

Section 1.01 Preamble. This Pay for Success Contract, dated December 3, 2014, is entered into as of the date hereof by and between (a) THE COMMONWEALTH OF MASSACHUSETTS (the "**Commonwealth**"), acting by and through (i) the Executive Office for Administration and Finance ("**EOAF**"), and (ii) the Department of Housing and Community Development within the Executive Office for Housing and Economic Development ("**DHCD**"), and (b) MASSACHUSETTS ALLIANCE FOR SUPPORTIVE HOUSING LLC ("**MASH**"), a Massachusetts limited liability company and wholly-owned subsidiary of the Massachusetts Housing and Shelter Alliance, a Massachusetts non-profit corporation ("**MHSA**"). The Commonwealth and MASH are referred to collectively herein as the "**Parties**." Capitalized terms used herein shall be used as defined in **Appendix A**.

Section 1.02 Recitals Describing Pay for Success Contract.

WHEREAS, Governor Patrick signed Chapter 143 of the Acts of 2012, which created a new Section 35VV of Chapter 10 of the Massachusetts General Laws (the "**Enabling Act**") which authorizes the Secretary of EOAF (the "**Secretary**") to enter into pay for success contracts ("**Authorized PFS Agreements**"), subject to particular findings being made (the "**Authorizing Criteria**"), and further authorizes the Secretary to provide that the Commonwealth's payments under such Authorized PFS Agreements shall constitute a general obligation of the Commonwealth for which the full faith and credit of the Commonwealth are pledged for the benefit of providers of contracted government services ("**Authorized Contractors**"); and

WHEREAS, the Enabling Act also created a "Social Innovation Financing Trust Fund" (the "**PFS Fund**") which is held on the books of the Commonwealth and administered by the Secretary to make payments to Authorized Contractors under Authorized PFS Agreements; and

WHEREAS, the Enabling Act also requires certain reporting by the Secretary pursuant to Section 35VV(d) thereof (the "**Required Reporting**");

WHEREAS, providing low-threshold permanent supportive housing to High Use Homeless Individuals (as defined herein) is the highest priority and goal of the Parties in entering into this Contract; and

WHEREAS, EOAF is responsible for and authorized to carry out adoption and implementation of fiscal and administrative policies that serve to ensure the financial stability, efficiency and effectiveness of state government and assist the Governor in developing and implementing cost-effective public policy initiatives to benefit the residents of the Commonwealth, including Authorized PFS Agreements; and

WHEREAS, DHCD is responsible for providing leadership, professional assistance and financial resources to promote safe, decent affordable housing opportunities, economic vitality of communities and sound municipal management; and

WHEREAS, MASH was formed for the purposes set forth in its organizational documentation and to serve as the Authorized Contractor under this Contract and to facilitate the PFS Homeless Initiative through engagement of independent contractors pursuant to the Intermediary Provider Agreements, fundraising in support of the PFS Homeless Initiative pursuant to the Private Funding Agreements, and coordination with the Commonwealth, all as set forth in this Contract; and

WHEREAS, MASH has entered into the Intermediary Provider Agreements pursuant to the terms hereof as further described in this Contract; and

WHEREAS, it is anticipated that Authorized PFS Agreements will create incentives for improved performance and reduced costs, allow for more rapid learning about which programs work and which do not, and accelerate the adoption of new, more effective solutions; and

WHEREAS, Authorized PFS Agreements are intended to provide a mechanism to bring a sufficient level of financial support from the private and non-profit sectors to innovative social programs, thereby allowing Authorized Contractors to create the operational set of services needed to create long-term, preventative social service programs, resulting in better social outcomes for the targeted population, and savings to the government through a reduction in the amount of remediation expenses tied to the targeted population; and

WHEREAS, payments by the Commonwealth pursuant to Authorized PFS Agreements will only be made based on achieving specific, measurable goals satisfying the Authorizing Criteria; and

WHEREAS, initial support for the PFS Homeless Initiative's operational costs will come from amounts funded pursuant to the Private Funding Agreements in the form of loans, grants or other transfers or pledges of monies made to MASH; and

WHEREAS, to the extent that MASH is successful in housing High Use Homeless Individuals as set forth in this Contract, MASH will receive Success Payments permitting MASH to continue to perform its obligations under all Intermediary Provider Agreements and the Evaluator Agreement and, ultimately, to repay its obligations pursuant to the Private Funding Agreements.

NOW, THEREFORE, in consideration of the above premises, and the representations, warranties, covenants and other agreements set forth herein, the Parties intending to be legally bound, hereby agree as follows:

ARTICLE 2
TERM

Section 2.01 Term of this Contract. This Contract will become effective and the rights and obligations of the Parties shall commence on the date hereof (the "**Effective Date**"). Except as otherwise required by the terms hereof, performance under this Contract will commence on the Effective Date and will remain in effect until the earlier of (a) the satisfaction of each Party's obligations hereunder and (b) termination hereof in accordance with Section 8.04 (subject, in

either case to any extension of such term of effectiveness as may be agreed by the Parties in accordance with the terms hereof, the "**Contract Term**").

Section 2.02 Term of Services. The term of the HHG Services shall commence on the first day of the month following (i) the satisfaction of the Financing Condition, and (ii) the date by which MASH has entered into a sufficient number of PFS Service Provider Agreements, and such PFS Service Providers have entered into Provider MCE Agreements such that MASH and the Program Coordinators agree that the HHG Services can begin. Notwithstanding the foregoing, (i) the HHG Services shall not commence if a Fundamental Default has occurred and is continuing and (ii) if requested by MASH, for accounting purposes, the first Quarter of this contract may be deemed to have started on January 1, 2015. For the avoidance of doubt, however, pursuant to Section 4.05, the Commonwealth's obligations to pay any Success Payments are contingent on commencement of the Services Term except as explicitly provided for in Section 2.03. Following the date of commencement (or deemed date of commencement), the HHG Services shall continue for a period of six (6) years, consisting of twenty-four (24) total Quarters unless this Contract is terminated earlier pursuant to Section 8.04 (the above described term of services, subject to any extension of such term of services as may be agreed by the Parties in accordance with the terms hereof, the "**Services Term**").

Section 2.03 Early Start. Notwithstanding the provisions of Section 2.02, MASH may enroll up to fifty (50) High Use Homeless Individuals as Participants beginning on the Effective Date of this Contract in advance of the Services Term. Upon enrollment, such early Participants will receive the HHG Services through the PFS Homeless Initiative, as described in Section 3.06. Any HHG Services provided to Participants beginning on the Effective Date and until the commencement of the Services Term will be provided at MASH's or the applicable PFS Service Provider's initial cost and expense, but such Participants (and such additional days of PFS Services prior to the commencement of the Services Term) shall be included in any Periodic Reports upon commencement of the Services Term.

ARTICLE 3
SERVICES

Section 3.01 Description of MASH's Role as Intermediary. In connection with and in order to implement the PFS Homeless Initiative, MASH will serve as the statewide intermediary responsible for entering into binding contractual agreements on or after the date hereof with various third parties as set forth below. The primary purposes of MASH's role as intermediary shall be to (a) work with the Program Coordinators to raise funding for the PFS Homeless Initiative by procuring financial support via the Private Funding Agreements (the "**Fundraising Services**"), (b) work with the Program Coordinators to implement the HHG Model via PFS Service Providers in order to shift the current focus on temporary emergency services toward low-threshold permanent supportive housing (the "**HHG Services**").

Section 3.02 Program Coordinators & Financial Oversight. MASH has entered into a contract with MHSA and United Way of Massachusetts Bay and Merrimack Valley ("**UWMB**" and, together with MHSA, the "**Program Coordinators**") to provide all management and coordination services and personnel to be utilized by MASH in connection with the Fundraising Services and the HHG Services pursuant to this Contract (the "**Program Coordination**

Agreement"). The Program Coordinators will be responsible for managing this Contract on behalf of MASH (but shall not be directly liable hereunder) and shall have other responsibilities set forth in the Program Coordinator Agreement. MASH shall not replace either Program Coordinator without the written approval of the Commonwealth, which approval shall not be unreasonably withheld. MASH will compensate the Program Coordinators for all services provided in accordance with the terms of the Program Coordination Agreement. Compensation for the Program Coordinators (in their capacities as such) from MASH shall not exceed the amounts set forth in the Funding Plan without the written approval of the Commonwealth.

Section 3.03 Financial Manager. MASH has entered into a contract with UWMB (in such capacity, the "**Financial Manager**") to process and oversee payments made to and by MASH and to assume other responsibilities as set forth in such agreement (the "**Financial Management and Oversight Agreement**"). MASH shall not replace the Financial Manager without the written approval of the Commonwealth, which approval shall not be unreasonably withheld. MASH will compensate the Financial Manager for all services provided in accordance with the terms of the Financial Management and Oversight Agreement. Compensation for the Financial Manager (in its capacity as such) from MASH shall not exceed the amounts set forth in the Funding Plan without the written approval of the Commonwealth.

Section 3.04 PFS Service Providers.

(a) MASH will be responsible for identifying (through the Program Coordinators) and contracting with providers of supportive housing that meet the requirements set forth below (the "**PFS Service Providers**"):

(i) Have staff or contractors that are qualified to deliver the HHG Model;

(ii) Are willing and capable of fundraising in support of the PFS Homeless Initiative; and

(iii) Will work to stably house Participants pursuant to the HHG Model for a continuous period equal to or longer than twelve (12) months from the date of their enrollment in the HHG Services;

(b) For the purposes of providing the HHG Services in accordance with the HHG Model, MASH shall require (by apportioning individual obligations of a given PFS Service Provider, as deemed appropriate by MASH) that the PFS Service Providers commit to attaining, in the aggregate, the goals set forth in this Section 3.04(b):

(i) In the aggregate, maintaining at least 500 units of low-threshold permanent supportive housing; and

(ii) In the aggregate, achieving a retention rate of Participants equal to 85%.

Notwithstanding the foregoing, the failure of any one or more PFS Service Provider to meet such goals shall not affect the payment of Success Payments to the extent the

overall performance of the PFS Service Providers and MASH is satisfactory in accordance with the Evaluation Plan.

(c) The list of approved potential PFS Service Providers (each of which the Commonwealth has determined is in good standing) is set forth in **Appendix K**. **Appendix K** may be supplemented by consulting with DHCD to confirm whether a proposed PFS Service Provider is in good standing with the Commonwealth, in which case such potential PFS Service Provider shall be approved and added to **Appendix K**.

(d) MASH may engage any approved potential PFS Service Providers by entering into a contract between MASH and such approved potential PFS Service Provider (a "**PFS Service Provider Agreement**") on terms and provisions generally consistent with the form of PFS Service Provider Agreements in effect as of the date hereof, and in accordance with the guidelines set forth in **Appendix L**, and such additional terms and conditions as MASH deems appropriate and to which a given PFS Service Provider agrees.

(e) MASH has worked and will continue to work with all PFS Service Providers to assist in the negotiation of agreements with the MCEs, in a manner consistent with the terms of the PFS Service Provider Agreements.

Section 3.05 Participants.

(a) Target Population. All High Use Homeless Individuals shall be eligible to participate in the Services. As used herein, "**High Use Homeless Individuals**" means all individuals either (i) meeting the U.S. Department of Housing & Urban Development ("**HUD**") definition of "chronically homeless" in effect from time to time, or (ii) identified by MASH as homeless, anticipated high-cost users of emergency services in its reasonable judgment, including through consultation with PFS Service Providers based on their respective administration of MASH's independently developed triage and assessment tool attached hereto as **Appendix J** (as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms of this Contract, "**MASH's Triage and Assessment Tool**") and in accordance with the Participant Selection Requirements & Procedure attached hereto as **Appendix G**. The Parties acknowledge that MASH's Triage and Assessment Tool was developed independently by MASH based on prior experience with MHSA's HHG Model.

(b) Enrollment of High Use Homeless Individuals. Upon enrollment, participating High Use Homeless Individuals ("**Participants**") will receive the HHG Services through the PFS Homeless Initiative, as described in Section 3.06. The enrollment period shall begin on the first day of the Services Term and end on the last day of the twentieth (20th) Quarter of the Services Term.

(c) Target Enrollments. The Parties intend that, in the aggregate, the PFS Service Providers will have the following number of enrolled Participants in accordance with the following schedule:

(i) By the end of the fourth (4th) Quarter: 250;

(ii) By the end of the eighth (8th) Quarter and the end of each Quarter thereafter, through Quarter twelve (12): 500; and

(iii) By the end of the thirteenth (13th) Quarter and the end of each Quarter thereafter, through Quarter twenty (20): 250.

Subject to the cure and termination provisions of Section 8.04(a) and 8.04(c), it will be a breach by MASH under this Contract if there are, in the aggregate, fewer than two hundred (200) Participants at the end of the fourth (4th) Quarter, fewer than four hundred (400) Participants at the end of the eighth (8th) Quarter or the end of any Quarter thereafter through Quarter twelve (12), or fewer than two hundred (200) Participants as of the end of the thirteenth (13th) Quarter or any Quarter thereafter through Quarter twenty (20).

Section 3.06 Description of Services. PFS Service Providers will implement the HHG Model for Participants referred to or identified by PFS Service Providers as part of the PFS Homeless Initiative. In accordance with the HHG Model, Participants in the PFS Homeless Initiative will be housed and connected with appropriate mainstream resources such as physical and behavioral health care services, and other services brokered through community support services designed and proven to promote housing retention and good health.

Section 3.07 Performance Measurement. The Commonwealth will make Success Payments to MASH in accordance with Section 4.05. Reference is made to the attached Evaluation Plan set forth as **Appendix E** which provides a detailed description of the evaluation criteria and performance measurement criteria to be used by the Independent Evaluator in confirming the success of the PFS Homeless Initiative.

Section 3.08 Evaluation. MASH has entered into a contract with Root Cause Institute, Inc. to serve as the Independent Evaluator (the "**Independent Evaluator**"), which role shall include assessing and reporting at the frequency required by this Contract on the achievement of the criteria for Success Payments based on the Evaluation Plan, including: verifying the number of Participants enrolled in the PFS Homeless Initiative, verifying the number of Participants who have been housed in the PFS Homeless Initiative and for how long, and verifying the number of Participants that transition into a successful housing outcome outside of the PFS Homeless Initiative (the "**Evaluator Agreement**"). MASH shall not replace the Independent Evaluator without the written approval of the Commonwealth, which approval will not be unreasonably withheld. MASH will compensate the Independent Evaluator for all services provided in accordance with the terms of the Evaluator Agreement. Compensation for the Independent Evaluator from MASH shall not exceed the amounts set forth in the Funding Plan without the written approval of the Commonwealth.

Section 3.09 Provision of Information. Each of the Parties hereby agrees to provide (and to use its commercially reasonable efforts to cause other parties to provide) such information as is required pursuant to this Contract, including the Evaluation Plan, to each other and to the Independent Evaluator, the Management Providers and the PFS Service Providers as is necessary for each Party and such other parties to carry out its and their respective responsibilities in accordance with this Contract, including the Evaluation Plan.

ARTICLE 4
FUNDING OF THE PFS HOMELESS INITIATIVE

Section 4.01 MASH Operating Account; Funding Plan.

(a) As of the Effective Date, MASH has obtained financial commitments from lenders and will obtain financial commitments from grantors (the "**Private Funding Sources**"), in each case as identified by the Program Coordinators to support the provision of the HHG Services and funding of certain of MASH's obligations pursuant to the PFS Homeless Initiative, subject to the negotiation of final binding definitive loan or grant agreements ("**Private Funding Agreements**") with the Private Funding Sources. MASH shall maintain the deposit account with account number and wire instructions previously provided to the Commonwealth (the "**MASH Operating Account**") and all cash proceeds received by MASH from the Private Funding Sources pursuant to the Private Funding Sources or from the Commonwealth hereunder, including any interest earned on any of such amounts, shall be deposited into the MASH Operating Account and may only be transferred from the MASH Operating Account to: (i) pay the project related fees and expenses and other amounts payable pursuant to Intermediary Provider Agreements, subject to any applicable limitations set forth in the Funding Plan under the heading "Expenses"; and (ii) make payments required under the Private Funding Agreements.

(b) The anticipated funding schedule for this Contract describing payments to be received from the Private Funding Sources in support of this Contract is set forth in **Appendix B** hereto (the "**Funding Plan**"), as the same may be amended or modified from time to time by replacement of the Funding Plan by MASH with the consent of the Commonwealth. The Funding Plan sets forth the anticipated sources and uses of funds in accordance with this Contract. The Parties agree that the Funding Plan is based on a "base case" level of Success Payments and that actual Success Payments and project costs may be greater or lesser as required by the terms of this Contract depending on the results of the Evaluation Plan.

(c) The terms under which MASH proposes to enter into definitive Private Funding Agreements representing an aggregate of $3,500,000 in committed funding in support of the HHG Services (including performance of the Intermediary Provider Agreements and Evaluator Agreement) are reflected in the commitment letter attached hereto as **Appendix M** (as such commitment letter may be amended or modified from time to time, including by replacement thereof by MASH on terms not materially less favorable to MASH than those terms set forth in such commitment letter, the "**Financing Commitment**"). Prior to their execution, the Commonwealth shall have the right to review the Private Funding Agreements to confirm that they are consistent with this Contract, the Financing Commitment and applicable Laws of the Commonwealth. In no event shall the Private Funding Agreements contain terms that impair the ability of MASH to fully perform its obligations pursuant to this Contract or are in violation of applicable Law.

Section 4.02 Commonwealth Commitments to Supportive Services.

(a) The Commonwealth, acting by and through the Executive Office of Health and Human Services ("**EOHHS**"):

(i) as of the Effective Date, has entered into amendments to the contracts with each of its contracted Managed Care Entities ("**MCEs**") that are contracted managed care organizations, CarePlus managed care organizations, and its behavioral health carve-out vendor to support the PFS Initiative as set forth in the MCE Amendments at **Appendix F** (the "**MCE Amendments**"), including by requiring the MCEs to pay the PFS Service Providers a case rate for all enrollees of the MCE who are Participants. The Commonwealth shall further use reasonable efforts to enter into an MCE Amendment with, or to otherwise contractually obligate, the MCEs who are contracted senior care organizations and One Care plans to support the PFS Initiative as set forth in **Appendix F** to this Contract. The MCE Amendments are subject to approval by the Centers for Medicare & Medicaid Services ("**CMS**"); provided, that the MCEs are contractually obligated pursuant to the MCE Amendments and Provider MCE Agreements to pay the PFS Service Providers in accordance with the MCE Amendments pending such approval.

(ii) has engaged each of its contracted MCEs to enter into good faith negotiations with and, provided such negotiations are successful, contract with the PFS Service Providers to support the PFS Homeless Initiative (the "**Provider MCE Agreements**").

Section 4.03 Commonwealth Provision of Supportive Housing.

(a) The Commonwealth, acting by and through DHCD, has allocated 145 Massachusetts Rental Voucher Program ("**MRVP**") project-based vouchers for use by Participants (the "**MRVP Vouchers**"). DHCD has entered into a contract with the Metropolitan Boston Housing Partnership, a Regional Administering Agency ("**RAA**"), to manage the MRVP Vouchers in collaboration with MASH. The value of MRVP Vouchers will be equal to fair market rent for units as set by HUD for the Section 8 voucher program. All MRVP Vouchers shall be delivered to MASH for issuance by MASH through the PFS Service Providers as described in **Appendix L**, and shall remain in effect each Quarter. Participants will be selected to receive MRVP Vouchers according to the terms of the Participant Selection Requirements & Procedure attached hereto as **Appendix G**, as may be amended from time to time by consent of the Parties.

(b) DHCD has executed amendments to its existing contracts with PFS Service Providers to allow current contract arrangements to finance leasing and support services for Participants, and to provide for such other requirements, such as average nightly reimbursement rate, conversion of emergency shelter funding to permanent supportive housing based on an agreed ratio, and otherwise, as the Commonwealth and such PFS Service Providers may agree (the "**PFS Service Provider Amendments**").

(c) In accordance with the DHCD guidance to Local Housing Authorities and Regional Administering Authorities, attached hereto as **Appendix H**, all Participants will retain their status as "homeless" or will otherwise be allowed to keep the equivalent of priority status on any local housing authority or RAA MRVP or state public housing waiting list to which they have applied.

Section 4.04 Success Payments Determination and Representations.

(a) As provided in Section 35VV(c) of the Enabling Act, the Secretary hereby determines that the payments that the Commonwealth is obligated to pay under this Contract are a general obligation of the Commonwealth for which its full faith and credit are pledged for the benefit of MASH as the provider of the services required under this Contract and its successors and permitted assigns. The maximum amount of Success Payments from the PFS Fund that can be made pursuant to this Contract with the benefit of such pledge is $6,000,000, subject to the provisions of this Contract, including those governing whether or not such payments shall be made.

(b) The Commonwealth hereby represents that this Contract meets the Authorizing Criteria for (and constitutes) an Authorized PFS Agreement under the Enabling Act and that, specifically:

(i) All of the Success Payments under this Contract constitute a substantial portion of possible payments hereunder and are contingent on the achievement of the specific outcomes set forth in the Evaluation Plan and Section 4.05 hereof (collectively, the "**Performance Measures**");

(ii) This Contract provides for the Independent Evaluator to confirm that the Performance Measures have been met via an objective review process, namely the Evaluation Plan;

(iii) This Contract provides for the calculation and timing of the amount of Success Payments that would be earned by MASH during each year of this Contract if the Performance Measures are met;

(iv) This Contract provides for a sinking fund requirement under which the Secretary will request an appropriation for each fiscal year that the Contract is in effect in an amount equal to the expected payments that the Commonwealth will ultimately be obligated to pay in the future based upon the service provided during such fiscal year if the Performance Measures are achieved; and

(v) The Secretary hereby determines that this Contract will result in significant performance improvements and budgetary savings for the Commonwealth across all impacted agencies if the Performance Measures are achieved.

(c) The Secretary shall request an appropriation for each fiscal year of the Commonwealth during the Contract Term in an amount equal to the reasonably expected Success Payments that the Commonwealth is already obligated to pay or would ultimately be obligated to pay in the future based upon service provided during that fiscal year if the Performance Measures are achieved, in accordance with this Contract. Such amounts upon appropriation shall be deposited to the PFS Fund held by the Secretary.

Section 4.05 Success Payments Reporting Calculation and Payment. The Commonwealth shall make payments ("**Success Payments**") to MASH based on the procedures set forth in this Section 4.05.

(a) Reporting. Within thirty (30) days following the end of each Quarter during the Services Term, MASH shall cause the PFS Service Providers, the Management Providers, or other third party providers of services to MASH to prepare a report (each a "**Periodic Report**") for verification by the Independent Evaluator and distribution to MASH and the Commonwealth. MASH shall provide the following in each Periodic Report:

(i) The name of each current Participant continuously housed by a PFS Service Provider as part of the PFS Homeless Initiative beginning or continuing during the Quarter to which such Periodic Report relates (as applicable, the "**Reporting Period**");

(ii) For each such Participant, the initial date of housing pursuant to the PFS Homeless Initiative and the total number of days such Participant has been continuously housed (in the case of any such Participant that has been housed for at least twelve (12) consecutive months a "**Qualified Current Participant**"), any of such days in respect of which a Success Payment has not previously been paid is referred to as a "**Qualified Participant Day**";

(iii) Evidence of or a statement confirming the provision of community-based support services, if applicable for such current Participants;

(iv) The name of each former Participant who ceased to participate in the PFS Homeless Initiative during the Reporting Period;

(v) In the case of any such former Participant who ceased to participate in the PFS Homeless Initiative due to one of the reasons listed in this subsection (a "**Qualified Former Participant**"), the total number of days during which such Qualified Former Participant was continuously housed prior to becoming a Qualified Former Participant (any of such days in respect of which a Success Payment has not previously been paid is referred to as a "**Qualified Former Participant Day**"):

(A) Participant exited to permanent housing outside occupancy with Provider;

(B) Participant died during occupancy;

(C) Participant entered long-term residential treatment that exceeds three (3) months in order to address a physical or behavioral health issue;

(D) Participant was incarcerated for actions occurring previous to establishing occupancy with Provider;

(vi) For each Qualified Former Participant, evidence confirming the reason for ceasing to participate in the PFS Homeless Initiative;

(vii) A statement as to MASH's calculation of the Success Payments earned and payable in accordance with Section 4.05(b), in the form of an invoice for verification by the Independent Evaluator (a "**Proposed Invoice**");

(viii) A statement or data indicating the specific PFS Service Provider providing HHG Services to a given Participant;

(ix) A statement reconciling actual MASH expenditures to the anticipated expenditures set forth in the Funding Plan; and

(x) Such other information as is reasonably requested in advance by the Commonwealth's members of the Oversight Committee because it is (I) specifically required for the Independent Auditor to perform the Evaluation Plan, (II) required to ensure compliance by the Secretary with the Required Reporting, or (III) useful to the function of the Oversight Committee in furthering the success of the PFS Homeless Initiative and is readily available as a result of MASH's Triage and Assessment Tool or the standard record keeping practices of the PFS Service Providers or the Management Providers (including, for example, information of the kind previously provided by MHSA to the Commonwealth in MHSA's implementation of the HHG Model), in each case without administrative burden that would reasonably be expected to jeopardize the actual performance of the HHG Services; provided, that, for the avoidance of doubt, in no event shall MASH be required to provide any information if prohibited by legal restraint (based on any applicable privacy, health or other Laws).

(b) Calculation. The amount set forth in each Proposed Invoice shall be calculated by MASH and verified by the Independent Evaluator as an amount equal to:

(i) (A) The number of Qualified Participant Days set forth in the applicable Periodic Report multiplied by (B) the Per Diem Rate; plus

(ii) (A) The number of Qualified Former Participant Days set forth in the applicable Periodic Report multiplied by (B) the Per Diem Rate.

As used herein, the term "**Per Diem Rate**" shall mean $8.22. Notwithstanding the foregoing, in no event shall the aggregate amount of Success Payments funded pursuant to this Section 4.05 exceed $6,000,000 unless consented to in writing by the Commonwealth via an approved amendment to or extension of this Contract and the PFS Homeless Initiative.

(c) Payment. Within forty-five (45) calendar days following delivery of each verified Periodic Report and the Independent Evaluator's confirmation of any Proposed Invoice therein (a "**Verified Invoice**"), the Secretary shall cause to be paid to MASH (by wire transfer of immediately available funds) a Success Payment equal to the Success Payment calculated and set

forth in the Verified Invoice. Such Success Payments shall be made without further appropriation from funds available in the PFS Fund into the MASH Operating Account. Should there be insufficient funds in the PFS Fund, the Secretary shall as soon as practicable request an appropriation in order to make the Success Payment(s) owed to MASH and shall make the required Success Payment(s) by wire transfer into the MASH Operating Account promptly upon such appropriation. Notwithstanding the foregoing, the unavailability of funds in the PFS Fund shall not excuse any breach by the Commonwealth of its obligation to make timely payments as required by this Contract within forty-five (45) calendar days after the delivery of a given Verified Invoice.

(d) The Independent Evaluator will monitor the reasons that participants have ceased to participate in the PFS Homeless Initiative. If the Independent Evaluator believes that other housing outcomes not currently specified in the Evaluation Plan should qualify for pro-rated payments, then the Independent Evaluator will present this information to the Oversight Committee and may request approval for a modification to the Evaluation Plan.

Section 4.06 Payment of MASH Administrative Costs. MASH shall, consistent with its organizational documentation, use funds in the Operating Account to fund in a timely manner its obligations pursuant to the Intermediary Provider Agreements and Private Funding Agreements, and otherwise in a manner as determined by the members of the board of managers of MASH acting in accordance with their fiduciary duties in the best interests of MASH.

Section 4.07 Wind-Up. Upon the termination of this Contract in accordance with Section 8.04, any remaining amounts in the Operating Account will be applied in a manner consistent with **Appendix D** hereto, except to the extent prohibited by applicable Law or restricted by any formal organizational documentation or fiduciary obligations of MASH or its board of managers.

ARTICLE 5
OVERSIGHT AND REPORTING

Section 5.01 Regular Communication. The Parties intend to have an opportunity for regular communications between the Parties and to facilitate appropriate reporting by MASH. In furtherance of these goals:

(a) Following the commencement of the Services Term, MASH will prepare and submit the Periodic Reports in a timely manner and will cause the Independent Evaluator to deliver verified copies of such reports upon completion of the Independent Evaluator's review. Upon request, MASH will make the Periodic Reports available to the Commonwealth during the pendency of the Independent Evaluator's review. Subject to exceptions as required for compliance by MASH or any PFS Service Provider with any applicable privacy or health Laws, MASH will also prepare and submit (or cause the PFS Service Providers to prepare and submit) to the Commonwealth any additional reports reasonably requested by the Commonwealth to transmit information gathered as a result of MASH's Triage and Assessment Tool or otherwise routinely gathered and which would further the goals of the PFS Homeless Initiative.

(b) MASH will promptly inform the Commonwealth in writing of any:

(i) Significant progress or material developments in respect of (and, upon execution, true and complete copies of) any Private Funding Agreement, Intermediary Provider Agreement or other material agreement of MASH, including the Evaluator Agreement.

(ii) Requested significant deviations from the HHG Model or the Services;

(iii) Requested changes to MASH's Triage and Assessment Tool;

(iv) Material Breaches or other material concerns likely to jeopardize the success of the PFS Homeless Initiative and arising under this Contract or any Private Funding Agreement, Intermediary Provider Agreement, or Provider MCE Agreement, in each case of which MASH is aware;

(v) Anticipated material funding needs of MASH that are unlikely to be satisfied by then-available or reasonably anticipated funds; and

(vi) Information reasonably requested by the Commonwealth and readily available to MASH without burden or expense to MASH or any other Person.

(c) The Commonwealth will promptly inform MASH in writing of any:

(i) Changes to the Enabling Act or any applicable Law (including any budgetary amendments) that could have a beneficial or adverse impact on the PFS Homeless Initiative, in each case of which the Commonwealth is aware;

(ii) Significant progress or material developments in respect of (and, upon execution, true and complete copies of) any Commonwealth Agreements or other material agreement of the Commonwealth entered into in connection with the PFS Homeless Initiative.

(iii) Material Breaches or other material concerns likely to jeopardize the success of the PFS Homeless Initiative and arising under this Contract or any Commonwealth Agreement or Provider MCE Agreement, in each case of which the Commonwealth is aware.

Section 5.02 Oversight Committee.

(a) During the Contract Term, the Parties will maintain an oversight committee of the Parties (the "**Oversight Committee**"), which will meet during normal business hours on a quarterly basis during the Contract Term to resolve any identified disputes or discuss any concerns raised by either party. Such meetings will include designated representatives from MASH and the Commonwealth (including each of DHCD, EOAF and EOHHS, to the extent such Governmental Body has requested such meeting or is required to carry out the purpose of such meeting). Each Party may be represented and accompanied by additional representatives as such Party deems appropriate.

(b) All Oversight Committee meetings may be held in person or by telephone or similar communication medium during which all present can speak and be heard by all present.

(c) The Oversight Committee will use commercially reasonable efforts to resolve any identified issues or further any topics of discussion. Any issues that the Oversight Committee cannot resolve by unanimous consent may be submitted by agreement of the Parties for resolution by the Massachusetts Office of Dispute Resolution or any other mutually agreeable third party mediator.

(d) During the continuation of any Material Breach, the non-breaching Party may request additional meetings of the Oversight Committee on an as-needed basis (pursuant to the terms of this Section 5.02) to understand the nature of the Material Breach and facilitate discussion of any cure of such Material Breach.

Section 5.03 Further Assurances. During the Contract Term, the Parties shall use their respective commercially reasonable efforts to (i) take, or cause to be taken, all actions including negotiating, executing and delivering such further instruments, agreements, or amendments as may be necessary or appropriate to facilitate the PFS Homeless Initiative consistent with the terms of this Contract including the Appendices hereto, (ii) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations contemplated by the PFS Homeless Initiative. Without limiting the generality of the foregoing, if the Oversight Committee determines that the MCEs and the PFS Service Providers are unable to operate the PFS Homeless Initiative in a manner consistent with the funding model and assumptions incorporated into this Contract (including the Appendices hereto) as of the Effective Date of this Contract, and a Reimbursement Default does not exist, and if the Commonwealth determines that it is in the best interests of the Participants to continue the PFS Homeless Initiative by amending the terms of this Contract or working with MASH to take any additional actions, in each case with the intended effect of making possible the continued operation of the PFS Homeless Initiative in a manner consistent with the terms of this Contract (but without additional financial burden to MASH), then, the Commonwealth shall provide MASH with notice of such determinations and the Parties shall thereafter negotiate in good faith for a period of forty-five (45) days (subject to extension by mutual agreement in writing) to implement an amendment or other modification to this Contract, as appropriate, in order to enable MASH to achieve the purposes of this Contract.

ARTICLE 6
REPRESENTATIONS, WARRANTIES, AND COVENANTS OF MASH

Section 6.01 Organization, Good Standing and Qualification. MASH represents and warrants that it is a limited liability company duly organized, validly existing and in good standing under the Laws of the Commonwealth and has all requisite limited liability company power and authority to own, operate and lease its properties and assets, to carry on its business as currently conducted, to provide services in accordance with this Contract, and to enter into and perform its obligations under this Contract and to consummate the transactions contemplated hereby.

Section 6.02 Authorization; Enforceability. The execution and delivery of this Contract by MASH, the performance of the obligations hereunder by MASH, and the consummation by MASH of the transactions contemplated hereby have been duly authorized by all necessary limited liability company action on the part of MASH, and no other proceedings or actions on the part of MASH are necessary to authorize the execution and delivery of this Contract by MASH and the participation by MASH in the PFS Homeless Initiative pursuant to the terms hereof. This Contract has been duly and validly executed and delivered by MASH and constitutes the valid and binding obligation of MASH, enforceable in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or other Laws of general application affecting enforcement of creditors' rights generally, or (ii) Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

Section 6.03 Non-Contravention. The execution and delivery of this Contract by MASH does not, and the performance by MASH of its obligations hereunder and the consummation of the transactions contemplated hereby shall not: (a) conflict with, result in any violation of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any person or another party a right of termination, cancellation or acceleration of any obligation or result in a loss of a benefit or an increase in a cost or liability under: (i) any provision of the certificate of formation, operating agreement or other applicable organizational documents of MASH; (ii) any contract, lease, agreement or instrument by which MASH is bound or to which MASH's assets or properties are subject or (iii) any Law or Order applicable to or binding on MASH or any of MASH's assets and properties (except in each of (i), (ii) or (iii), where such conflict, violation, default, termination, cancellation, acceleration or loss would not reasonably be expected to have a material adverse effect on MASH or its ability to perform services under this Contract).

Section 6.04 Governmental Consents. Assuming the execution, delivery and performance by the Commonwealth of its obligations pursuant to this Contract, no consent, approval, authorization, license, Order of, or declaration, filing or registration with, or notification to, any Governmental Authority is required to be made or obtained, and, assuming the execution, delivery and performance by the counterparties to each of the Private Funding Agreements and the Intermediary Provider Agreements, no consent or approval of any other person is required by MASH in connection with the execution, delivery and performance of this Contract or the consummation of the transactions contemplated hereby.

Section 6.05 Compliance with Laws; Litigation.

(a) To the knowledge of MASH, MASH is in material compliance with all applicable Laws, including, without limitation, Laws that are applicable to its properties and assets, the conduct of its operations and the performance of its services.

(b) There is no action of any nature pending or, to the knowledge of MASH, threatened, relating to or affecting MASH or any of its properties or assets, or that challenges or seeks to prevent, enjoin or delay the transactions contemplated in this Contract, nor, to the knowledge of MASH, is there any reasonable basis therefor or any facts, threats, claims or allegations that would reasonably be expected to result in any such action.

(c) To the knowledge of MASH, none of its current officers or managers has been convicted of, or pleaded guilty or entered a plea of no contest to, any felony.

Section 6.06 Financial Controls.

(a) Prior to accepting any funds, MASH will have in place systems and processes that are appropriate and adequate for the generation of the Periodic Reports and any other reasonably anticipated deliverables required to be delivered by MASH pursuant to this Contract, which obligation shall be satisfied by entering into the Coordination Agreement with MHSA to provide such services to MASH, and such systems are designed to: (i) provide reasonable assurances regarding the reliability of its financial statements and (ii) in a timely manner accumulate and communicate to MASH's board of managers and representatives the type of information that is required to be disclosed in the Periodic Reports and any other reasonably anticipated deliverables required to be delivered by MASH pursuant to this Contract.

(b) Neither MASH, nor, to the actual knowledge of any officer or manager of MASH, any of its affiliates, employees, auditors, accountants or representatives has received or otherwise obtained knowledge of any complaint, allegation, assertion or claim, whether written or oral, regarding the adequacy of such systems and processes or the accuracy or integrity of its financial and accounting systems. To the knowledge of MASH, no employee has provided or threatened to provide information to any Governmental Authority regarding the commission of any crime or the violation of any Law applicable to MASH or any part of its operations.

Section 6.07 Disclaimer. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS CONTRACT OR ANY INTERMEDIARY SERVICES AGREEMENT, PRIVATE FUNDING AGREEMENT OR THE EVALUATOR AGREEMENT, NEITHER MASH NOR ANY OF ITS RESPECTIVE RELEASED PERSONS HAS MADE, OR SHALL BE DEEMED TO HAVE MADE, TO THE COMMONWEALTH OR ANY OTHER PERSON, ANY REPRESENTATION OR WARRANTY OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS CONTRACT OR THE INTERMEDIARY SERVICES AGREEMENTS, PRIVATE FUNDING AGREEMENTS, OR THE EVALUATOR AGREEMENT IN CONNECTION WITH THE PFS HOMELESS INITIATIVE. EXCEPT FOR THE SPECIFIC CONTRACTUAL RIGHTS OF THE COMMONWEALTH AGAINST MASH AS SET FORTH HEREIN (INCLUDING THE FACT THAT SUCCESS PAYMENTS ARE WHOLLY CONTINGENT ON SUCCESSFUL OUTCOMES IN ACCORDANCE WITH THE EVALUATION PLAN), THE COMMONWEALTH SHALL HAVE NO RECOURSE AGAINST MASH OR ANY OF ITS RELEASED PERSONS IN RESPECT OF THE FAILURE OF THE PFS HOMELESS INITIATIVE TO SUCCEED IN ACCORDANCE WITH THE EVALUATION PLAN.

Section 6.08 Use of Proceeds. MASH will use the amounts deposited in the MASH Operating Account in order to satisfy contractual obligations pursuant to the terms of the Private Funding Agreements and the Intermediary Provider Agreements, in each case consistent with **Appendix D** and the Funding Plan.

ARTICLE 7
REPRESENTATIONS, WARRANTIES & COVENANTS OF THE COMMONWEALTH

Section 7.01 Powers as to Contract and Pledge. The Commonwealth is duly authorized under the Enabling Act and all applicable Laws to enter into this Contract and to pledge its full faith and credit in the manner and to the extent provided in this Contract. As provided in the Enabling Act and as set forth in Section 4.04 of this Contract, the obligation of the Commonwealth to make Success Payments or other payments in accordance with this Contract is a general obligation of the Commonwealth for which its full faith and credit is and shall be pledged. The amounts pledged by the Commonwealth in accordance with this Contract are and will be free and clear of any pledge, lien, charge or encumbrance thereon with respect thereto prior to, or of equal rank with, the pledge created by this Contract. The Commonwealth shall at all times, to the extent permitted by Law, defend, preserve and protect the pledge of the amounts under this Contract and all the rights of MASH and their successors and permitted assigns under this Contract against all claims and demands of all persons whomsoever.

Section 7.02 Non-Contravention. The execution and delivery of this Contract by the Commonwealth does not, and the performance by the Commonwealth of its obligations hereunder and the consummation of the transactions contemplated hereby shall not: (a) conflict with, result in any violation of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any person or another party a right of termination, cancellation or acceleration of any obligation or result in a loss of a benefit or an increase in a cost or liability under: (i) any binding legal agreement by which the Commonwealth is bound or to which the Commonwealth's assets or properties are subject or (ii) any Law or Order applicable to or binding on the Commonwealth or any of the Commonwealth's assets and properties (except in each of (i), (ii) or (iii), where such conflict, violation, default, termination, cancellation, acceleration or loss would not reasonably be expected to have a material adverse effect on the Commonwealth's ability to perform services under this Contract).

Section 7.03 Covenants as to PFS Fund.

(a) The Commonwealth covenants and agrees that it will request appropriations in accordance with this Contract for deposit to the PFS Fund.

(b) The Commonwealth covenants and agrees that amounts deposited to the PFS Fund related to this Contract shall not be diverted from the purposes identified in this Contract except as provided herein, nor shall the trusts created hereby be broken, and the pledge and dedication in trust of such amounts shall continue unimpaired and unabrogated.

ARTICLE 8
PERFORMANCE THRESHOLDS AND REMEDIES

Section 8.01 Timeliness of Commonwealth Performance.

(a) The Commonwealth shall pay all amounts when due and perform all obligations when required, in each case in accordance with the terms hereof, including payment of any Success Payment when due in accordance with Section 4.05.

(b) Unless the Commonwealth's failure of performance arises from or is primarily attributable to a Material Breach by MASH and the Commonwealth has provided written notice of such Material Breach to all Parties with copies to the Private Funding Sources, any Material Breach of the Commonwealth's obligation to pay any amounts due hereunder or otherwise perform in accordance with the terms hereof or of any Commonwealth Agreement shall result in MASH having the remedies set forth in Section 8.02.

Section 8.02 Remedies for Breach by the Commonwealth.

(a) In addition to any other remedies available to MASH pursuant to Section 8.05 or otherwise under applicable Law or Recourse Theory, if the Commonwealth is in Material Breach of the terms hereof, then, upon termination pursuant to Section 8.04, MASH shall have no further obligations pursuant to this Contract and, within fifteen (15) Business Days upon written notice of termination by MASH, the Commonwealth shall promptly make payment by wire transfer of immediately available funds to the MASH Operating Account in an amount equal to (i) the principal amount of the loans expended by MASH to the date of termination from the amounts made available under the applicable Private Funding Agreements, together with interest accrued and unpaid through the later of (A) such date of termination, or (B) the date on which the Commonwealth actually makes payment pursuant to this Section 8.02, plus (ii) amounts owed by MASH through the date of termination pursuant to the Intermediary Provider Agreements and the Evaluator Agreement, in each case as set forth in the notice of termination, minus (iii) the aggregate funds available in the MASH Operating Account that was received (A) from Success Payments, and (B) pursuant to the Private Funding Agreements and constituting debt for borrowed money, plus (iv) reasonable costs to assure an orderly wind-down of the Contract, including (A) all payments actually due through the date of termination, and (B) 85% of amounts due under the Intermediary Provider Agreements and the Evaluator Agreement over the four (4) Quarters following such termination. In addition, the MRVP Vouchers will remain with the PFS Service Providers, subject to the provisions of Section 4.03(a) and **Appendix L**.

Section 8.03 MASH Performance.

(a) It is a condition to each of the initial and ongoing obligations of MASH hereunder that: (i) the commitments to provide supportive services or re-purposed funding undertaken by the agencies of the Commonwealth, as described in Section 4.02 and 4.03, shall be and remain available for the Contract Term, (ii) all required funding be and remain available to support the funding of PFS Fund to the extent of the Commonwealth's obligations pursuant to this Contract, and (iii) the MCE Amendments and the PFS Service Provider Amendments shall be effective and in full force and effect.

(b) Performance of the Independent Evaluator. MASH will be responsible for enforcing the provisions of the Evaluator Agreement, including ensuring the timing of the Independent Evaluator's reports, analysis, and other obligations contemplated by this Contract, including the Evaluation Plan. Such enforcement rights shall include the termination and replacement of the Independent Evaluator under its agreement for failure to comply with its obligations thereunder. Any such replacement is subject to the written consent of the Commonwealth, such consent not to be unreasonably withheld.

(c) Performance of the Providers. MASH will be responsible for enforcing the provisions of the Intermediary Provider Agreements with Management Providers and PFS Service Providers, including ensuring the timeliness and completeness of the duties and obligations of such providers thereunder. Such enforcement rights shall include the termination and replacement of any of the Management Providers or PFS Service Providers for failure to comply with their obligations under their applicable Intermediary Provider Agreement(s). Any such replacement is subject to the written consent of the Commonwealth, such consent not to be unreasonably withheld.

Section 8.04 Termination of Agreement. This Contract may be terminated prior to the performance of all obligations hereunder as follows:

(a) By the Commonwealth upon written notice if MASH fails to perform its material obligations hereunder in any material respect and does not cure such failure within thirty (30) days after having received written notice of such alleged breach from the Commonwealth (or, in the event that such a cure requires longer than thirty (30) days, within such longer time as is reasonably necessary to effect such cure, provided that MASH commences such cure within thirty (30) days and diligently endeavors to complete such cure), provided, however, that despite the foregoing, when feasible, the Commonwealth shall not terminate this Contract if MASH enacts a corrective action plan approved by the Commonwealth (such approval not to be unreasonably withheld).

(b) By MASH upon written notice if the Commonwealth fails to perform its material obligations hereunder in any material respect and does not cure such failure within thirty (30) days (or in the case of a Fundamental Default, fifteen (15) Business Days) after having received written notice of such alleged breach from MASH (or, in the event that such a cure other than a payment cure requires longer than thirty (30) days (or in the case of a Fundamental Default, fifteen (15) Business Days), within such longer time as is reasonably necessary to effect such cure, provided, that the Commonwealth commences such cure within thirty (30) days and diligently endeavors to complete such cure and such cure period will not materially impair the rights of MASH or the ability of MASH to perform its obligations under this Contract or any Intermediary Provider Agreement, Private Funding Agreement or the Evaluator Agreement.

(c) Any uncured breach giving rise to a termination right pursuant to this Section 8.04 shall be referred to as a "**Material Breach**." In the event of the termination of this Contract in accordance with this Section 8.04, the Commonwealth shall have no future obligations for the payment of Success Payments and MASH shall have no future obligations to perform or facilitate services in connection with or participate in the PFS Homeless Initiative; provided, that no such termination shall excuse liability for Material Breaches prior to such termination. Upon a termination caused by a Material Breach, all amounts in the Operating Account shall be applied in accordance with the wind-up provisions set forth in Section 4.07 and **Appendix D**.

Section 8.05 Enforcement of Rights. Either Party may proceed to protect its rights hereunder and may seek to compel compliance by the other Party with the terms and provisions hereof by suit or suits in equity or at law, for the specific performance of any covenant, term or condition hereof, or in aid of the execution of any power herein granted, and may exercise any

other right or remedy upon such default, in each case as may permitted under any applicable provisions of Law and the terms of this Contract.

ARTICLE 9
AMENDMENT; MISCELLANEOUS

Section 9.01 Amendment. This Contract may be amended, waived or otherwise modified by the Parties for any reason in writing, including, but, not limited to substitution of one or more of the appendices hereto, or to extend the term of this Contract; provided, that this Contract may not be amended in a manner imposing additional obligations on, waiving material rights of or otherwise in a manner adverse to a Party without, in any such case, the written consent of such Party.

Section 9.02 Successors and Assigns. Neither Party may assign its rights, duties or obligations hereunder without the prior written consent of the other Party; provided, however, that this restriction is not intended to and shall not restrict MASH from engaging the Management Providers and the PFS Service Providers to perform those services for MASH pursuant to the terms of the applicable Intermediary Provider Agreement(s) to which such Management Provider or PFS Service Provider is party. The rights and obligations of MASH shall inure to and be binding upon its successors and permitted assigns.

Section 9.03 Notices. Any formal request, authorization, direction, notice, consent, waiver or other document required or permitted to be delivered pursuant to this Contract shall be in writing and shall be delivered in the manner specified herein or, in the absence of such specification, shall be deemed sufficiently given (a) five (5) days after being mailed by registered or certified mail, postage prepaid, (b) upon confirmation or signature for receipt when delivered by hand, (c) upon confirmation of receipt if sent by electronic mail (including via portable document format (*.pdf) or similar format) or facsimile, or (d) one (1) Business Day after being sent for next-day delivery by nationally reputable overnight delivery service, in each case to the respective addresses of the parties set forth below:

To the Commonwealth at:

Executive Office for Administration and Finance
State House Room 373
Boston, MA 02133
Attention: Secretary of the Executive Office for Administration and Finance
Facsimile: (617) 727-2779

With a copy to:

Department of Housing and Community Development
100 Cambridge Street
Suite 300
Boston, MA 02114
Attention: Undersecretary of the Department of Housing and Community Development

Facsimile: (617) 573-1120

And a copy (which alone shall not constitute notice) to:

Nixon Peabody LLP
100 Summer Street
Boston, MA 02110-2131
Attn: Navjeet K. Bal, Esq.
Facsimile: (877) 541-5176
Email: nbal@nixonpeabody.com

To MASH at:

c/o Massachusetts Housing and Shelter Alliance
P.O. Box 120070
Boston, MA 02112
Facsimile: (617) 367-5709
Email: jfinn@mhsa.net

With a copies (which alone shall not constitute notice) to:

Goulston & Storrs
400 Atlantic Ave.
Boston, MA 02110
Attn: Massachusetts Housing and Shelter Alliance
Facsimile: (617) 574-7504
Email: pcorbett@goulstonstorrs.com

and

United Way of Massachusetts Bay & Merrimack Valley
51 Sleeper Street
Boston, MA 02110-1208
Attn: CFO & Homelessness Social Innovation Financing Team
Facsimile: (617) 624-9114
Email: platimore@supportunitedway.org

and

Weil, Gotshal & Manges LLP
100 Federal Street, 34th Floor
Boston, MA 02110
Attn: United Way Pro Bono Counsel
Facsimile: (617) 772-8333

As to all of the foregoing, by notice complying with the foregoing provisions of this Section 9.03, either Party shall have the right to change such Party's mailing address, facsimile number, email address or other contact information for future requests, authorizations, directions, notices, consents, waivers or other documents.

Section 9.04 Agreement Not for the Benefit of Other Parties; Non-Recourse.

(a) This Contract is not intended for the benefit of and shall not be construed to create rights in parties other than the Commonwealth and MASH; provided, however, that the Released Parties are intended third-party beneficiaries of Sections 8.05, 9.04, 9.08, 9.09, 9.11, and 9.12 hereof.

(b) All claims or causes of action (whether in contract or in tort, at law or in equity or otherwise) that may be based upon, arise out of or relate to this Contract, or the negotiation, execution or performance of this Contract (including any representation or warranty made or alleged to have been made in or in connection with this Contract or as an inducement to enter into this Contract) (any such claim or cause of actions, to the extent seeking to impose liability on any Person in connection with, as a result of, or related to this Contract, a "**Recourse Theory**") may be made only against the Persons that are expressly identified as Parties hereto. No Person who is not a named party to this Contract, including without limitation any past, present or future director, officer, employee, incorporator, member, manager, partner, equity holder, affiliate, agent, advisor, attorney or other representative of any named party to this Contract or of any Private Funding Source (each of the foregoing Persons, a "**Released Person**"), shall have any liability under any Recourse Theory for any obligations or liabilities arising under, in connection with or related to this Contract or for any claim based on, in respect of, or by reason of this Contract or its negotiation or execution; and each Party hereto waives and releases all such liabilities, claims and obligations against any such Released Persons; provided, that nothing herein shall supersede, alter, or negate the rights of any Released Person pursuant to its specific contractual obligations under any Intermediary Services Agreement, Private Funding Agreement or the Evaluator Agreement, in each case rights and obligations in respect of which shall remain strictly subject to the terms thereof.

Section 9.05 Severability. In case any provision of this Contract shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, provided that the allocation of benefits and burdens under this Contract shall not thereby be materially altered.

Section 9.06 Counterparts. This Contract may be executed and delivered (including via email portable document format (*.pdf) or similar electronic means) in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

Section 9.07 Captions. The captions and table of contents of this Contract are for convenience only and shall not affect the construction hereof.

Section 9.08 Governing Law. All issues concerning this Contract (including, without limitation, the validity, construction, effect, performance or breach hereof and any remedies

hereunder or related hereto and all claims or causes of action under any Recourse Theory) shall be governed by and construed in accordance with the Laws of the Commonwealth without giving effect to any choice of Law or conflict of Law provision or rule (whether of the Commonwealth or any other jurisdiction) that would cause the application of the Law of any jurisdiction other than the Commonwealth. For the avoidance of doubt, any Recourse Theory relating to the Private Funding Agreements shall be governed by and construed in accordance with the choice of law provisions set forth therein.

Section 9.09 Waiver of Jury Trial. EACH PARTY TO THIS CONTRACT HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION UNDER ANY RECOURSE THEORY, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. EACH PARTY TO THIS CONTRACT HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS CONTRACT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS CONTRACT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

Section 9.10 Commonwealth Standard Terms and Conditions. Pursuant to Section 9.12(a), the Commonwealth Standard Terms and Conditions as of the date hereof, and included as **Appendix I** to this Contract, have been incorporated into this Contract by reference. To the extent of any direct conflict between the Standard Terms and Conditions and the terms, express or implied, of this Contract, the Standard Terms and Conditions shall govern; provided, however that, notwithstanding the second sentence of Section 2 of the Commonwealth Standard Terms and Conditions, Success Payments and any other amounts due and payable by the Commonwealth under this Contract are backed by the full faith and credit of the Commonwealth.

Section 9.11 Further Assurances. The Parties hereto agree to take or cause to be taken all such corporate, governmental and other actions as may be reasonably necessary to effect the intent and purposes of this Contract, including engaging in all reasonable cooperation, good faith negotiation and other actions as are necessary or desirable to ensure the success of the PFS Homeless Initiative, and refraining from such actions as would be materially detrimental to the success of the PFS Homeless Initiative.

Section 9.12 Certain Matters of Interpretation.

(a) Unless otherwise expressly provided, for purposes of this Contract, the following rules of interpretation shall apply:

Calculation of Time Period. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Contract, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

Dollars. Any reference in this Contract to "$" or "dollar" amounts shall mean the lawful currency of the United States of America.

Appendices; Exhibits. References to "appendices" or "exhibits" shall mean appendices or exhibits hereto unless otherwise specified. The Appendices and Exhibits to this Contract are hereby incorporated and made a part hereof, as if set forth in full herein. Each of the Parties agrees and acknowledges that the Appendices and Exhibits hereto are an integral part of this Contract. Any capitalized term used but not otherwise defined in any Appendix or Exhibit shall have the respective meaning for such term set forth in this Contract.

Gender and Number. Any reference in this Contract to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

Headings. The provision of a Table of Contents, the division of this Contract into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Contract. All references in this Contract to any "Section" are to the corresponding Section of this Contract unless otherwise specified.

Herein. The words such as "herein," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Contract as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

Including. The word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(b) The Parties have participated jointly in the negotiation and drafting of this Contract having the assistance of counsel and other advisors and, in the event an ambiguity or question of intent or interpretation arises, this Contract shall be construed as jointly drafted by the Parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Contract.

Section 9.13 Merger; Entire Agreement. The Parties understand and agree that their entire agreement is contained herein and in the documents, exhibits, schedules and plans referenced herein, attached hereto or entered into pursuant hereto. It is further understood and agreed that all prior understandings and agreements heretofore had between the Parties are merged in this Contract which, together with the documents, exhibits, schedules and plans referenced herein or required by the terms hereof, alone fully and completely expresses their agreement and that the same is entered into after full investigation, neither Party relying (and each Party expressly disclaiming reliance) on any statement, representation or agreement not explicitly set forth in or contemplated by this Contract.

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IN WITNESS WHEREOF, the Parties have caused their duly authorized legal representatives to executive and delivery this Contract to be effective as of the Effective Date.

THE COMMONWEALTH OF MASSACHUSETTS

By: _____
Name: Glen Shor
Title Secretary of the Executive Office for Administration and Finance

By: _____
Name: Aaron Gornstein
Title Undersecretary for Housing and Community Development

Accepted and agreed as of the Effective Date:

MASSACHUSETTS ALLIANCE FOR SUPPORTIVE HOUSING LLC

By: _____
Name: Joseph G. Finn
Title: Manager

APPENDIX A
DEFINITIONS

In addition to the terms defined in the body of the Contract, the following terms have the following meanings in this Contract:

"**Business Day**" means any day other than a Saturday, Sunday or other day on which national commercial banks in the Commonwealth are authorized or required by Law to remain closed.

"**Commonwealth Agreements**" means the PFS Service Provider Amendments, the MCE amendments, and the MRVP Agreements.

"**Contract**" means this Pay for Success Contract among The Commonwealth of Massachusetts and MASH, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof, including Section 9.01.

"**Financing Condition**" means the first date following the Effective Date when both the Private Funding Agreements (other than any philanthropic grant funding which, by the terms of the grantor, cannot be entered into in advance of a fiscal year, but subject to reasonable assurances that such funds will be available in accordance with the schedule contemplated by the Funding Plan), and the initial amounts contemplated to be funded thereunder pursuant to the Funding Plan are available.

"**Fundamental Default**" means the occurrence of any of (i) a payment default by the Commonwealth of any amount due and payable pursuant to this Contract, (ii) the MRVP Vouchers or any portion thereof becoming unavailable to MASH and the PFS Service Providers due to lack of appropriation by the Commonwealth or otherwise, or (iii) a Reimbursement Default.

"**Governmental Body**" means any government or governmental or regulatory body thereof, or political subdivision thereof (including any executive office and any department therein), whether federal, state, local or foreign, or any agency, instrumentality or authority thereof, or any court or arbitrator (public or private), including the Commonwealth, EOAF and DHCD.

"**Grant Agreement**" means a grant agreement to be entered into promptly following the Effective Date (and in any event within fifteen (15) Business Days following the Effective Date) by and between UWMB and MASH pursuant to which MASH will commit to fund all available amounts payable in respect of PFS Service Providers to UWMB for administration and payment of subgrants to the PFS Service Providers pursuant to the Subgrant Agreements, in accordance with the requirements of this Contract and any other applicable Intermediary Provider Agreement, Private Funding Agreement or the Evaluator Agreement.

"**HHG Model**" means the Home and Healthy for Good™ model of MHSA, which MHSA has agreed to license to MASH pursuant to the terms of the Coordination Agreement. The HHG model, as adapted for the PFS Homeless Initiative is comprised of four components: provision of housing and services by PFS Service Providers using a "housing first" approach; training and

assistance, provided by MASH (via MHSA pursuant to the Coordination Agreement) to agencies and front-line case managers; management by MASH (via MHSA pursuant to the Coordination Agreement) of a database to evaluate program outcomes and performance; and advocacy for the direction of existing resources toward permanent supportive housing. A more detailed description of the HHG Model as originally implemented by MHSA is attached hereto as **Appendix C**.

"**Intermediary Provider Agreements**" means (i) the Coordination Agreement, (ii) the Grant Agreement and Subgrant Agreements, (iii) the Financial Management and Oversight Agreement, (iv) the PFS Service Provider Agreements, and (v) any other legally binding agreement to which MASH becomes a party in order to effect the purposes of the PFS Homeless Initiative and which is not prohibited hereby.

"**Law**" means any foreign, international, federal, state or local law (including common law), statute, code, ordinance, rule, regulation, Order or other requirement (including administrative interpretation or implementation of any of the above) of a Governmental Body.

"**Management Providers**" means the Program Coordinators, the Financial Manager, and any other party to an Intermediary Provider Agreement that facilitates management or similar services on behalf of MASH.

"**MRVP Agreements**" means the MRVP Vouchers and other agreements and guidelines contemplated by Section 4.03 to further the success of the PFS Homeless Initiative.

"**Order**" means any order, awards, injunction, judgment, settlement, doctrine, decree, ruling, writ, assessment or arbitration award of a Governmental Body or any arbiter or mediator.

"**Person**" means any natural person, corporation, limited or unlimited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Body (as a whole), or other business entity.

"**PFS Homeless Initiative**" means, collectively, the transactions contemplated by this Contract and contemplated or required pursuant to any of the Commonwealth Agreements, the Private Funding Agreements, the Intermediary Provider Agreements, or the Evaluator Agreement.

"**Quarter**" means each applicable three- (3-) month calendar quarter in a given calendar year during the Services Term.

"**Reimbursement Default**" means any amendment or modification to (i) the MCE Amendments or (ii) any Law governing or impacting the same, in either case that (a) changes the provisions of the MCE Amendments at **Appendix F** or otherwise materially diminishes the funding contemplated thereby and (b) results in the substantial impairment of MASH's ability to achieve the purposes of this Contract.

"**Subgrant Agreements**" any subgrant agreement to be entered into simultaneously with each PFS Service Agreement by and between UWMB and the applicable PFS Service Providers identified by UWMB in accordance with the requirements of this Contract, all applicable

Intermediary Provider Agreements, the Private Funding Agreements and the Evaluator Agreement.

Terms Defined in the Contract. For purposes of this Agreement, the following terms have meanings set forth in the Sections of the Contract indicated:

Term	Section
Authorized PFS Agreements	1.02
Authorized Contractors	1.02
Authorizing Criteria	1.02
CMS	4.02(a)(i)
Commonwealth	1.01
Contract Term	2.01
DHCD	1.01
Effective Date	2.01
Enabling Act	1.02
EOAF	1.01
EOHHS	4.02(a)
Evaluator Agreement	3.08
Financial Manager	3.03
Financial Management and Oversight Agreement	3.03
Financing Commitment	4.01(c)
Funding Plan	4.01(b)
Fundraising Services	3.01
HHG Services	3.01
High Use Homeless Individuals	3.05(a)
HUD	3.05(a)
Independent Evaluator	3.08
Material Breach	8.04(c)
MASH	1.01
MASH Operating Account	4.01(a)
MASH's Triage and Assessment Tool	3.05(a)
MCE Amendments	4.02(a)(i)
MCEs	4.02(a)(i)
MHSA	1.01
MRVP	4.03(a)
MRVP Vouchers	4.03(a)
Oversight Committee	5.02(a)
Participants	3.05(b)
Parties	1.01
Per Diem Rate	4.05(b)
Performance Measures	4.04(b)(i)
Periodic Report	4.05(a)
PFS Fund	1.02

Term	Section
PFS Service Providers	3.04(a)
PFS Service Provider Agreement	3.04(d)
PFS Service Provider Amendments	4.03(b)
Private Funding Sources	4.01(a)
Private Funding Agreements	4.01(a)
Program Coordinators	3.02
Program Coordination Agreement	3.02
Proposed Invoice	4.05(a)(vii)
Provider MCE Agreements	4.02(a)(ii)
Qualified Current Participant	4.05(a)(ii)
Qualified Former Participant	4.05(a)(v)
Qualified Former Participant Day	4.05(a)(v)
Qualified Participant Day	4.05(a)(ii)
RAA	4.03(a)
Recourse Theory	9.04(b)
Released Person	9.04(b)
Reporting Period	4.05(a)(i)
Required Reporting	1.02
Secretary	1.02
Services Term	2.02
Success Payments	4.05
UWMB	3.02
Verified Invoice	4.05(c)

MASH

FUNDING PLAN
SIF
6 YEAR CASH FLOW MODEL
530 UNITS @ 145 MRVP's
Appendix B

	Year 1					Year 2				
	Q1	Q2	Q3	Q4	Total	Q5	Q6	Q7	Q8	Total
Opening Cash	$ 2,500,000	$ 2,187,950	$ 1,875,900	$ 2,129,283	$ 2,500,000	$ 1,779,070	$ 1,521,220	$ 1,469,420	$ 1,975,403	$ 1,779,070
Revenues										
Funds Received from Commonwealth	-	-	-	-	-	255,000	255,000	247,350	255,000	**1,012,350**
Grants	-	-	333,333	-	**333,333**		-	333,333	-	**333,333**
Interest Income	-	-	-	5,787	**5,787**	-	-	-	4,693	**4,693**
Total Revenues	-	-	**333,333**	**5,787**	**339,120**	**255,000**	**255,000**	**580,683**	**259,693**	**1,350,376**
Expenses										
Payments to Providers	(232,100)	(232,100)	-	(206,050)	**(670,250)**	(438,150)	(232,100)	-	(206,050)	**(876,300)**
Payments to Intermediaries	(79,950)	(79,950)	(79,950)	(79,950)	**(319,800)**	(74,700)	(74,700)	(74,700)	(74,700)	**(298,800)**
Evaluation Expense	-	-	-	(70,000)	**(70,000)**	-	-	-	(60,000)	**(60,000)**
Investor Payments @ 3.33%	-	-	-	-	-	-	-	-	(165,000)	**(165,000)**
Total Expenses	(312,050)	(312,050)	(79,950)	(356,000)	(1,060,050)	(512,850)	(306,800)	(74,700)	(505,750)	(1,400,100)
Closing Cash	$ 2,187,950	$ 1,875,900	$ 2,129,283	$ 1,779,070	$ 1,779,070	$ 1,521,220	$ 1,469,420	$ 1,975,403	$ 1,729,346	$ 1,729,346

MASH
FUNDING PLAN
SIF
6 YEAR CASH FLOW MODEL
530 UNITS @ 145 MRVP's
Appendix B

	Year 3					Year 4				
	Q9	Q10	Q11	Q12	Total	Q13	Q14	Q15	Q16	Total
Opening Cash	$ 1,729,346	$ 1,726,646	$ 1,759,146	$ 2,265,280	$ 1,729,346	$ 2,102,173	$ 2,099,473	$ 2,131,973	$ 2,304,773	$ 2,102,173
Revenues										
Funds Received from Commonwealth	510,000	339,150	247,350	255,000	**1,351,500**	510,000	339,150	247,350	255,000	**1,351,500**
Grants		-	333,334	-	**333,334**	-	-	-	-	-
Interest Income	-	-	-	4,993	**4,993**	-	-	-	5,509	**5,509**
Total Revenues	**510,000**	**339,150**	**580,684**	**259,993**	1,689,827	**510,000**	**339,150**	**247,350**	**260,509**	1,357,009
Expenses										
Payments to Providers	(438,150)	(232,100)	-	(206,050)	**(876,300)**	(438,150)	(232,100)	-	(206,050)	**(876,300)**
Payments to Intermediaries	(74,550)	(74,550)	(74,550)	(74,550)	**(298,200)**	(74,550)	(74,550)	(74,550)	(74,550)	**(298,200)**
Evaluation Expense	-	-	-	(60,000)	**(60,000)**	-	-	-	(60,000)	**(60,000)**
Investor Payments @ 3.33%	-	-	-	(82,500)	**(82,500)**	-	-	-	(82,500)	**(82,500)**
Total Expenses	**(512,700)**	**(306,650)**	**(74,550)**	**(423,100)**	(1,317,000)	**(512,700)**	**(306,650)**	**(74,550)**	**(423,100)**	(1,317,000)
Closing Cash	$ 1,726,646	$ 1,759,146	$ 2,265,280	$ 2,102,173	$ 2,102,173	$ 2,099,473	$ 2,131,973	$ 2,304,773	$ 2,142,182	$ 2,142,182

MASH

FUNDING PLAN
SIF
6 YEAR CASH FLOW MODEL
530 UNITS @ 145 MRVP's
Appendix B

	Q17	Q18	Q19	Q20	Total	Year 6 Q21	Q22	Q23	Q24	Total	6 Years Grand Total
Opening Cash	$ 2,142,182	$ 2,373,532	$ 2,640,082	$ 2,814,832	$ 2,142,182	$ 2,920,928	$ 3,103,328	$ 3,113,598	$ 3,113,598	$ 2,920,928	$ 2,500,000
Revenues											
Funds Received from Commonwealth	510,000	339,150	247,350	255,000	**1,351,500**	255,000	84,150	-	-	**339,150**	**5,406,000**
Grants	-	-	-	-	**-**	-	-	-	-	**-**	**1,000,000**
Interest Income	-	-	-	6,196	**6,196**	-	-	-	6,105	**6,105**	**33,283**
Total Revenues	**510,000**	**339,150**	**247,350**	**261,196**	**1,357,696**	**255,000**	**84,150**	**-**	**6,105**	**345,255**	**6,439,283**
Expenses											
Payments to Providers	(206,050)	-	-	-	**(206,050)**	-	(1,280)	-	-	**(1,280)**	**(3,506,480)**
Payments to Intermediaries	(72,600)	(72,600)	(72,600)	(72,600)	**(290,400)**	(72,600)	(72,600)	-	-	**(145,200)**	**(1,650,600)**
Evaluation Expense	-	-	-	-	**-**	-	-	-	-	**-**	**(250,000)**
Investor Payments @ 3.33%	-	-	-	(82,500)	**(82,500)**	-	-	-	(2,587,500)	**(2,587,500)**	**(3,000,000)**
Total Expenses	**(278,650)**	**(72,600)**	**(72,600)**	**(155,100)**	**(578,950)**	**(72,600)**	**(73,880)**	**-**	**(2,587,500)**	**(2,733,980)**	**(8,407,080)**
Closing Cash	$ 2,373,532	$ 2,640,082	$ 2,814,832	$ 2,920,928	$ 2,920,928	$ 3,103,328	$ 3,113,598	$ 3,113,598	$ 532,203	$ 532,203	$ 532,203

APPENDIX C
HOME & HEALTHY FOR GOOD MODEL

Overview:

Home & Healthy for Good (HHG) is a statewide initiative coordinated by the Massachusetts Housing and Shelter Alliance (MHSA). The program provides housing placement and supportive services, based on Housing First principles, through a network of community-based providers. HHG is particularly noteworthy in its emphasis on tracking the cost impacts of public service usage before and after participants move into permanent housing.

Problem or Challenge Practice Addresses:

Traditionally, Massachusetts has responded to homelessness through the provision of emergency shelter, where participants are moved through a continuum of care based on their compliance with a sequential service program. For chronically homeless individuals, this approach has been largely ineffective. Chronically homeless individuals face a complex interplay of medical, mental, and addiction disabilities, which interfere with their ability to comply with a strictly sequential service program.

Home & Healthy for Good (HHG) was created by MHSA (a public policy advocacy organization) to "turn the old model on its head" by focusing on immediately placing chronically homeless individuals into permanent housing. In 2007, the Massachusetts legislature passed a line item in the state budget to fund the program as a statewide Housing First pilot, designating MHSA as the administrator of the funds. Since that time, HHG has housed over 750 individuals who were formerly chronically homeless.

Description of Solution:

Home & Healthy for Good is an initiative with four components:

- Provision of housing and services by local providers using a Housing First approach
- Training and assistance, provided by MHSA to HHG-funded agencies and front-line case managers
- Management by MHSA of a database to evaluate program outcomes and performance
- Advocacy for the direction of existing resources toward permanent supportive housing

Through the program, a network of agencies provides housing and support services to chronically homeless individuals. The housing is either in scattered-site apartments or in project-based buildings.

Participants in HHG are identified by the local agencies, which provide "low-threshold" access to housing. While all are chronically homeless, about one-quarter of participants are street dwellers who were staying outside prior to moving into housing. Their average length of homelessness is five years.

Participants work closely with a case manager to access a broad range of services, including medical and mental health care, substance abuse treatment, and vocational training. The usage of these services, however, is not a condition of ongoing tenancy. As time in permanent housing increases, health care service usage typically shifts from frequent emergency room visits and inpatient hospitalizations to more traditional primary medical and mental health care. As a result, health outcomes for participants are greatly improved and medical costs decrease significantly.

APPENDIX D
WIND-UP PAYMENT SCHEDULE

In the case of a termination pursuant to Section 8.04(b), any payments made by the Commonwealth to the MASH Operating Account for an orderly wind-down in accordance with Section 8.02 shall be made in the following order:

(i) Payments to providers with signed PFS Service Provider Agreements for unpaid services already provided to active enrolled Participants, payments to the intermediary for completed work, payments to the independent evaluator for completed work all as of the date of termination of the PFS Contract. Such payments shall be made pari passu;

(ii) Payments to providers with Signed PFS Service Provider Agreements for reasonable stabilization costs and transition of active enrolled Participants to alternative programming after termination of the PFS Contract;

(iii) Payments to lenders that entered into definitive Private Funding Agreements with MASH.

APPENDIX E
EVALUATION PLAN

OVERVIEW

This Evaluation Plan document shall be used to evaluate housing outcomes of the Massachusetts Pay for Success Homeless Initiative. The intermediary and participating provider agencies are using a low-threshold permanent supportive housing model to serve a total of 500 units and 800 individuals, over four years, across the State of Massachusetts.

An **Independent Evaluator** will participate in the Pay for Success Homeless Initiative, providing third party evaluation services to assess and report on performance outcomes. The Evaluator's role, outlined in the *Pay for Success Contract ("Contract")*, includes quarterly review of Periodic Reports submitted by the intermediary and other third party service providers (if applicable), attendance as requested at quarterly Oversight Meetings, and development of an annual report on performance outcomes in accordance with the *Contract* and this Evaluation Plan. The evaluation process will include a comprehensive program audit process at three levels:

A. The intermediary level through quarterly reports from MHSA
B. The provider agency level through quarterly site visits and/or document reviews
C. The individual/unit level with quality control surveys of clients' outcomes

Throughout the Evaluation, the Evaluator will build in a resolution process to identify, share with relevant parties, and reconcile any discrepancies in data from multiple sources, particularly those of provider agencies. The process will include notifying the intermediary (MHSA), the Executive Office of Administration and Finance (EOAF), and the Department of Housing and Community Development (DHCD) of the discrepancies, and taking action as needed.

A. INTERMEDIARY LEVEL

The Independent Evaluator will evaluate the Pay for Success intermediary for successful screening, monitoring, and reporting on provider agency and tenant outcomes based on, but not limited to, the following:

__ 1. Intermediary has a secure data storage platform, comprehensive management/tracking protocols, and adequate staffing capacity to comply with *Pay for Success Contract* requirements.

__ 2. Intermediary has screened all provider agencies selected to participate in the Pay for Success initiative. This process includes assessment of the agency's model against Low-Threshold Permanent Supportive Housing program fidelity criteria *(see Appendix A for detailed criteria),* securing of budgets and audited financial statements from each provider agency, and establishment of good standing with the Commonwealth of MA.

__ 3. Intermediary has documented a comprehensive process to evaluate participating provider agencies, which includes submitting data on a monthly basis for 12 months, and quarterly thereon after.

__ 4. Intermediary is successfully managing the monitoring and reporting process with provider agencies to receive performance data on clients enrolled, housed, and transitioned into successful housing outcomes. The process includes site visits, a review of select files from each agency against the intermediary's records, and identification of any discrepancies for reconciliation.

__ 5. Intermediary submits a Periodic Report within 30 days following the end of each quarter, as outlined in the *Pay for Success Contract.*

__ 6. Intermediary's Periodic Report includes all required components and definitions outlined in the *Pay for Success Contract*, and is consistent with provider agency and other records as applicable. The Independent Evaluator's review of the Periodic Report will include, as outlined in the *Contract,* verification of the following:

- The name of each current Participant continuously housed by a PFS Service Provider as part of the PFS Homeless Initiative beginning or continuing during the Quarter to which such Periodic Report relates.
- For each such Participant, the initial date of housing pursuant to the PFS Homeless Initiative and the total number of days such Participant has been continuously housed.
- Evidence of or a statement confirming the provision of community-based support services, if applicable for each current Participant.
- The name of each participant who ceased to participate in the PFS Homeless Initiative during the Quarter to which such Periodic Report relates.
- For participants who ceased to participate in the PFS Homeless Initiative due to one of the following reasons, evidence confirming the reason for ceasing to participate:
    - Participant exited to permanent housing outside occupancy with Provider;
    - Participant died during occupancy;
    - Participant entered long-term residential treatment that exceeds three months in order to address a physical or behavioral health issue; or
    - Participant was incarcerated for reasons previous to establishing occupancy with Provider (i.e., outstanding warrants, other unresolved criminal matters).
- A statement as to MASH's calculation of the Success Payments earned and payable in accordance with Section 4.05(b) of the Pay for Success Contract, in the form of an invoice for verification by the Independent Evaluator.
- A statement or data indicating the specific PFS Service Provider providing HHG Services to a given Participant.

__ 7. Participants are eligible for enrollment in the PFS Homeless Initiative, consistent with provider agency and other records as applicable.

B. PROVIDER AGENCY LEVEL

The Independent Evaluator will evaluate the intermediary's provider agencies participating in the Pay for Success initiative through quarterly site visits and/or document reviews. Agencies will be evaluated for compliance with monitoring and reporting requirements for tenant outcomes, including requirements that:

__ 1. Provider agency has a secure data storage platform, comprehensive management/tracking protocols, and adequate staffing capacity to comply with Pay for Success *Contract* requirements.

__ 2. The number of Participants who have been continuously housed by the provider agency corresponds with intermediary records.

__ 3. For each Participant, the initial date of housing pursuant to the PFS Homeless Initiative and the total number of days such Participant has been continuously housed with the provider agency corresponds with intermediary records.

__ 4. For each Participant, evidence of or a statement confirming the provision of community-based support services, if applicable for such current Participants.

__ 5. The number of Participants who ceased to participate in the PFS Homeless Initiative corresponds to intermediary records.

__ 4. For participants who ceased to participate in the PFS Homeless Initiative due to one of the following reasons, evidence confirming the reason for ceasing to participate:.

- Participant exited to permanent housing outside occupancy with Provider;
- Participant died during occupancy;
- Participant entered long-term residential treatment that exceeds three months in order to address a physical or behavioral health issue; or
- Participant was incarcerated for reasons previous to establishing occupancy with Provider (i.e., outstanding warrants, other unresolved criminal matters).

__ 5. Provider agency has completed all required interviews (entry, monthly for a year, quarterly following a year, and exit) with client(s) for each unit placed (*see Appendix B for more detail).*

__ 6. Provider agency has submitted program and client individual/unit-level data to intermediary as agreed upon at start of *Contract*. This includes submitting data on a monthly basis through 12 months, and quarterly thereon after.

C. INDIVIDUAL / UNIT LEVEL

The Independent Evaluator will evaluate tenancy outcomes at the individual/unit level by conducting a series of interviews with provider agencies' clients. For each agency, the Independent Evaluator will randomly select a pre-determined percentage (%) of clients to interview. The agency will also establish consent with each tenant prior to the Independent Evaluator interview, to prioritize tenants' comfort, health, and safety. The Independent Evaluator will conduct:

__ 1. Random verification of Participants' successful tenancy through in-person site visits to housing providers.

__ 2. Random verification of Participants' eligibility for the PFS Initiative through in-person site visits to housing providers.

APPENDIX A

MHSA Low-Threshold Permanent Supportive Housing Program Fidelity Checklist

Items*
Assuring Low-Threshold Housing
1. Continued tenancy is not linked in any way with adherence to clinical, treatment, or service provisions.
2. Program participants continue receiving program services even if they lose housing.
Service Philosophy
3. Program participants choose the type, sequence, and intensity of services on an ongoing basis.
4. Program participants with psychiatric disabilities are not required to take medication or participate in formal treatment activities.
5. Program participants with substance use disorders are not required to participate in formal treatment activities.
6. Program utilizes a harm reduction approach to substance use (i.e., does not require abstinence and actively works to reduce the negative consequences of use).
7. Staff consistently utilize principles of motivational interviewing in daily practice.
8. Program uses an array of techniques to engage participants who are difficult to engage.
9. Program does not utilize coercive activities to promote engagement or treatment adherence among participants.
10. Program conducts person-centered treatment planning.
11. The program systematically delivers specific interventions to address a broad range of life areas.
12. Program increases, and is a strong advocate for, participants' self-determination and independence in day-to-day activities.
Service Array
13. Program offers services to help participants maintain housing, including assistance with subsidies, utility set-up, neighborhood orientation, landlord relations, property management, budgeting, and shopping.
14. Program offers psychiatric, substance abuse treatment, and medical services through immediate referral to community-based programs.
15. Services supporting social integration are provided directly by the program.
16. Program responds to psychiatric or other crises 24 hours a day by phone and links participants to emergency services as necessary.
Program Structure
17. Program gives priority enrollment to individuals with multiple obstacles to housing stability.
18. Program consistently maintains a low participant/staff ratio (15:1).
19. Program has a minimum threshold of contact with participants to ensure safety and well-being.

***Source: APPENDIX C-5: Pathways Housing First Program Fidelity Checklist**

Note: This list applies to PHF programs using ACT teams (Assertive Community Treatment). For programs using ICM teams (Intensive Case Management), see the modifications listed below the table.

Checklist Modifications for Programs Using ICM Teams

As noted above, the features listed in the table apply directly to PHF programs operating ACT teams. For programs that use an ICM approach to services, modify the list this way:

- Item 15: services specified here are not expected to be provided directly by the program, but the program is evaluated on its ability to successfully broker the specified services.
- Item 18: caseload ratios are increased to 15:1 or 20:1, depending on population served.

Please see original Appendix C-5 document for additional sources.

APPENDIX B

Methodology for Evaluating Home & Healthy for Good

Goal for Enrollment: Unaccompanied adult persons who meet the federal definition of chronically homeless; priority given to street dwellers.

Data Collection Overview: Data to be collected from each participant by case managers on entry into housing (covers 6 month period prior to housing placement) and at 1 month intervals thereafter (intervals must be this short given that we report preliminary outcomes by March). At this point, service usage will be self reported. In the future, however, we hope to obtain MassHealth claims data on health service usage, as well as data from other state agencies.

Privacy Protection: Each participant will be assigned a four-digit Secure Client Number by the provider agency that will be used to identify participants for study purposes (names, social security numbers, and birthdates will not be provided to MHSA). A list of participants' identifying information and corresponding Secure Client Numbers will be kept by each provider agency in a locked cabinet.

Informed Consent: Each participant will be asked to sign an informed consent form for participation in the outcome study and for permission to use client's protected information for the purposes of this research project. Refusal to sign the form or participate in the study will not disqualify participant from housing. Internal Review Board approval from University of Massachusetts Medical School will be sought.

Data Collected on Entry:

1) Demographics
    a. Age
    b. Gender
    c. Ethnicity
    d. Race
    e. Is participant entering scattered-site housing or project-based housing?
    f. History of military service

2) Homelessness History
    a. Confirmation of chronic homelessness
    b. Chronicity of homelessness: # months or years homeless
    c. Living environment prior to housing: shelter, street, or other

3) Income Sources

4) Health Insurance Coverage

5) Quality of Life

6) Disability / Health History

   a. List mental health disabilities
   b. List physical health disabilities
   c. Active substance abuse? List substances.

7) Health Care Service Usage, in previous 6 months (per participant/provider report, best estimate)

   a. Receiving primary medical care?
   b. Receiving mental health treatment?
   c. Receiving substance abuse treatment?
   d. # ER visits
   e. # days hospitalized (medical or mental)
   f. # days spent in respite
   g. # ambulance rides
   h. # days spent in detox centers

8) Other Government Resource Usage, in previous year (per participant/provider report, best estimate)

   a. # nights spent in shelter
   b. # days spent incarcerated

9) Projected Cost of Housing First, single unit

   a. Construction / renovation costs
   b. Operating costs per month
   c. Costs of supportive services per month
   d. Rent per month (from tenant + from subsidy)

Data Collected at 1 Month Intervals Thereafter:

1) Case Manager Narrative Input

2) Tenure in Housing / Retention Rate
   a. # nights spent in shelter or street in past 1 month

3) Income Sources

4) Health Insurance Coverage

5) Quality of Life

6) Substance Abuse History

7) Health Care Service Usage, in previous 1 month
   a. Receiving primary medical care?
   b. Receiving mental health treatment?
   c. Receiving substance abuse treatment?

d. # ER visits
e. # days hospitalized (medical or mental)
f. # days spent in respite
g. # ambulance rides
h. # days spent in detox centers

8) Other Government Resource Usage, in previous 1 month
   a. # nights spent in shelter
   b. # days spent incarcerated

Home & Healthy for Good
Secure Client Number Assignment

This form is to be completed when the client enters the program. In order to protect the client's identifying information, the provider agency will be responsible for assigning a four-digit Secure Client Number to each client. This form, linking the Secure Client Number to the client's identifying information, is to be securely kept by the provider agency. All other data collection forms will be submitted to MHSA with only the Secure Client Number listed.

Secure Client Number: ____

First Name: _____

Middle Name: _____

Last Name: _____

Suffix: _____

Social Security #: ___/___/____

SSN Quality Code:
- ○Don't know or Don't have SSN
- ○Full SSN reported
- ○Partial SSN reported
- ○Refused

Date of Birth: __/__/____

Home & Healthy for Good
Entry Interview

This form is to be completed at the time of placement housing. The Secure Client Number is the only identifying information to be listed on this form. This form is to be submitted to MHSA.

Secure Client Number: _ _ _ _

Interviewer's name: _____

Provider Agency:

- ____ South Middlesex Opportunity Council
- ____ Heading Home
- ____ Father Bill's & Mainspring
- ____ Housing Assistance Corporation / Duffy Health Center
- ____ Pine Street Inn
- ____ Friends of the Homeless
- ____ Community Healthlink
- ____ Metropolitan Boston Housing Partnership
- ____ Veterans, Inc.
- ____ HomeStart
- ____ Somerville Homeless Coalition
- ____ Boston Health Care for the Homeless
- ____ Action, Inc.
- ____ Boston Public Health Commission
- ____ Mental Health Associates

Date of entry into housing: _ _ / _ _ / _ _ _ _

Date of interview: _ _ / _ _ / _ _ _ _

Type of housing: ○ Scattered site ○ Project-based site

Has the Verification of Homelessness Form been completed? ○ Yes ○ No

Secure Client Number: _ _ _ _

Demographics

Age: ___ **years**

Gender:
- ○ **Female**
- ○ **Male**
- ○ **Transgendered Female to Male**
- ○ **Transgendered Male to Female**

Ethnicity:
- ○ **Non Hispanic/Latino**
- ○ **Hispanic/Latino**

Race: (Choose all that apply)
- ○ **American Indian or Alaskan Native**
- ○ **Black or African-American**
- ○ **White**
- ○ **Asian**
- ○ **Native Hawaiian or other Pacific Islander**

Has this person ever served in the military? ○ **Yes** ○ **No**

Homelessness History

Is this person chronically homeless? ○ **Yes** ○ **No**

(Chronically homeless person is defined as "an unaccompanied individual with a disabling condition of long duration, who has been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years.")

How many months or years has this person been homeless?

___ **months or** ___ **years**

Where did this person spend the most nights before entering this program?
- ○ **Emergency Shelter**
- ○ **Street**
- ○ **Other** _____

Income Sources

List this person's source(s) of income: (Choose all that apply)

- **Employment**
- **EAEDC (Emergency Aid to Elders, Disabled, and Children)**
  This is a state funded program that provides cash and medical assistance to needy individuals.
- **SSDI (Social Security Disability Income)**
  This is a federal cash benefit available to individuals who meet Social Security's rules for disability.
- **SSI (Social Security Income)**
  This is a federal income supplement program designed to help aged, blind, and disabled individuals who have little income to meet basic needs for food, clothing, and shelter.
- **Retirement income from Social Security**
- **Veterans payments**
  This can include veteran's disability payments, veteran's pension, etc.
- **Unemployment insurance**
- **Workers compensation**
- **No financial resources**
- **Other financial resources** _____

Health Insurance

List this person's health insurance coverage: (Choose all that apply)

- **Private health insurance**
- **Medicare**
- **Medicaid (Mass Health)**
- **Commonwealth Care**
- **Free Care**
- **No health insurance coverage**
- **Veterans**

Secure Client Number: _ _ _ _

Quality of Life

Instructions for Interviewers: Ask clients to respond to the following questions about how satisfied they were with different areas of their lives prior to moving into housing. Ask clients to choose the answer that best describes how satisfied they were.

How satisfied were you with your *life in general* prior to moving into housing?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How satisfied were you with your *health* (this includes physical, emotional, and mental health) prior to moving into housing?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How satisfied were you with your *living environment* prior to moving in housing?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

Secure Client Number: _ _ _ _

Disability / Health History

Does this person have a *mental health* disability? ○ **Yes** ○ **No**
List the mental health disability(ies): _____
_____

Does this person have a *physical health* disability? ○ **Yes** ○ **No**
List the physical health disability(ies): _____
_____

Is this person actively *abusing any substances*? ○ **Yes** ○ **No**
List the substance(s) being actively abused:
- ○ **Alcohol**
- ○ **Heroin**
- ○ **Cocaine**
- ○ **Other Drugs**

Service Usage
6 Months Prior to Entry into Housing

Instructions for interviewers: Ask clients to indicate whether the service was used in the 6 months prior to entry into housing. Specify to the client the dates covered by the 6 month period (eg, "April 15th until October 15th").

In the past 6 months, did this person receive Primary Medical Care (this refers to preventive medical care, routine physical examinations, treatment of chronic illness; this does not include care received in an Emergency Room or inpatient facility)**?**
- ○ **Yes**
- ○ **No**

In the past 6 months, did this person receive outpatient Mental Health Treatment (this refers to counseling or therapy that addresses a wide range of mental health issues such as depression and anxiety)**?**
- ○ **Yes**
- ○ **No**

In the past 6 months, did this person receive outpatient Substance Abuse Treatment (this refers to counseling or therapy that addresses the use or abuse of alcohol or drugs)**?**
- ○ **Yes**
- ○ **No**

Secure Client Number: _ _ _ _

Instructions for interviewers: Ask clients to indicate service usage in the 6 months prior to entry into housing. List a specific number, not a range (estimates are acceptable).

Specify to the client the dates covered by the 6 month period (eg, "April 15th until October 15th").

How many TIMES has this person visited an *emergency room* in the 6 months prior to entry into housing?____ times

How many TIMES has this person been *hospitalized* in the 6 months prior to entry into housing? ____ times

How many DAYS has this person been *hospitalized* in the 6 months prior to entry into housing? ____ days

How many TIMES has this person used an *ambulance* in the 6 months prior to entry into housing? ____ times

How many DAYS has this person spent in the *McInnis House* in the 6 months prior to entry into housing?____ days

How many DAYS has this person spent in a *detox center* in the 6 months prior to entry into housing? ____ days

How many NIGHTS has this person spent in *emergency shelter* in the 6 months prior to entry into housing? ____ nights

How many DAYS has this person spent *incarcerated* in the 6 months prior to entry into housing? ____ days

Date of next Follow Up Interview (1 month after entry into housing):
__ __ / __ __ / __ __ __ __

CONSENT TO PARTICIPATE IN A RESEARCH PROJECT

Title: *Home and Healthy for Good* Project Research

Principal Investigators: Jessie M. Gaeta, MD and Thomas Brigham
Sponsor: Massachusetts Housing and Shelter Alliance

Research Subject's Name:_____Date:_____

Invitation to Take Part and Introduction
You are invited to volunteer for a research study. You are asked to take part because you are enrolled or about to be enrolled in the *Home and Healthy for Good* Program research.

Purpose of Research
The goal of this research is to see if providing housing and case management services to chronically homeless people reduces homelessness, use of health care and social services, and time in jail and associated costs.

Your Rights
It is important for you to know that participation in this study is in no way linked to your right to enroll in the program. You may enroll in the program without participating in the study.

IF YOU CHOOSE NOT TO PARTICIPATE, IT WILL HAVE NO EFFECT ON YOU, YOUR HOUSING, OR THE SERVICES YOU CAN USE. IF YOU DO CHOOSE TO PARTICIPATE, YOU HAVE THE RIGHT TO REVOKE THIS CONSENT AT ANY TIME, EXCEPT TO THE EXTENT THAT ACTION HAS ALREADY BEEN TAKEN BASED ON IT.

YOUR PARTICIPATION IS ENTIRELY VOLUNTARY.

IF YOU CHOOSE NOT TO PARTICIPATE, IT WILL HAVE NO EFFECT ON THE QUALITY OF THE CARE YOU RECEIVE.

YOU WILL BE TOLD ABOUT ANY NEW INFORMATION OR CHANGES IN THE STUDY THAT MIGHT AFFECT YOUR WILLINGNESS TO PARTICIPATE.

The person obtaining this consent will now ask you to explain, in your own words, what has been read to you. You and this person will both write your initials below to signify that you understand this.

Initials of case manager/person administering this consent _____

Initials of subject _____

PROCEDURES
Your participation in the research will require brief monthly follow-up visits. At these visits interviews will be conducted and data will be collected concerning your housing experience, medical treatment, and time in jail.
These visits will take about 15 to 30 minutes.

At the time of your agreement to participate in the study, we will explain the study to you and ask you some simple questions to make sure you understand. If you agree to be in the study, all the information you provide will be reviewed to gather information for the study. This will include information about your age, gender and ethnicity and source of income, as well as information concerning health care and social service use and time in jail. HIV-related information may also be included in the data reviewed.

As part of the study we would like to obtain your permission to access information from **Mass Health (the Office of Medicaid)**. The research team will only access information about the types of services you have received and their cost. To help find your records, we will request your social security number and date of birth. You will be asked to give us any other names or aliases you used when you received services in the past.

DURATION OF ACCESS AND USE OF YOUR INDIVIDUAL INFORMATION
This authorization will expire at the end of the research study or December 31, 2016, whichever occurs earliest.

CONFLICT OF INTEREST DISCLOSURE
None.

RISKS OF THE PROCEDURES
The major risk to this study is the potential loss of confidentiality. However, we have taken precautions that will lower the likelihood of this risk. All confidential information will be stored in a locked cabinet that only the research team can access. All electronic information will be stored in password-protected computers available only to research staff. None of the information about you will be shared with building management, service providers, or other tenants. No names or other identifying information will be used in any reports or publications that result from this study.

In addition, you may experience some discomfort when you are asked certain questions. You are free not to answer any for any reason and to stop an interview at any time.

BENEFITS
There is no direct benefit to you from being in this study. However, your participation may help others in your situation in the future as a result of knowledge gained from the research.

COSTS
There will be no additional cost to you from being in this research study.

COMPENSATION

You will not be compensated in any way for participation in this research study.

CONFIDENTIALITY

Your privacy is important to us. Your research records will be confidential to the extent possible. In all records, you will be identified by a code number and your name will be known only to the researchers. Identifying information such as name, birth date and social security number will only be used to match records from other agencies with the information you report to research staff. All records with names and social security numbers will be kept in locked file cabinets and in password-protected computer files accessible only to the research staff. Any identifying data will be kept only for the duration of the study. Then it will be added to a data set without identifying information and the identifiers will be destroyed. Your name will not be used in any reports or publications of this study.

However, the study sponsor, the Massachusetts Housing and Shelter Alliance and/or their representatives and the University of Massachusetts Medical School Institutional Review Board and/or their representatives may inspect your records that pertain to this research study. We will not allow them to copy down any parts of your identifiable information (e.g., your name or social security number) or take any of your identifiable information from our offices.

CERTIFICATE OF CONFIDENTIALITY

To help us to protect your privacy, we have obtained a Certificate of Confidentiality from the National Institutes of Health. With this Certificate, the researchers cannot be forced to disclose information that may identify you, even by a court subpoena, in any federal, state, or local civil, criminal, administrative, legislative or other proceedings. The researchers will use the Certificate to resist any demands for information that would identify you, except as explained below.

The Certificate cannot be used to resist a demand for information from personnel of the United States Government that is used for auditing or evaluation of federally funded projects.

You should understand that a Certificate of Confidentiality does not prevent you or a member of your family from voluntarily releasing information about yourself or your involvement in this research. If an insurer, employer, or other person obtains your written consent to receive research information, then the researchers may not use the Certificate to withhold that information.

The Certificate of Confidentiality does not prevent the researcher from disclosing voluntarily, without your consent, information that would identify you as a participant in the research project under the following circumstances: in the event of child or elderly abuse, or intent to hurt self or others.

QUESTIONS

Before you sign this consent form, please feel free to ask any questions you may have about the study or about your rights as a research subject. If other questions occur to you later,

you may ask Thomas Brigham at the Massachusetts Housing and Shelter Alliance, 25 Kingston Street, Boston, MA 02111, phone 617-367-6447. You may take as much time as needed to think this over.

CONSENT TO PARTICIPATE IN THE RESEARCH PROJECT

Title: *Home and Healthy for Good* Project Research

Principal Investigators: Jessie M. Gaeta, MD and Thomas Brigham

Research Subject's Name:_____

I understand the purpose and procedures of this research project and the predictable discomfort, risks, and benefits that might result. I have been told that unforeseen events may occur. I have had an opportunity to discuss the risks and benefits of this research with the investigator and all of my questions have been answered. I agree to participate as a volunteer in this research project. I understand that I may end my participation at any time. I have been given a copy of this consent form.

_____ _____
Subject's Signature Date

_____
Subject's Social Security Number

_____
Subject's Date of Birth

_____
Other Names, Aliases Used (including maiden name)

STATEMENT OF PERSON OBTAINING CONSENT
I, the undersigned, have fully explained the details of this clinical study as described in the consent form to the subject named above.

_____ _____
Signature of person obtaining consent Date

INVESTIGATOR'S DECLARATION
As the principal investigator or co-investigator on this study, I attest to the following:

- the nature and purpose of the study and study procedures, as well as the foreseeable risks, discomforts and benefits have been explained to the above-named subject.
- this subject has been given the opportunity to ask questions and to have those questions answered by knowledgeable research staff.
- this subject meets the inclusion/exclusion criteria for this study.

I have considered and rejected alternative procedures for answering this research question.

_____ _____
PI Signature Date

Home & Healthy for Good
Follow Up Interview

This form is to be completed at *one month* intervals following placement in housing. The Secure Client Number is the only identifying information to be listed on this form. This form is to be submitted to MHSA.

Secure Client Number: _ _ _ _

Interviewer's name: _____

Provider Agency:

____ **South Middlesex Opportunity Council**
____ **Heading Home**
____ **Father Bill's & Mainspring**
____ **Housing Assistance Corporation / Duffy Health Center**
____ **Pine Street Inn**
____ **Friends of the Homeless**
____ **Community Healthlink**
____ **Metropolitan Boston Housing Partnership**
____ **Veterans, Inc.**
____ **HomeStart**
____ **Somerville Homeless Coalition**
____ **Boston Health Care for the Homeless**
____ **Action, Inc.**
____ **Boston Public Health Commission**
____ **Mental Health Associates**

Date of entry into housing: _ _ / _ _ / _ _ _ _

Date of interview: _ _ / _ _ / _ _ _ _

Case Manager Narrative Input

Instructions for interviewers: Please write a brief description of notable events that have occurred while the client has been housed during the past month. Consider including positive experiences (eg, improvement in pattern of substance abuse, improvement in relationships with family or friends, progress in mental or physical health, ability to obtain benefits, ability to form community connections, etc) and negative experiences (eg, feelings of isolation, behavioral issues, difficulty adapting to new environment, conflicts with landlord or neighbors, worsening of mental or physical health, continued or worse pattern of substance abuse, etc).

_____
_____
_____
_____
_____

Secure Client Number: _ _ _ _

Income Sources

List this person's source(s) of income: (Choose all that apply)

- **Employment**
- **EAEDC (Emergency Aid to Elders, Disabled, and Children)**
  This is a state funded program that provides cash and medical assistance to needy individuals.
- **SSDI (Social Security Disability Income)**
  This is a federal cash benefit available to individuals who meet Social Security's rules for disability.
- **SSI (Social Security Income)**
  This is a federal income supplement program designed to help aged, blind, and disabled individuals who have little income to meet basic needs for food, clothing, and shelter.
- **Retirement income from Social Security**
- **Veterans payments**
  This can include veteran's disability payments, veteran's pension, etc.
- **Unemployment insurance**
- **Workers compensation**
- **No financial resources**
- **Other financial resources** _____

Health Insurance

List this person's health insurance coverage: (Choose all that apply)

- **Private health insurance**
- **Medicare**
- **Medicaid (Mass Health)**
- **Commonwealth Care**
- **Free Care**
- **No health insurance coverage**
- **Veterans**

Secure Client Number: _ _ _ _

Quality of Life

Instructions for Interviewers: Ask clients to respond to the following questions about how satisfied they are with different areas of their lives. Ask clients to choose the answer that best describes how satisfied they are.

How satisfied are you with your *life in general*?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How satisfied are you with your *health* (this includes physical, emotional, and mental health)?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How satisfied are you with the *type of housing* you live in?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How has your *life in general improved* since entering housing?

- ○ **No improvement**
- ○ **Some improvement**
- ○ **Much improvement**
- ○ **Doesn't know**
- ○ **Refused**

Secure Client Number: _ _ _ _

Substance Abuse History

Is this person actively *abusing any substances*? ○ **Yes** ○ **No**

List the substance(s) being actively abused:

- ○ **Alcohol**
- ○ **Heroin**
- ○ **Cocaine**
- ○ **Other Drugs**

Service Usage
1 Month Prior

Instructions for interviewers: Ask clients to indicate whether the service was used in the 1 month prior to this interview. Specify to the client the dates covered by the 1 month period (eg, "October 15th until November 15th").

In the past 1 month, did this person receive Primary Medical Care (this refers to preventive medical care, routine physical examinations, treatment of chronic illness; this does not include care received in an Emergency Room or inpatient facility)**?**

- ○ **Yes**
- ○ **No**

In the past 1 month, did this person receive outpatient Mental Health Treatment (this refers to counseling or therapy that addresses a wide range of mental health issues such as depression and anxiety)**?**

- ○ **Yes**
- ○ **No**

In the past 1 month, did this person receive outpatient Substance Abuse Treatment (this refers to counseling or therapy that addresses the use or abuse of alcohol or drugs)**?**

- ○ **Yes**
- ○ **No**

Secure Client Number: _ _ _ _

Instructions for interviewers: Ask clients to indicate service usage in the 1 month prior to this interview. List a specific number, not a range (estimates are acceptable).

Specify to the client the dates covered by the 1 month period (eg, "October 15th until November 15th").

How many TIMES has this person visited an *emergency room* in the 1 month prior to this interview? ____ **times**

How many TIMES has this person been *hospitalized* in the 1 month prior to this interview? ____ **times**

How many DAYS has this person been *hospitalized* in the 1 month prior to this interview? ____ **days**

How many TIMES has this person used an *ambulance* in the 1 month prior to this interview? ____ **times**

How many DAYS has this person spent in the *McInnis House* in the 1 month prior to this interview? ____ **days**

How many DAYS has this person spent in a *detox center* in the 1 month prior to this interview? ____ **days**

How many NIGHTS has this person spent in *emergency shelter* in the 1 month prior to this interview? ____ **nights**

How many DAYS has this person spent *incarcerated* in the 1 month prior to this interview? ____ **days**

Date of next Follow Up Interview (1 month after this interview):
_ _ / _ _ / _ _ _ _

Quarterly Follow Up Interview

This form is to be completed at 3 month intervals once a client has remained in the program for at least one (1) year. Quarterly interviews replace monthly interviews, which are required for the first year of placement. The Secure Client Number is the only identifying information to be listed on this form. This form is to be submitted to MHSA.

Secure Client Number: _ _ _ _

Interviewer's name: _____

Provider Agency:

____ **South Middlesex Opportunity Council**
____ **Heading Home**
____ **Father Bill's & Mainspring**
____ **Housing Assistance Corporation / Duffy Health Center**
____ **Pine Street Inn**
____ **Friends of the Homeless**
____ **Community Healthlink**
____ **Metropolitan Boston Housing Partnership**
____ **Veterans, Inc.**
____ **HomeStart**
____ **Somerville Homeless Coalition**
____ **Boston Health Care for the Homeless**
____ **Action, Inc.**
____ **Boston Public Health Commission**
____ **Mental Health Associates**

Date of entry into housing: _ _ / _ _ / _ _ _ _

Date of interview: _ _ / _ _ / _ _ _ _

Case Manager Narrative Input

Instructions for interviewers: Please write a brief description of notable events that have occurred while the client has been housed during the past 3 months. Consider including positive experiences (eg, improvement in pattern of substance abuse, improvement in relationships with family or friends, progress in mental or physical health, ability to obtain benefits, ability to form community connections, etc) and negative experiences (eg, feelings of isolation, behavioral issues, difficulty adapting to new environment, conflicts with landlord or neighbors, worsening of mental or physical health, continued or worse pattern of substance abuse, etc).

_____
_____
_____
_____
_____

Secure Client Number: _ _ _ _

Income Sources

List this person's source(s) of income: (Choose all that apply)

- **Employment**
- **EAEDC (Emergency Aid to Elders, Disabled, and Children)**
  This is a state funded program that provides cash and medical assistance to needy individuals.
- **SSDI (Social Security Disability Income)**
  This is a federal cash benefit available to individuals who meet Social Security's rules for disability.
- **SSI (Social Security Income)**
  This is a federal income supplement program designed to help aged, blind, and disabled individuals who have little income to meet basic needs for food, clothing, and shelter.
- **Retirement income from Social Security**
- **Veterans payments**
  This can include veteran's disability payments, veteran's pension, etc.
- **Unemployment insurance**
- **Workers compensation**
- **No financial resources**
- **Other financial resources** _____

Health Insurance

List this person's health insurance coverage: (Choose all that apply)

- **Private health insurance**
- **Medicare**
- **Medicaid (Mass Health)**
- **Commonwealth Care**
- **Free Care**
- **No health insurance coverage**
- **Veterans**

Secure Client Number: _ _ _ _

Quality of Life

Instructions for Interviewers: Ask clients to respond to the following questions about how satisfied they are with different areas of their lives. Ask clients to choose the answer that best describes how satisfied they are.

How satisfied are you with your life in general?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How satisfied are you with your health (this includes physical, emotional, and mental health)?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How satisfied are you with the type of housing you live in?

- ○ **Very dissatisfied**
- ○ **Dissatisfied**
- ○ **Neither satisfied nor dissatisfied**
- ○ **Satisfied**
- ○ **Very satisfied**
- ○ **Doesn't know**
- ○ **Refused**

How has your life in general improved since entering housing?

- ○ **No improvement**
- ○ **Some improvement**
- ○ **Much improvement**
- ○ **Doesn't know**
- ○ **Refused**

Secure Client Number: _ _ _ _

Substance Abuse History

Is this person actively abusing any substances? ○ **Yes** ○ **No**

List the substance(s) being actively abused:

- ○ **Alcohol**
- ○ **Heroin**
- ○ **Cocaine**
- ○ **Other Drugs**

Service Usage
3 Months Prior

Instructions for interviewers: Ask clients to indicate whether the service was used in the 1 month prior to this interview. Specify to the client the dates covered by the 3 month period (eg, "July 15th until October 15th").

In the past 3 months, did this person receive Primary Medical Care (this refers to preventive medical care, routine physical examinations, treatment of chronic illness; this does not include care received in an Emergency Room or inpatient facility)**?**

- ○ **Yes**
- ○ **No**

In the past 3 months, did this person receive outpatient Mental Health Treatment (this refers to counseling or therapy that addresses a wide range of mental health issues such as depression and anxiety)**?**

- ○ **Yes**
- ○ **No**

In the past 3 months, did this person receive outpatient Substance Abuse Treatment (this refers to counseling or therapy that addresses the use or abuse of alcohol or drugs)**?**

- ○ **Yes**
- ○ **No**

Secure Client Number: _ _ _ _

Instructions for interviewers: Ask clients to indicate service usage in the 3 months prior to this interview. List a specific number, not a range (estimates are acceptable).

Specify to the client the dates covered by the 3 month period (eg, "July 15th until October 15th").

How many TIMES has this person visited an *emergency room* in the 3 months prior to this interview? ____ **times**

How many TIMES has this person been *hospitalized* in the 3 months prior to this interview? ____ **times**

How many DAYS has this person been *hospitalized* in the 3 months prior to this interview? ____ **days**

How many TIMES has this person used an *ambulance* in the 3 months prior to this interview? ____ **times**

How many DAYS has this person spent in the *McInnis House* in the 3 months prior to this interview? ____ **days**

How many DAYS has this person spent in a *detox center* in the 3 months prior to this interview? ____ **days**

How many NIGHTS has this person spent in *emergency shelter* in the 3 months prior to this interview? ____ **nights**

How many DAYS has this person spent *incarcerated* in the 3 months prior to this interview? ____ **days**

Date of next Follow Up Interview (3 months after this interview):
_ _ / _ _ / _ _ _ _

Home & Healthy for Good
Tenant Exit Interview

This form is to be completed when a tenant exits the program. Please interview every client who exits the program since it is important to understand why exits occur.

Secure Client Number: _ _ _ _

Interviewer's name: _____

Provider Agency:

- ____ **South Middlesex Opportunity Council**
- ____ **Heading Home**
- ____ **Father Bill's & Mainspring**
- ____ **Housing Assistance Corporation / Duffy Health Center**
- ____ **Pine Street Inn**
- ____ **Friends of the Homeless**
- ____ **Community Healthlink**
- ____ **Metropolitan Boston Housing Partnership**
- ____ **Veterans, Inc.**
- ____ **HomeStart**
- ____ **Somerville Homeless Coalition**
- ____ **Boston Health Care for the Homeless**
- ____ **Action, Inc.**
- ____ **Boston Public Health Commission**
- ____ **Mental Health Associates**

Date of entry into housing: _ _ / _ _ / _ _ _ _

Date of exit from housing: _ _ / _ _ / _ _ _ _ **Length of Stay:** _____

What was the reason that the client left? Please check all that apply:

- ____ moved on to other permanent housing (type of housing: _____)
- ____ reunited with family/friends for a permanent housing option
- ____ dissatisfied with housing ____ or services ____ (please check one or both)
- ____ discharged due to criminal activities/violence
- ____ returned to street / woods / car / shelter / etc. (homeless again)
- ____ transferred to long-term substance abuse residential treatment
- ____ hospitalized for mental illness
- ____ moved to skilled nursing facility
- ____ incarcerated
- ____ unknown
- ____ death (cause of death, if known: _____)

Please give detail in words about why the participant left the program:

_____

_____

_____

_____

Income Sources

List this person's source(s) of income: (Choose all that apply)

- ○ **Employment**
- ○ **EAEDC (Emergency Aid to Elders, Disabled, and Children)**
  This is a state funded program that provides cash and medical assistance to needy individuals.
- ○ **SSDI (Social Security Disability Income)**
  This is a federal cash benefit available to individuals who meet Social Security's rules for disability.
- ○ **SSI (Social Security Income)**
  This is a federal income supplement program designed to help aged, blind, and disabled individuals who have little income to meet basic needs for food, clothing, and shelter.
- ○ **Retirement income from Social Security**
- ○ **Veterans payments**
  This can include veteran's disability payments, veteran's pension, etc.
- ○ **Unemployment insurance**
- ○ **Workers compensation**
- ○ **No financial resources**
- ○ **Other financial resources** _____

Is income at exit greater than it was at entry? _____

Please also complete a Follow-Up Questionnaire if, at the time of exit, the tenant has not completed a Follow-Up Interview in the past month.

Signature: _____ **Title:** _____

APPENDIX F
EOHHS MCE AMENDMENTS FOR PFS HOMELESS INITIATIVE

AMENDMENT #14

TO THE
FIRST AMENDED AND RESTATED
MASSHEALTH CAREPLUS MANAGED CARE ORGANIZATION (MCO) CONTRACT
BETWEEN
THE EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
AND
[INSERT CAREPLUS MCO NAME]

WHEREAS, the Executive Office of Health and Human Services (EOHHS) and [INSERT MCO NAME] (the Contractor) entered into the Contract with an Operational Start Date of July 1, 2010 and as subsequently amended effective October 1, 2010 (First Amended and Restated Contract), March 1, 2011 (Amendment #1 to the First Amended and Restated Contract), April 1, 2011 (Amendment #2 to First Amended and Restated Contract), July 1, 2011 (Amendment #3), April 1, 2011 (Amendment #4), October 1, 2011 (Amendment #5), July 1, 2012 (Amendment #6), October 1, 2012 (#7), January 1, 2013 (#8 , #9 and #9A), October 1, 2013 (Amendment #10), October 1, 2013 (Amendment #11), January 1, 2014 (Amendment #12) and October 1, 2014 (Amendment #13) to provide comprehensive health care coverage to MassHealth Members; and

WHEREAS, in accordance with **Section 5.8** of the Contract, EOHHS and the Contractor desire to further amend the Contract effective upon execution; and

WHEREAS, EOHHS and the Contractor agree that the terms stated herein are subject to the approval of the federal Centers for Medicare and Medicaid Services (CMS);

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Contractor and EOHHS agree as follows:

SECTION 2. CONTRACTOR RESPONSIBILITIES, shall be amended as follows:

1. **Section 2.7, Provider Network**, is hereby amended by adding a new **Section 2.7.K** as follows:

"K. [Reserved]"

2. **Section 2.7., Provider Network,** is hereby amended by adding a new **Section 2.7.L** as follows:

"L. Social Innovation Financing for Chronic Homelessness Program

The Commonwealth is implementing its Social Innovation Financing for Chronic Homelessness Program (SIF Program), a Housing First model, and has procured an entity to facilitate this implementation (SIF Intermediary). The Contractor shall support the SIF Program as described in this section.

1. The Contractor shall enter into good faith negotiations with SIF Program providers identified by EOHHS and, provided such negotiations are successful, execute and maintain Network Provider contracts with such SIF Program providers to provide Community Support Program (CSP) services as set forth in **Appendix C** and below; provided, however, that such providers must meet all applicable Contract, statutory,

and regulatory requirements. The Contractor shall pay its contracted SIF Program providers a case rate consistent with the current market rate for the services in **Section 2.7.L.3** below for each day an Enrollee is a SIF Program participant.

2. SIF Program participants shall be those Enrollees who the SIF Intermediary refers to the Contractor (a "referral"). The Contractor shall accept from the SIF Intermediary referrals that identify Enrollees, including veterans, who are SIF Program participants. Such referrals shall only be for Enrollees who either:

   a. Meet the definition of "Chronically Homeless" as set forth by the U.S. Department of Housing and Urban Development, i.e. is an unaccompanied homeless individual with a disabling condition who either has been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years; or

   b. Are identified by SIF Program providers and approved by the SIF Intermediary as an individual who is homeless and a high-cost user of emergency services.

   The Contractor may also work with the SIF Intermediary and SIF Program providers to develop a process for the Contractor to refer Enrollees to the SIF Intermediary and SIF Program providers who the Contractor believes may qualify to be SIF Program participants.

3. Subject to Medical Necessity requirements, other Contract requirements, and applicable statutory and regulatory requirements, the Contractor shall authorize, arrange, coordinate, and provide to Enrollees who are SIF Program participants Community Support Program (CSP) services as set forth in **Appendix C** in a manner consistent with the goals of the SIF Program. Such CSP services shall consist of face-to-face, intensive, and individualized support, as described by EOHHS, which shall include:

   a. Assisting SIF Program participants in enhancing daily living skills;

   b. Providing service coordination and linkages;

   c. Assisting SIF Program participants with obtaining benefits, housing and healthcare;

   d. Developing a crisis plan;

   e. Providing prevention and intervention; and

   f. Fostering empowerment and recovery, including linkages to peer support and self-help groups.

4. The Contractor shall work with EOHHS to take all steps and perform all activities necessary to implement the above requirements consistent with SIF Program goals, policies and procedures as communicated by EOHHS, including but not limited to participating in meetings with the SIF Intermediary.

SECTION 4. PAYMENT AND FINANCIAL PROVISIONS, shall be amended as follows:

1. **Section 4.2.E, Performance Incentive Withholds and Arrangements,** is hereby amended by adding a new **Section 4.2.E.4** as follows:

"4. Social Innovation Financing for Chronic Homelessness Program (SIF Program)

a. In the event the SIF Program described in **Section 2.7.L** is implemented by the Commonwealth prior to October 1, 2014, the Contractor shall receive a performance incentive for its participation in the SIF Program (the SIF Performance Incentive) if the Contractor attests, in the form and format specified by EOHHS, that the Contractor supported the SIF Program in accordance with **Section 2.7.L** as directed by EOHHS.

b. The SIF Performance Incentive shall be in an amount equal to the sum of the case rate payments the Contractor made to SIF Program providers as set forth in **Section 2.7.L.1.**

c. The SIF Performance Incentive shall be in effect for the Contract Year ending September 30, 2014.

d. The Contractor shall submit to EOHHS an attestation in accordance with **Section 4.2.E.4.a**. above, and reflecting all payments described in **Section 4.2.E.4.b**. above, that the Contractor made to its SIF Program Providers in accordance with **Section 2.7.L**. The Contractor shall submit such attestation to EOHHS by March 30, 2015.

AMENDMENT #3

TO THE

FIRST AMENDED AND RESTATED

MASSHEALTH CAREPLUS MANAGED CARE ORGANIZATION (MCO) CONTRACT

BETWEEN

THE EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

AND

[INSERT CAREPLUS MCO NAME]

WHEREAS, the Executive Office of Health and Human Services (EOHHS) and [INSERT CAREPLUS MCO NAME] (the Contractor) entered into the Contract with a Contract Effective Date of October 15, 2013 and an Operational Start Date of January 1, 2014 and as subsequently amended effective December 13, 2013 (First Amended and Restated Contract), January 1, 2014 (Amendment #1) and October 1, 2014; and

WHEREAS, in accordance with **Section 5.7** of the Contract, EOHHS and the Contractor desire to further amend the Contract effective upon execution; and

WHEREAS, EOHHS and the Contractor agree that the terms stated herein are subject to the approval of the federal Centers for Medicare and Medicaid Services (CMS);

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Contractor and EOHHS agree as follows:

SECTION 2. CONTRACTOR RESPONSIBILITIES, shall be amended as follows:

1. **Section 2.7, Provider Network**, is hereby amended by adding a new **Section 2.7.K** as follows:

"K. [Reserved]"

2. **Section 2.7., Provider Network,** is hereby amended by adding a new **Section 2.7.L** as follows:

"L. Social Innovation Financing for Chronic Homelessness Program

The Commonwealth is implementing its Social Innovation Financing for Chronic Homelessness Program (SIF Program), a Housing First model, and has procured an entity to facilitate this implementation (SIF Intermediary). The Contractor shall support the SIF Program as described in this section.

1. The Contractor shall enter into good faith negotiations with SIF Program providers identified by EOHHS and, provided such negotiations are successful, execute and

maintain Network Provider contracts with such SIF Program providers to provide Community Support Program (CSP) services as set forth in **Appendix C** and below; provided, however, that such providers must meet all applicable Contract, statutory, and regulatory requirements. The Contractor shall pay its contracted SIF Program providers a case rate consistent with the current market rate for the services in **Section 2.7.L.3** below for each day an Enrollee is a SIF Program participant.

2. SIF Program participants shall be those Enrollees who the SIF Intermediary refers to the Contractor (a "referral"). The Contractor shall accept from the SIF Intermediary referrals that identify Enrollees, including veterans, who are SIF Program participants. Such referrals shall only be for Enrollees who either:

   a. Meet the definition of "Chronically Homeless" as set forth by the U.S. Department of Housing and Urban Development, i.e. is an unaccompanied homeless individual with a disabling condition who either has been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years; or

   b. Are identified by SIF Program providers and approved by the SIF Intermediary as an individual who is homeless and a high-cost user of emergency services. The Contractor may also work with the SIF Intermediary and SIF Program providers to develop a process for the Contractor to refer Enrollees to the SIF Intermediary and SIF Program providers who the Contractor believes may qualify to be SIF Program participants.

3. Subject to Medical Necessity requirements, other Contract requirements, and applicable statutory and regulatory requirements, the Contractor shall authorize, arrange, coordinate, and provide to Enrollees who are SIF Program participants Community Support Program (CSP) services as set forth in **Appendix C** in a manner consistent with the goals of the SIF Program. Such CSP services shall consist of face-to-face, intensive, and individualized support, as described by EOHHS, which shall include:

   a. Assisting SIF Program participants in enhancing daily living skills;

   b. Providing service coordination and linkages;

   c. Assisting SIF Program participants with obtaining benefits, housing and healthcare;

   d. Developing a crisis plan;

   e. Providing prevention and intervention; and

   f. Fostering empowerment and recovery, including linkages to peer support and self-help groups.

4. The Contractor shall work with EOHHS to take all steps and perform all activities necessary to implement the above requirements consistent with SIF Program goals, policies and procedures as communicated by EOHHS, including but not limited to participating in meetings with the SIF Intermediary.

SECTION 4. PAYMENT AND FINANCIAL PROVISIONS, shall be amended as follows:

1. **Section 4.2.D, Performance Incentive Withholds and Arrangements,** is hereby amended by adding a new **Section 4.2.D.4** as follows:

"4. Social Innovation Financing for Chronic Homelessness Program (SIF Program)

a. In the event the SIF Program described in **Section 2.7.L** is implemented by the Commonwealth prior to October 1, 2014, the Contractor shall receive a performance incentive for its participation in the SIF Program (the SIF Performance Incentive) if the Contractor attests, in the form and format specified by EOHHS, that the Contractor supported the SIF Program in accordance with **Section 2.7.L** as directed by EOHHS.

b. The SIF Performance Incentive shall be in an amount equal to the sum of the case rate payments the Contractor made to SIF Program providers as set forth in **Section 2.7.L.1.**

c. The SIF Performance Incentive shall be in effect for the Contract Year ending September 30, 2014.

d. The Contractor shall submit to EOHHS an attestation in accordance with **Section 4.2.E.4.a**. above, and reflecting all payments described in **Section 4.2.E.4.b**. above, that the Contractor made to its SIF Program Providers in accordance with **Section 2.7.L**. The Contractor shall submit such attestation to EOHHS by March 30, 2015.

APPENDIX G
PARTICIPANT SELECTION REQUIREMENTS & PROCEDURE

MRVP Participant Selection Requirements

1. All units attached to Massachusetts Rental Voucher Program (MRVP) vouchers must be leased up consistent with the requirements of the MRVP SIF Homeless Initiative Program Guidelines attached as **Appendix L**.
2. Providers using MRVP vouchers must adhere to the DHCD-approved Tenant Selection Plan included within **Appendix L**.
3. Also for those Providers contracted by MASH who are using MRVP vouchers, the providers must operate their units in conformance with the MRVP program.

Participant Selection Procedure

Identifying High Use Homeless Individuals

1. There will be a triage and assessment tool that was independently developed by MASH, attached as **Appendix J**, that will be used to identify High Use Homeless Individuals, as defined in Section 3.05 of this Contract. The tool asks questions about homelessness, utilization of emergency services, physical health, mental health, and substance abuse.
2. Beginning at the start of the Services Term, and continuously thereafter, Providers will canvas the target population to complete MASH's triage and assessment tool and Informed Consent Forms from as many potentially eligible individuals as possible.
3. Providers will submit completed MASH's triage and assessment tool and Informed Consent Forms to MASH.
4. In order to reduce the chance that high-use individuals are excluded from receiving service because MASH's triage and assessment tool failed to pick up their need – and to make sure individuals who refuse to sign consent forms are not excluded from services – Providers are encouraged to also submit to MASH a ranked list prioritizing individuals for housing in addition to the completed triage and assessment tool.

Creating the Initial List

1. MASH will score the triage and assessment tool and will use both those scores and the Provider rankings to identify High Use Homeless Individuals and to create a single ranked list for each provider. In case of a tie in score on MASH's triage and assessment tool, MASH will use its discretion to rank the individuals.
2. MASH will return each provider's ranked list of High Use Homeless Individuals to be housed as soon as possible after receiving MASH's triage and assessment tool and Informed Consent Forms. In particular, the project aims to return the ranked list within 10 business days of receiving the completed forms from the Provider.
3. Because not all individuals will be able to be housed, the ranked list returned to each Provider will contain at least 25 percent more individuals than there are available units so that Providers can be sure to fill all of their units.

Enrolling High Use Homeless Individuals

1. Each Provider will attempt to house the individuals on their list.

2. When applicable (in the case of units with MRVP support), MASH will submit the placement request to Metropolitan Boston Housing Partnership (MBHP), consistent with the Agreement between MASH and MBHP.
3. As Participants move out of the units, Providers will take the next eligible person on the ranked list.
4. If a Provider has housed or has attempted to house all of the individuals on the ranked list and still has available units, MASH will add additional individuals to the Provider's ranked list. MASH and the provider will continue to work on updating the ranked list of potential tenants over time.
5. Providers may use up to 10 percent of their assigned units to house any individuals whom they deem to be high need or who meet the HUD definition of "chronically homeless" but who were not on their ranked list.

Updating the List

1. High Use Homeless Individuals may be removed from the list if they (1) become a Participant in the PFS Homeless Initiative; (2) find other permanent housing; or (3) are otherwise unable to be housed through the PFS Homeless Initiative. As names are removed from the list, the list will continue to be updated with past and newly scored assessments.
2. Throughout the Services Term, Providers will continue to administer MASH's triage and assessment tool to potentially eligible individuals. Each time a new High Use Homeless Individual is identified, the individual will be ranked and placed on the list, and MASH will provide an updated list to the Provider.

APPENDIX H
GUIDANCE TO LOCAL HOUSING AUTHORITIES AND RAAS

Massachusetts Department of Housing and Community Development

To: All Regional Administrative Agencies (RAAs)
and Local Housing Authorities (LHAs)

From: Steven Carvalho, Acting Associate Director of Public Housing & Rental Assistance

Date: September 23, 2014

RE: Program Guidance - Implementation of new Housing and Supportive Services for Homeless Individuals Program (SIF Homeless Initiative)

This fall, the Department of Housing and Community Development (DHCD), in concert with the Executive Office of Administration & Finance (EOAF); Executive Office of Health & Human Services (EOHHS) and Massachusetts Housing and Shelter Alliance (MHSA) will launch a new program for homeless individuals using principles of social innovation finance. This program will be called the Housing and Supportive Services for Homeless Individuals (SIF Homeless Initiative).

Background

In 2012, the Massachusetts Legislature authorized the Secretary of EOAF to enter into up to $50 million in pay-for-success contracts. EOAF is pursuing a pay-for-success model for supportive housing that, if successful, would significantly reduce chronic individual homelessness across the Commonwealth. Through a competitive procurement, EOAF has selected MHSA to serve as the project's sole intermediary agency (the Intermediary) with its partners, including the United Way of Massachusetts Bay and the Corporation for Supportive Housing, subject to execution of a contract with the Commonwealth. The Intermediary will establish a limited liability corporation to fulfill its responsibilities in the project—these responsibilities include selecting operators best equipped to deliver housing and supportive services to homeless individuals in the state.

The SIF Homeless Initiative will shift the current focus on temporary emergency services toward low-threshold permanent supportive housing. The Initiative will secure and sustain 500 units of supportive housing over five years, with service delivery expected to begin in late 2014. Participants will be housed and connected with appropriate mainstream resources such as physical and behavioral health care services, and other services brokered through community

support services designed and proven to promote housing retention and good health. A key objective will be to identify other permanent housing resources for tenants.

The financing includes a range of resources including: the ability to use current shelter contract funding to support housing; a new program of MassHealth's contracted Managed Care Entities (MCEs) that is comparable to the pilot Community Services for People Experiencing Chronic Homelessness (CSPECH) program: and "Success Payments" to be made to MHSA by EOAF for each person housed, subject to confirmation by an independent evaluator.

DHCD has allocated 145 MRVP project-based vouchers to the SIF Homeless Initiative and has selected Metropolitan Boston Housing Partnership as the issuer of the MRVP vouchers. The value of the MRVP vouchers will be equal to the fair market rent standards for efficiency and one-bedroom units, as set by HUD.

RAA & LHA Guidance for the End of the SIF Homeless Initiative Program Term.

The SIF Homeless Initiative program has an initial term of five years. After the 4th year of the program, EOAF will notify MHSA's Intermediary and its provider affiliates whether the success payments will be continued.

If the SIF Homeless Initiative ends, the vouchers will remain attached to the SIF Provider's housing provided that such housing continues to operate as supportive housing serving homeless individuals and the SIF Provider remains in compliance with MRVP requirements and subject to appropriation. If, upon notice of the SIF Homeless Initiative's end, the SIF Provider is not able to meet its obligations with respect to the ongoing availability of the vouchers because of the absence of success payments, DHCD will terminate the MHSA affiliate's project-based voucher contract.

At that time, if participants in the SIF Homeless Initiative are tenants in good standing, DHCD will convert vouchers for such individuals into mobile MRVP vouchers. Because of the structure of the financing, there may not be adequate reprogrammed project-based MRVP vouchers for all SIF Homeless Initiative participants. To allocate the mobile MRVP vouchers appropriately, participants who are still enrolled will be certified by MHSA as to whether they meet the US HUD chronic homeless definition and given a triage and assessment evaluation. The mobile MRVP vouchers will be allocated to the SIF Homeless Initiative in the order of the highest scores from the triage and assessment evaluation.

If the number of participants being served at the end of the five years exceeds the number of converted MRVP vouchers, those remaining participants for which applications have been filed will retain their status as "homeless," or will keep the equivalent of priority status, on any LHA or RAA MRVP or State Public Housing waiting list to which they apply.

COMMONWEALTH TERMS AND CONDITIONS

This Commonwealth Terms and Conditions form is jointly issued by the Executive Office for Administration and Finance (ANF), the Office of the Comptroller (CTR) and the Operational Services Division (OSD) for use by all Commonwealth of Massachusetts ("State") Departments and Contractors. ***Any changes or electronic alterations by either the Department or the Contractor to the official version of this form, as jointly published by ANF, CTR and OSD, shall be void.*** Upon execution of these Commonwealth Terms and Conditions by the Contractor and filing as prescribed by the Office of the Comptroller, these Commonwealth Terms and Conditions will be incorporated by reference into any Contract for Commodities and Services executed by the Contractor and any State Department, in the absence of a superseding law or regulation requiring a different Contract form. Performance shall include services rendered, obligations due, costs incurred, commodities and deliverables provided and accepted by the Department, programs provided or other commitments authorized under a Contract. A deliverable shall include any tangible product to be delivered as an element of performance under a Contract. The Commonwealth is entitled to ownership and possession of all deliverables purchased or developed with State funds. Contract shall mean the Standard Contract Form issued jointly by ANF, CTR and OSD.

1. *Contract Effective Start Date.* Notwithstanding verbal or other representations by the parties, or an earlier start date indicated in a Contract, the effective start date of performance under a Contract shall be the date a Contract has been executed by an authorized signatory of the Contractor, the Department, a later date specified in the Contract or the date of any approvals required by law or regulation, whichever is later.

2. *Payments And Compensation.* The Contractor shall only be compensated for performance delivered and accepted by the Department in accordance with the specific terms and conditions of a Contract. All Contract payments are subject to appropriation pursuant to M.G.L. C. 29, §26, or the availability of sufficient non-appropriated funds for the purposes of a Contract, and shall be subject to intercept pursuant to M.G.L. C. 7A, §3 and 815 CMR 9.00. Overpayments shall be reimbursed by the Contractor or may be offset by the Department from future payments in accordance with state finance law. Acceptance by the Contractor of any payment or partial payment, without any written objection by the Contractor, shall in each instance operate as a release and discharge of the State from all claims, liabilities or other obligations relating to the performance of a Contract.

3. *Contractor Payment Mechanism.* All Contractors will be paid using the Payment Voucher System unless a different payment mechanism is required. The Contractor shall timely submit invoices (Payment Vouchers - Form PV) and supporting documentation as prescribed in a Contract. The Department shall review and return rejected invoices within fifteen (15) days of receipt with a written explanation for rejection. Payments shall be made in accordance with the bill paying policy issued by the Office of the Comptroller and 815 CMR 4.00, provided that payment periods listed in a Contract of less than forty-five (45) days from the date of receipt of an invoice shall be effective only to enable a Department to take advantage of early payment incentives and shall not subject any payment made within the forty-five (45) day period to a penalty. The Contractor Payroll System, shall be used only for "Individual Contractors" who have been determined to be "Contract Employees" as a result of the Department's completion of an Internal Revenue Service SS-8 form in accordance with the Omnibus Budget Reconciliation Act (OBRA) 1990, and shall automatically process all state and federal mandated payroll, tax and retirement deductions.

4. *Contract Termination Or Suspension.* A Contract shall terminate on the date specified in a Contract, unless this date is properly amended in accordance with all applicable laws and regulations prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Contractor. The Department may terminate a Contract without cause and without penalty, or may terminate or suspend a Contract if the Contractor breaches any material term or condition or fails to perform or fulfill any material obligation required by a Contract, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of a Contract, or in the event of an unforeseen public emergency mandating immediate Department action. Upon immediate notification to the other party, neither the Department nor the Contractor shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Subcontractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Contractor's control.

5. *Written Notice.* Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Department or the Contractor. Any written notice of termination or suspension delivered to the Contractor shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Contractor during the notice period.

6. *Confidentiality.* The Contractor shall comply with M.G.L. C. 66A if the Contractor becomes a "holder" of "personal data". The Contractor shall also protect the physical security and restrict any access to personal or other Department data in the Contractor's possession, or used by the Contractor in the performance of a Contract, which shall include, but is not limited to the Department's public records, documents, files, software, equipment or systems.

7. *Record-keeping And Retention, Inspection Of Records.* The Contractor shall maintain records, books, files and other data as specified in a Contract and in such detail as shall properly substantiate claims for payment under a Contract, for a minimum retention period of seven (7) years beginning on the first day after the final payment under a Contract, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving a Contract. The Department shall have access, as well as any parties identified under Executive Order 195, during the Contractor's regular business hours and upon reasonable prior notice, to such records, including on-site reviews and reproduction of such records at a reasonable expense.

8. *Assignment.* The Contractor may not assign or delegate, in whole or in part, or otherwise transfer any liability, responsibility, obligation, duty or interest under a Contract, with the exception that the Contractor shall be authorized to assign present and prospective claims for money due to the Contractor pursuant to a Contract in accordance with M.G.L. C. 106, §9-318. The Contractor must provide sufficient notice of assignment and supporting documentation to enable the Department to verify and implement the assignment. Payments to third party assignees will be processed as if such payments were being made directly to the Contractor and these payments will be subject to intercept, offset, counter claims or any other Department rights which are available to the Department or the State against the Contractor.

9. *Subcontracting By Contractor.* Any subcontract entered into by the Contractor for the purposes of fulfilling the obligations under a Contract must be in writing, authorized in advance by the Department and shall be consistent with and subject to the provisions of these Commonwealth Terms and Conditions and a Contract. Subcontracts will not relieve or discharge the Contractor from any duty, obligation, responsibility or liability arising under a Contract. The Department is entitled to copies of all subcontracts and shall not be bound by any provisions contained in a subcontract to which it is not a party.

10. *Affirmative Action, Non-Discrimination In Hiring And Employment.* The Contractor shall comply with all federal and state laws, rules and regulations promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Contractor commits to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities.

11. *Indemnification.* Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, including the Department, its agents, officers and employees against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement or other damages that the State may sustain which arise out of or in connection with the Contractor's performance of a Contract, including but not limited to the negligence, reckless or intentional conduct of the Contractor, its agents, officers, employees or subcontractors. The Contractor shall at no time be considered an agent or representative of the Department or the State. After prompt notification of a claim by the State, the Contractor shall have an opportunity to participate in the defense of such claim and any negotiated

COMMONWEALTH TERMS AND CONDITIONS

settlement agreement or judgment. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph. Any indemnification of the Contractor shall be subject to appropriation and applicable law.

12. ***Waivers.*** Forbearance or indulgence in any form or manner by a party shall not be construed as a waiver, nor in any way limit the legal or equitable remedies available to that party. No waiver by either party of any default or breach shall constitute a waiver of any subsequent default or breach.

13. ***Risk Of Loss.*** The Contractor shall bear the risk of loss for any Contractor materials used for a Contract and for all deliverables, Department personal or other data which is in the possession of the Contractor or used by the Contractor in the performance of a Contract until possession, ownership and full legal title to the deliverables are transferred to and accepted by the Department.

14. ***Forum, Choice of Law And Mediation.*** Any actions arising out of a Contract shall be governed by the laws of Massachusetts, and shall be brought and maintained in a State or federal court in Massachusetts which shall have exclusive jurisdiction thereof. The Department, with the approval of the Attorney General's Office, and the Contractor may agree to voluntary mediation through the Massachusetts Office of Dispute Resolution (MODR) of any Contract dispute and will share the costs of such mediation. No legal or equitable rights of the parties shall be limited by this Section.

15. ***Contract Boilerplate Interpretation, Severability, Conflicts With Law, Integration.*** Any amendment or attachment to any Contract which contains conflicting language or has the affect of a deleting, replacing or modifying any printed language of these Commonwealth Terms and Conditions, as officially published by ANF, CTR and OSD, shall be interpreted as superseded by the official printed language. If any provision of a Contract is found to be superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision only to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the Contract, or portions thereof, shall be enforced to the fullest extent permitted by law. All amendments must be executed by the parties in accordance with Section 1. of these Commonwealth Terms and Conditions and filed with the original record copy of a Contract as prescribed by CTR. The printed language of the Standard Contract Form, as officially published by ANF, CTR and OSD, which incorporates by reference these Commonwealth Terms and Conditions, shall supersede any conflicting verbal or written agreements relating to the performance of a Contract, or attached thereto, including contract forms, purchase orders or invoices of the Contractor. The order of priority of documents to interpret a Contract shall be as follows: the printed language of the Commonwealth Terms and Conditions, the Standard Contract Form, the Department's Request for Response (RFR) solicitation document and the Contractor's Response to the RFR solicitation, excluding any language stricken by a Department as unacceptable and including any negotiated terms and conditions allowable pursuant to law or regulation.

IN WITNESS WHEREOF, The Contractor certify under the pains and penalties of perjury that it shall comply with these Commonwealth Terms and Conditions for any applicable Contract executed with the Commonwealth as certified by their authorized signatory below:

CONTRACTOR AUTHORIZED SIGNATORY: _____ (signature)

Print Name: JOSEPH G. FINN

Title: Manager

Date: 12/3/14

(Check One): ✓ Organization ___ Individual

Full Legal Organization or Individual Name: Massachusetts Alliance for Supportive Housing

Doing Business As: Name (If Different):

Tax Identification Number: 47-1236257

Address: 25 Kingston St, 3F, Boston MA, 02112

Telephone: 617-367-6447 FAX:

INSTRUCTIONS FOR FILING THE COMMONWEALTH TERMS AND CONDITIONS

A "Request for Verification of Taxation Reporting Information" form (Massachusetts Substitute W-9 Format), that contains the Contractor's correct TIN, name and legal address information, must be on file with the Office of the Comptroller. If the Contractor has not previously filed this form with the Comptroller, or if the information contained on a previously filed form has changed, please fill out a W-9 form and return it attached to the executed COMMONWEALTH TERMS AND CONDITIONS.

If the Contractor is responding to a Request for Response (RFR), the COMMONWEALTH TERMS AND CONDITIONS must be submitted with the Response to RFR or as specified in the RFR. Otherwise, Departments or Contractors must timely submit the completed and properly executed COMMONWEALTH TERMS AND CONDITIONS (and the W-9 form if applicable) to the: ***Payee and Payments Unit, Office of the Comptroller, 9th Floor, One Ashburton Place, Boston, MA 02108*** in order to record the filing of this form on the MMARS Vendor File. Contractors are required to execute and file this form only once.

APPENDIX J
MASH'S TRIAGE AND ASSESSMENT TOOL

The Massachusetts Housing and Shelter Alliance

Pay For Success: Massachusetts Chronic Homelessness Initiative
Targeting and Identification of Highly Vulnerable, High Expected Cost Individuals

Overview

Interviewer's Name:		Agency/Provider:
Date:	Time:	Location:
First Name:		Last Name:
Alias or Client ID:		Date of Birth:
Social Security Number:		Consent to participate: Yes No

Demographics

What is your gender identity?	☐ Female ☐ Female to male transgender ☐ Male ☐ Male to female transgender ☐ Not sure ☐ Other (specify)_____
What is your ethnicity?	☐ Hispanic or Latino ☐ Non-Hispanic or Latino
What is your race?	☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or other Pacific Islander ☐ White
Have you ever served in the U.S. Military?*	☐ Yes ☐ No
**If yes, what was the character of your discharge?*	*Honorable* *Other than Honorable* *Bad Conduct* *Dishonorable*
Have you ever been in foster care?	☐ Yes ☐ No
Have you ever been in jail?	☐ Yes ☐ No
Have you ever been in prison?	☐ Yes ☐ No
Do you have a permanent physical disability that limits your mobility?	☐ Yes ☐ No

	Specify your disabling condition_____
What kind of healthcare insurance do you have, if any? (Circle)	Medicaid/MassHealth Medicare VA Private Insurance None Other (specify)_____

Domain 1: Homeless History

Questions	Response	Score
1. Has it been longer than a year since you had your own place to stay, either with roommates or on your own?		
2. Please estimate how long it has been in years, months, or days.	____years ____months ____days	
3. In the past three years, how many times have you been homeless and then housed again?		
4. In the past six months, where have you most often slept? (Check only one)	Shelter ☐ Outside/Street ☐ Other (specify) ☐ _____	
	Homelessness Subtotal:	

Domain 2: Utilization of Emergency Services

Questions	Response	Score
1. In the past six months, how many times have you been to an emergency room?		
2. In the past six months, how many nights have you been hospitalized (for medical or mental health issues)?.		
3. In the past six months, how many stays did you have in a detox or treatment facility?		
4. In the past six months, how many nights did you spend in an emergency shelter?		
	Utilization of Emergency Services Subtotal:	

Domain 3: Physical Health

Have you been diagnosed with any of the following physical health issues?	**Response**		**Score**
	Yes	***No***	
1. Need for dialysis			
2. Heart disease			
3. Cirrhosis			
4. High blood pressure			
5. HIV / AIDS			
6. Diabetes			
7. Asthma/COPD			
8. Hepatitis C			
9. Cancer that required chemotherapy or surgery in the past year (excluding skin cancer)			
10. Have you ever been knocked unconscious by head trauma?			
11. Have you ever been treated for an illness related to cold (hypothermia or frostbite)?			
		Physical Health Subtotal:	

Domain 4: Mental Health

Have you been diagnosed with any of the following mental health issues?	Response		Score
	Yes	*No*	
1. Psychosis or Schizophrenia			
2. Bipolar Disorder			
3. Depression			
4. Anxiety			
5. Other mental health conditions (specify) _____			
6. Have you ever been hospitalized for emotional problems?			
		Mental Health Subtotal:	

Domain 5: Substance Use

Questions	Response		Score
	Yes	*No*	
1. Are you currently using any substance that is not prescribed to you (for example: opiates, cocaine, ecstasy, alcohol, benzos, etc.)?			
2. Have you been treated for drug or alcohol problems in the past year?			
		Substance Use History Subtotal:	

Prioritization and Assessment Score	
Domain Type	**Sub-Totals**
Domain 1: Homelessness	
Domain 2: Utilization of Emergency Service	
Domain 3: Physical Health	
Domain 4: Mental Health	
Domain 5: Substance Use	
Dual Diagnosis	
Priority Assessment Total Score	

APPENDIX K
INITIAL LIST OF POTENTIAL PROVIDERS

Action Inc.

Boston Public Health Commission

Cardinal Medeiros (Bay Cove Human Services)

Children Services of Roxbury

Duffy Health Center

Father Bill's & MainSpring

Friends of the Homeless

Heading Home

Hearth

HomeStart

Mental Health Association

Pine Street Inn

ServiceNet

Somerville Homeless Coalition

South Middlesex Opportunity Council

APPENDIX L
MRVP SIF HOMELESS INITIATIVE PROGRAM GUIDELINES

Massachusetts Rental Voucher Program ("MRVP") Social Innovation Finance ("SIF") Homeless Initiative Program Guidelines:

The Massachusetts Department of Housing and Community Development ("DHCD") has provided the following guidelines for the administration of the Massachusetts Rental Voucher Program ("MRVP") vouchers that have been allocated to the MRVP Social Innovation Finance ("SIF") Homeless Initiative program. These guidelines shall only apply to the MRVP vouchers that have been allocated to the program.

Responsibilities of the Parties:

Through a procurement, the Executive Office for Administration and Finance ("EOAF") selected the Massachusetts Housing and Shelter Alliance ("MHSA"), a private non-profit organization, to serve as the intermediary agency for the SIF program.

DHCD will allocate one hundred forty-five (145) project based MRVP vouchers to the SIF program.

Through a procurement, DHCD selected Metropolitan Boston Housing Partnership, Inc. ("MBHP"), a private non-profit corporation, to administer the MRVP vouchers. Unless specifically waived by DHCD or otherwise amended, all MRVP rules, regulations, and policies shall apply to the MRVP vouchers. DHCD will assign the MRVP vouchers to MBHP for administration as outlined below.

MBHP will enter into a Contract with MHSA that will function within the program guidelines outlined in this document and will conform to the MRVP rules, regulations, and policies. This Contract will serve as the uniform sponsor agreement for the MRVP vouchers that have been allocated to the SIF program.

MHSA will select the SIF providers that will provide the Contract Units for the program. MHSA will consult with DHCD to determine if the SIF providers are in good standing with DHCD prior to contracting. MHSA will distribute the vouchers to the SIF providers, who will attach them to the Contract Units, including but not limited to rental properties that are under the SIF providers' control.

MBHP will work in coordination with MHSA in the areas in which MRVP voucher administration intersects with program administration. MBHP and MHSA will develop ongoing methods of communication as well as a cycle of meetings, including meetings with the SIF providers.

The SIF providers will perform the Tenant selection for the MRVP SIF Homeless Initiative in accordance with the attached Tenant Selection Procedure and Waitlist Procedure documents.[1] After collecting the information and completing the intake assessment tool prepared by MHSA, the SIF providers will establish the ranking order of the eligible applicants and will notify MHSA and MBHP of the ranked pool of eligible Tenants.[2]

MBHP will determine the applicants' eligibility for the program pursuant to MRVP and SIF program rules and regulations. This will include performing all tasks and determinations pertaining to income eligibility, household composition, Criminal Offender Record Information ("CORI") and Sex Offender Registry Information ("SORI") checks and eligibility, and rent calculations. Pursuant to MRVP rules, CORI checks are mandatory but it is up to MBHP to interpret the CORI and consider the low threshold principle when reviewing CORIs for eligibility under this program. MBHP shall utilize a standard policy to review the CORI and SORI records and make determinations of suitability for the MRVP SIF Homeless Initiative. Level III Sex Offenders and Sex Offenders who are subject to a lifetime registration requirement under a state sex offender registration program shall be ineligible for the MRVP vouchers. Further, applicants shall be ineligible for the MRVP vouchers if they have manufactured or produced methamphetamine. For all other CORI and SORI determinations of suitability, MBHP shall conduct an informed review of the records and proceed in accordance with their customary practice in the administration of MRVP vouchers. This shall include providing adequate notice to the applicant of denials or terminations related to CORI and SORI determinations and providing the opportunity to dispute the accuracy and relevance of the criminal records.

Use and occupancy agreements, rather than leases, will be utilized for all MRVP SIF Homeless Initiative program participants. MBHP will report to DHCD on the use of MRVP vouchers, in a monthly or quarterly format, consistent with the MRVP program rules and regulations and as DHCD shall specify to the parties. MBHP will provide DHCD with documentation indicating that SIF program participants have been housed pursuant to the SIF and MRVP program rules and regulations.

MBHP will conduct an annual program review of the SIF Initiative and the SIF participant files. MBHP will respond to and cooperate with auditor and/or evaluator questions from DHCD and/or MHSA.

Rental Assistance Payments:

The Tenant will pay their share of the rent to the SIF provider in control of the Contract Units. MBHP will issue the monthly subsidy checks to the SIF provider in control of the Contract Units. MBHP will receive the per unit monthly administrative fee for the vouchers.

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[1] There are no families or households eligible for the MRVP SIF Homeless Initiative. Only homeless individuals are eligible, consistent with the terms of the RFR and the attached Tenant Selection Procedure and Waitlist Procedure documents.

[2] SIF Tenants are also referred to as SIF participants in the program documents.

Rental assistance payments will only be made for the months during which a Contract Unit is properly leased and occupied by an eligible Tenant. There will be no payments made for vacancy losses, damage claims, a Tenant's share of rent arrearage, any other fee or charge owed by a Tenant, or rental assistance payments for Tenants that become ineligible for the program, pursuant to the normal MRVP program rules.

DHCD will establish rent levels for the MRVP vouchers that are equal to the fair market value rent standards for efficiency and one bedroom units set by the U.S. Department of Housing and Urban Development ("HUD"). Rental payment standards for the MRVP Contract Units shall not exceed the HUD Section 8 rental payment standards. Increases and decreases in the income of the Tenants will be accounted for and will be used to determine and re-determine the Tenant portions of the rent, consistent with MRVP program rules and regulations.

A Participant's Termination from the SIF Initiative:

If the SIF provider and/or MHSA terminate a Tenant from the MRVP SIF Homeless Initiative program **for any reason**, that termination shall **not** be reviewable by MBHP or DHCD. Pursuant to the customary MRVP rules, regulations, and policies, MBHP shall provide hearings and appeals for all terminations from the MRVP SIF Homeless Initiative program pertaining to eligibility determinations made by MBHP pursuant to the MRVP and SIF program rules, regulations, and policies, such as determinations related to income eligibility and family composition.

MHSA will develop a standardized agreement that SIF program providers will require all Tenants to review and sign upon joining the SIF program. Prior to its implementation, MBHP shall have the opportunity to review and make any necessary changes to this agreement. This agreement must contain a notice and acknowledgment section that all SIF program participants must review and sign that notifies them that if they are terminated from or denied participation in the MRVP SIF Homeless Initiative program by the SIF provider and/or MHSA, that individual will not be eligible to continue participating in the SIF program and the decision will **not** be reviewable by MBHP or DHCD. For example, the notice and acknowledgment provision may state: "I understand and accept that if I am terminated from the program or denied participation in the program by the SIF provider or MHSA, then I am no longer eligible to continue participating in the program and I have no right to appeal a termination or denial by the SIF provider or MHSA to MBHP or DHCD."

MHSA must develop and include in this agreement a uniform process for the providers and program staff to use when terminating a Tenant from the MRVP SIF Homeless Initiative program. The conditions that will trigger a Tenant's termination from the program must be clearly delineated.

MBHP shall terminate a Tenant's participation in the MRVP SIF Homeless Initiative program at any time the Tenant fails to fulfill any responsibility specified in the executed Voucher document or at such time as MBHP is notified that the Tenant is no longer eligible for program participation in accordance with DHCD regulations and the MRVP SIF Homeless Initiative program. MBHP must cease making all rental voucher payments on the Tenant's behalf on the

date the Tenant vacates the Contract Unit, becomes ineligible for the SIF program, or is terminated from the MRVP SIF Homeless Initiative program. In addition, MBHP shall terminate all rental voucher payments made to the SIF provider on the Tenant's behalf at such time as MBHP has been made aware that the SIF provider has failed to fulfill any obligation specified in the Agreement between the Massachusetts Housing and Shelter Alliance ("MHSA") and Metropolitan Boston Housing Partnership, Inc. ("MBHP") for the Massachusetts Rental Voucher Program ("MRVP") Social Innovation Finance ("SIF") Homeless Initiative Program including but not limited to: 1) failing to maintain the Contract Unit in compliance with Article II of the State Sanitary Code, State Building Code or other applicable law; or 2) requesting or accepting payments for use and occupancy of the Contract Unit from the participant in excess of the amount permissible under MRVP.

When a Tenant has been terminated or otherwise departed from the MRVP SIF Homeless Initiative, MHSA may reallocate the MRVP voucher that was associated with that Tenant's participation to a new eligible Tenant selected by the SIF provider, in accordance with the attached documents and the MRVP program rules and regulations, provided that the new Tenant is deemed eligible pursuant to MBHP's eligibility screening.[3]

If sufficient program funds are not available, or for other good cause, DHCD may terminate a Tenant's participation in the MRVP SIF Homeless Initiative.

Conclusion of the SIF Initiative:

If the SIF providers can no longer provide housing to Tenants who were participants in the MRVP SIF Homeless Initiative and who are still Tenants in good standing after the MRVP SIF Homeless Initiative has ended, then DHCD will convert those vouchers into mobile vouchers consistent with the attached Tenant Selection Procedure and Waitlist Procedure documents.

At the end of the MRVP SIF Homeless Initiative, the MRVP vouchers allocated to the program will remain attached to the SIF provider's housing, subject to the availability of funding and also provided that the housing continues to operate as supportive housing serving MRVP SIF eligible individuals, the SIF provider is in good standing with DHCD, and the SIF provider remains in compliance with MRVP program rules and regulations. If, after the term of the MRVP SIF Homeless Initiative, the SIF provider fails to meet its obligations with respect to the SIF and MRVP program rules, DHCD will terminate the voucher contract.

Funding:

Provision of voucher payments are subject to and conditioned upon appropriation by the Massachusetts Legislature and the release of such funds to DHCD and the EOAF. DHCD reserves the right to terminate a Tenant's participation in the SIF program, change the amount of the MRVP voucher payment and/or the amount of the Tenant's rent share, and to change the eligibility and other requirements for the program.

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[3] One year in the unit, while in compliance with all program rules and requirements, is considered to be a successful tenancy.

Tenant Selection Plan Guidelines for the

FY 14 Massachusetts Rental Voucher Program ("MRVP") Social Innovation Finance ("SIF") Homeless Initiative Program

As part of the FY 14 Massachusetts Rental Voucher Program ("MRVP") Social Innovation Finance ("SIF") Homeless Initiative program, the Massachusetts Housing and Shelter Alliance ("MHSA") must submit an Affirmative Fair Housing Marketing and Resident Selection Plan tenant selection plan for approval by the Massachusetts Department of Housing and Community Development ("DHCD"). Each SIF provider contracted with MHSA must stipulate that they will adhere to the MHSA plan approved by DHCD. The plan must be consistent with federal and state fair housing laws and DHCD guidelines.

1. **MHSA through its SIF providers must create and distribute a marketing flier that includes**:
    a. Number of units available (for each MHSA affiliated provider);
    b. Location, size/distribution of bedrooms and unit accessibility (as applicable);
    c. Deadline for submission of applications;
    d. Brief description of selection process;
        i. Applicant provides evidence they meet the United States Department of Housing and Urban Development ("HUD") definition of homelessness; and
        ii. Completion and scoring of the triage and assessment tool a version of which is attached hereto.
    e. The Fair Housing logo ( ) and slogan ("Equal Housing Opportunity") should be included in all marketing materials (the logo may be obtained at HUD's website at: http://www.hud.gov/library/bookshelf11/hudgraphics/fheologo.cfm).

2. **The information packet for applicants must include**:
    a. Description of the MRVP SIF Homeless Initiative program;
    b. Description of the services being provided, including the agency providing services and any related requirements;
    c. Description of the application process, including how applications will be accepted and the time period when applications will be accepted (minimum of thirty (30) days);
    d. Description of the selection procedure and selection criteria that will be applied, subject to DHCD approval, for the term of Owner's or SIF provider's MRVP contract with DHCD; and
    e. MRVP income and asset eligibility requirements and chart with MRVP Income and Federal Poverty Limits and other applicable MRVP eligibility requirements (see 760 CMR 49.03).

3. **The application materials must include**:
    a. The application form and Triage and Assessment Tool;
    b. A statement regarding the housing provider's obligation not to discriminate in the selection of applicants on the basis of race, color, national origin, disability, age, ancestry, children, familial status, genetic information, marital status, public assistance recipiency, religion, sex, sexual orientation, gender identity, veteran/military status, or any other basis prohibited by law;

c. Information indicating that persons with disabilities are entitled to request a reasonable accommodation in rules, policies, practices, or services, or to request a reasonable modification in the housing, when such accommodations or modifications may be necessary to afford persons with disabilities an equal opportunity to use and enjoy the housing;[4]
d. An authorization for consent to release information; and
e. A description of the SIF Provider's or Owner's/Owner agent's capacity to address matters relating to limited English language proficiency. This shall include language access planning and providing reasonable language assistance, at no cost to the applicant, so that applicants with Limited English Proficiency ("LEP") may meaningfully apply and access the housing opportunity.[5] Marketing informational materials must therefore provide notice of free language assistance to applicants, translated into the languages of LEP populations anticipated to apply.

4. **A list of providers and agencies that will receive marketing materials and information packets must be provided:**
   a. A list must be provided of appropriate providers and agencies in the housing provider's region that will receive marketing materials and information packets, as well as a description of how marketing and outreach will be conducted and the duration of such marketing/outreach (minimum of thirty (30) days).

5. **Wheelchair accessible units must be referenced to posting with MassAccess:**
   a. Wheelchair accessible units must be listed with MassAccess (see http://www.chapa.org or http://www.massaccesshousingregistry.org) when they become available pursuant to Massachusetts General Laws Chapter 151B. [6]

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[4] Under state law, in the case of publicly assisted housing, multiple dwelling housing consisting of ten (10) or more units, or contiguously located housing consisting of ten or more units (see M.G.L. c. 151B, § 1 for definitions), reasonable modification of existing premises shall *be at the expense of the owner* or other person having the right of ownership if necessary for the person with a disability to fully enjoy the premises. M.G.L. c. 151B, § 4(7A). See also 24 C.F.R. part 8 for Rehabilitation Act requirements of housing providers that receive federal financial assistance.

[5] See DHCD's Language Access Plan at http://www.mass.gov/hed/docs/dhcd/hd/fair/languageaccessplan.pdf for information about language access planning obligations and requirements.

[6] Note: The owner or other person having the right of ownership shall, in accordance with M.G.L. c. 151B, §4(7A), give at least fifteen (15) days notice of the vacancy of a wheelchair accessible unit to the Massachusetts Rehabilitation Commission. Said statute also requires the owner or other person having the right of ownership to give timely notice that a wheelchair accessible unit is vacant or will become vacant to a person who has, within the past twelve (12) months, notified the owner or person or person having the right of ownership that such person is in need of a wheelchair accessible unit.

Tenant Selection Procedure and Waitlist Procedure for the

Massachusetts Rental Voucher Program ("MRVP") Social Innovation Finance ("SIF") Homeless Initiative Program

Individuals eligible to participate in the Massachusetts Rental Voucher Program ("MRVP) Social Innovation Finance ("SIF") Homeless Initiative program will be defined as individuals who either:

- Meet the current United States Department of Housing and Urban Development ("HUD") definition of "chronically homeless"; or

- are identified by the SIF providers as homeless, anticipated high-cost users of emergency services.

Eligible individuals will be prioritized for enrollment in the MRVP SIF Homeless Initiative based upon an assessment tool—developed by the Intermediary and approved for purposes of the SIF Homeless Initiative by the Massachusetts Department of Housing and Community Development ("DHCD"), MassHealth and the Executive Office for Administration and Finance ("EOAF")—that identifies factors associated with highest vulnerability and cost. Eligible individuals will be enrolled in the SIF Homeless Initiative; upon enrollment, these individuals ("Participants") will be eligible to receive the housing and services available through the MRVP SIF Homeless Initiative. (This tenant selection procedure applies to all Contract Units offered by a SIF provider in the program, not just Contract Units with Project Based MRVP vouchers.)

Prior to the initial selection:

Consistent with the Tenant Selection Guidelines attached, the Massachusetts Housing and Shelter Alliance ("MHSA") affiliated SIF Provider shall market the housing opportunities as described in the Tenant Selection Plan Guidelines for the FY 14 Massachusetts Rental Voucher Program ("MRVP") Social Innovation Finance ("SIF") Homeless Initiative Program which is attached.

(1) MHSA's affiliated housing provider is asked to collect applications from eligible individuals in their service area for a thirty (30) day period. Any application postmarked on or before the stated deadline will be eligible for enrollment.

(2) Once the applications have been received, each application should be assigned a registration number.

At the end of the initial thirty (30) days of intake:

- The eligible applicants shall be identified based on whether they meet the criteria for the current United States Department of Housing and Urban Development ("HUD") definition of "chronically homeless" or are identified by the SIF providers as homeless, anticipated high-cost users of emergency services.

- Once they are determined eligible by the first test, their order on the list shall be determined based on their score on the intake and assessment tool.

- MHSA's affiliated SIF provider will accept the eligible participants in the order of their score on the assessment, with those with the highest scores being accepted first until all slots in the program are full.

- The MHSA affiliated SIF provider will notify the individual who has been selected to move forward in the MRVP process and begin collecting the necessary documentation required in accordance with the MRVP regulations.

- After the initial enrollment when slots in the pool are vacated, the MHSA affiliated provider will take the highest ranked eligible unenrolled participant on the list.

If the program ends at the end of five (5) years, by notice of EOAF to MHSA:

- The participants who are still enrolled will be given a triage and an assessment evaluation.

- At the end of the MRVP SIF Homeless Initiative, the vouchers will remain attached to the SIF Provider's housing provided that such housing continues to operate as supportive housing serving homeless individuals and the SIF Provider remains in compliance with MRVP requirements and subject to appropriation. If, after the term of the SIF Homeless Initiative, the SIF Provider fails to meet its obligations with respect to the ongoing availability of the vouchers, DHCD will terminate the voucher contract. The project based MRVP vouchers will be turned into mobile MRVP vouchers and allocated to SIF Homeless Initiative participants who are tenants in good standing in the order of the highest scores.

- If the number of participants being served at the end of the five (5) years exceeds the number of MRVP vouchers available, per guidance issued by DHCD, those MRVP SIF Homeless Initiative participants will retain their homeless individual status on the waiting list on any Local Housing Authority ("LHA") and Regional Administering Agency ("RAA") MRVP or Massachusetts state public housing and rental assistance programs to which they apply.

APPENDIX M
FINANCING COMMITMENT *Execution Version*

PRIVATE FUNDING DOCUMENT
NON-BINDING SUMMARY OF PROPOSED TERMS FOR
HOMELESSNESS SIF PRIVATE INVESTMENT FINANCING

November 21, 2014

The following is a summary of the basic terms and conditions of a proposed private investment financing (the "***Financing***") to Massachusetts Alliance for Supportive Housing LLC ("***MASH***"), a Massachusetts limited liability company (and a wholly-owned subsidiary of Massachusetts Housing and Shelter Alliance, a Massachusetts non-profit corporation) to be funded by (i) Santander Bank, N.A. ("***Santander***"), (ii) United Way of Massachusetts Bay, Inc. d/b/a United Way of Massachusetts Bay and Merrimack Valley ("***United Way***") and (iii) Corporation for Supportive Housing ("***CSH***" and, together with Santander and United Way, each a "***Financing Source***" and, collectively, the "***Financing Sources***"). This term sheet is not binding on MASH or the Financing Sources, nor is MASH or any Financing Source obligated to consummate the Financing until a definitive private investment financing agreement has been agreed to and executed by MASH and the Financing Sources. MASH will use proceeds from the Financing to support an innovative homelessness social innovation financing (the "***Homelessness SIF***"), conducted in partnership with the Commonwealth of Massachusetts (the "***Commonwealth***"), service providers, MASH, and its partner agencies.

Total SIF Underwriting: Up to $27.5MM

Public Funding Commitments: $24MM in public funding resources have been committed to the Homelessness SIF. This support will come in the form of:

a. up to $11MM in provider services reimbursed through a new, SIF-specific program sponsored by MassHealth.

b. up to $7MM, representing 145 new market-rate voucher program vouchers ("***MRVPs***"), in housing support costs sponsored by the Department of Housing and Community Development.

c. up to $6MM in success payments, as described in the contractual relationship between MASH and the Commonwealth, a summary of which is attached hereto as Appendix A.

Philanthropic Contributions: $1,000,000 total. Santander will fund $250,000 of the total. United Way will fund (or facilitate funding via a binding commitment from a third party) $750,000 of the total.

Private Investment Capital:	$2,500,000 in private investment proceeds from the Financing Sources invested in the form of forgivable private investment capital (the "***Invested Capital***"). Santander will fund $1,000,000 of the total Invested Capital. United Way will fund (or facilitate funding via a binding commitment from a third party) $1,000,000 of the total Invested Capital. CSH will fund $500,000 of the total Invested Capital.
Term of the Financing:	Six years or seventy-two (72) months.
Definitive Agreement:	The Invested Capital will be funded pursuant to a private investment agreement prepared by MASH's legal counsel and will contain customary representations and warranties of MASH and the Financing Sources (the "***Investment Agreement***") and be in form and substance satisfactory to MASH and the Financing Sources.
Maturity Date:	Invested Capital returned and accrued and unpaid interest on the Invested Capital will be due and payable seventy-two (72) months from the date of the Investment Agreement (the "***Maturity Date***"), subject to the restrictions on "Invested Capital Return" described below.
Interest Payments:	Interest will be paid on Invested Capital at an annual rate of 5.33 – 0.00%, determined based upon the success achieved through the Homelessness SIF. A schedule of the interest rates earned at different success rates is attached as Appendix C hereto. Interest to be paid every year, starting at the end of year two, at the interest rate related to the corresponding success rate as determined by the independent evaluator. The interest rate at the targeted 85% success level is 3.33%. Interest will be calculated on subsequent anniversary dates after the second year and will be paid within thirty (30) days after confirmation is received from the independent Evaluator (as described in Appendix A). By way of example, assuming a success rate of 85%, Appendix B contemplates that a payment of approximately $165,000 would be made in respect all Invested Capital at the end of year two and payments of $83,250 would be made at the end of years three through six. On the Maturity Date, any additional interest payments or subtractions from these payment totals will be determined and added or subtracted from the principal repayment owed to the Financing Sources.
Invested Capital Return:	The Financing Sources will receive a return of Invested Capital upon the Maturity Date based upon the success achieved through the Homelessness SIF. For success rates

	of 80% or greater, the Financing Sources will receive 100% of the Invested Capital. For success rates lower than 80%, Financing Sources will receive back a diminishing level of Invested Capital, with the Financing Sources agreeing to forgive the amount represented by the difference between the principal invested and the amount to be returned. For success rates below 40%, 100% of the Invested Capital will be forgiven by the Financing Sources. Any residual amount will be distributed to the Financing Sources on a pro rata basis. A schedule of Invested Capital repayments at different success rates achieved is attached as Appendix C hereto.
Risk Mitigation:	Any significant change in the level of Commonwealth resources committed to support this Homelessness SIF (as described above under the heading "Public Funding Commitments") shall trigger a contractual breach by the Commonwealth, enabling MASH to return 100% of Invested Capital and any earned but unpaid interest at the rate of 3.33% (based on 85% success rate).
Pre-Payment:	The principal of the Investment Capital and accrued and unpaid interest may be prepaid by MASH at any time without premium or penalty.
Amendment and Waiver:	The Investment Agreement may be amended, or any term thereof waived, upon the written consent of MASH and the Financing Sources with Invested Capital the aggregate principal amount of which represents a majority of the outstanding principal amount of all then-unpaid Invested Capital.
No Security Interest:	The Invested Capital will be a general unsecured obligation of MASH.
Non-Recourse:	The Investment Agreement will reflect standard non-recourse language, releasing MASH's affiliates and partners from any liability.
Fees and Expenses:	Each Financing Source will bear its own fees and expenses incurred in the transactions contemplated by this term sheet.
Governing Law:	Massachusetts

* * *

In witness whereof, the undersigned have caused their duly authorized representatives to execute and deliver this Non-Binding Summary of Proposed Terms, effective as of the date first above written.

MASSACHUSETTS ALLIANCE FOR SUPPORTIVE HOUSING LLC

By: _____

Name: Joseph G. Finn

Title: Manager

Agreed to and accepted by:

SANTANDER BANK, N.A.

By: _____

Name: Roman Blanco

Title: Chief Executive Officer

Agreed to and accepted by:

UNITED WAY OF MASSACHUSETTS BAY, INC.
(d/b/a United Way of Massachusetts Bay and Merrimack Valley)

By:_____
Name: Michael K. Durkin
Title: Chief Executive Officer

Agreed to and accepted by:

CORPORATION FOR SUPPORTIVE HOUSING

By: Deborah De Santis
Name: Deborah De Santis
Title: Chief Executive Officer

Appendix A

Summary of Terms
PAY FOR SUCCESS CONTRACT
Between
THE COMMONWEALTH OF MASSACHUSETTS
And
MASSACHUSETTS ALLIANCE FOR SUPPORTIVE HOUSING LLC

The following summary of terms summarizes the principal terms and conditions of a proposed Pay For Success Contract (the "**Agreement**") between (i) the Commonwealth of Massachusetts (the "**Commonwealth**") acting by and through (a) the Executive Office for Administration and Finance ("**EOAF**"), and (b) the Department of Housing and Community Development within the Executive Office for Housing and Economic Development ("**DHCD**") and (ii) Massachusetts Alliance for Supportive Housing LLC ("**MASH**"), a wholly-owned subsidiary of Massachusetts Housing and Shelter Alliance, a non-profit corporation ("**MHSA**"), and is intended to serve as the basis upon which the parties will negotiate definitive documentation to reflect the Agreement.

RELATIONSHIP AMONG THE PARTIES

Overall Purpose: To provide low-threshold permanent supportive housing to chronically homeless and other "high use" homeless individuals in the Commonwealth in order to transition such individuals away from homelessness (the "**Housing Services**"). The Housing Services are intended to help shift the current focus of the Commonwealth on temporary emergency services toward low-threshold permanent supportive housing.

Agreement Purpose: To create a contractual structure whereby (i) MASH raises investment capital and/or grant proceeds from private sources of capital to facilitate initial funding of Housing Services, and (ii) the Commonwealth agrees to utilize funds available pursuant to the Social Innovation Financing Trust Fund created by Chapter 143 of the Acts of 2012 to fund MASH (the "**Success Payments**") upon achievement of certain performance metrics in connection with the Housing Services (as further described below, the "**Success Metrics**").

STRUCTURE AND ANCILLARY DOCUMENTATION

General Structure: MASH is a wholly-owned subsidiary of MHSA, governed by a Board of Managers comprised of representatives from MHSA, the United Way of Massachusetts Bay and Merrimack Valley ("**UWMB**") and the Corporation for Supportive Housing ("**CSH**").

MASH Agreements: In connection with the Agreement, MASH will enter into various additional contractual relationships, including (i) "payable-upon-success notes" to accredited investors (the "**Notes**") and/or grant agreements to support MASH's efforts to fund and facilitate the Housing Services ("**Grants**", and, together with the Notes, collectively, the "**Private Funding Documentation**"), (ii) a Program Coordination Agreement with MHSA and UWMB pursuant to which (a) MASH will coordinate with MHSA and UWMB to identify and manage the ongoing relationships with the third-party providers (the "**Providers**") implementing the Housing Services and (b) MHSA will license the "Home and Healthy for Good" model of MHSA to MASH (the "**Program Coordination Agreement**"), (iii) a Financial Management and Oversight Agreement (a) governing the distribution from MASH to UWMB of funds received pursuant to the Private Funding Documentation or as a result of Success Payments and (b) pursuant to which UWMB will provide MASH with general management services and financial oversight (including the disbursement of subgrants to the Providers) in connection with the Housing Services (the "**Financial Management and Oversight Agreement**"), (iv) various Services Agreements between MASH and UWMB, on the one hand, and a given Provider, on the other hand (each a "**Services Agreement**"), governing (a) the Housing Services and the obligations of a given Provider to MASH and (b) the use of funds and reporting obligations of a given Provider, and (v) an Evaluation Agreement with a third party evaluator (the "**Evaluator**") providing for verification of Required Information (as defined below) provided by MASH (the "**Evaluation Agreement**").

Commonwealth Arrangements: In connection with the Agreement, the Commonwealth will enter into or facilitate various additional agreements or arrangements, including (i) the issuance by DHCD of one hundred and forty-five (145) project-specific Massachusetts Rental Voucher Program vouchers to the successful Regional Administering Agency ("**RAA**") in a project-specific procurement and the subsequent award by the applicable RAA of the vouchers to MASH for distribution to the Providers (the "**MRVPs**"), (ii) good faith negotiations by its contracted managed care entities with and, provided such negotiations are successful, contracts with, the Providers to support the Housing Services (the "**Provider MCE Agreements**"), (iii) amendments by the Executive Office of Health and Human Services of contracts with all Commonwealth managed care entities to provide for a reimbursement similar to the existing reimbursement provided to certain individuals under the Community Support Program for People Experiencing Chronic Homelessness, which reimbursement will apply to all recipients of Housing Services (the "**MCE Amendments**"), (iv) amendments to

existing shelter contracts between the Commonwealth and the Providers to facilitate repurposing of emergency shelter funding to permanent supportive housing (the "**Provider Amendments**").

SOCIAL INNOVATION FINANCING AGREEMENT

Parties:	MASH Commonwealth
Term of Housing Services:	From the date that is the first day of the calendar quarter following satisfaction of the "**Financing Condition**" (which is the first date following the Effective Date (as defined below) when both the Private Funding Documentation has been executed and delivered, and the initial amounts contemplated to be funded thereunder pursuant to Appendix B of the Agreement are available) (the "**Commencement Date**") until the earlier of (i) six (6) years after the Commencement Date and (ii) the termination of the Agreement (the "**Services Term**").
Term of Agreement:	From the date on which the Agreement is signed and delivered from escrow by both parties (the "**Effective Date**") until the earlier of (i) the satisfaction of each Party's obligations under the Agreement and (ii) the termination of the Agreement (the "**Agreement Term**").
Success Metrics:	The guaranteed Success Payments will be based solely on occupancy rate of High Use Homeless Individuals (as defined below) in permanent supportive housing as part of the Housing Services during a specified period (as described in further detail below). These guaranteed occupancy-based Success Payments will be paid and payable based solely on the successful housing of High Use Homeless Individuals as part of the Housing Services, and will not depend on achievement of the indicative cost-savings assumptions to be attached to the Agreement (the "**Baseline Assumptions**"). As used herein, "**High Use Homeless Individuals**" means: Individuals meeting either the current HUD definition of "chronically homeless" or identified by the Providers as "Homeless, anticipated high-cost users of emergency services" based on a to-be-agreed triage and assessment tool.
Program Reporting / Measurement of Success Metrics:	MASH shall cause the Providers, MHSA, UWMB or other third party providers of services to MASH, to prepare the following reports for verification by the Evaluator and distribution to MASH and the Commonwealth:

- Within thirty days following the end of each three- (3-) month calendar quarter during the Services Term: a report (each a "**Periodic Report**") of (i) the name of each High Use Homeless Individual continuously housed by the Providers as part of the Housing Services ("**Participant**") beginning or continuing during such applicable three- (3-) calendar month quarter then ended during the Services Term (as applicable, the "**Reporting Period**"); (ii) for each such Participant, the following information verified (as applicable) by the Evaluator (the "**Required Information**"):
    - (a) the initial date of housing pursuant to the Housing Services and the total number of days such Participant has been continuously housed;
    - (b) evidence of or a statement confirming the provision of community-based support services, if applicable for such Participant; and
    - (c) the name of each former Participant who ceased to participate in the Housing Services during the Reporting Period.

  (iii) for any former Participant who ceased to participate in the Housing Services due either to death, the attainment of permanent housing outside of the Housing Services, entrance into a long-term residential treatment program, or incarceration for actions occurring previous to establishing occupancy with a Provider (a "**Qualified Former Participant**"), the number of days such Participant participated in the Housing Services in respect of which MASH has not previously received an occupancy-based success payment, and evidence confirming the reason for ceasing to participate in the Housing Services; (iv) for each current Participant ("**Current Participant**" and, in the case of any such Participant that has been housed for at least twelve (12) consecutive months, a "**Qualified Current Participant**"), the number days such Participant has participated in the Housing Services in respect of which MASH has not previously received an occupancy-based success payment; (v) a statement as to MASH's calculation of the Success Payments, in the form of an invoice for verification by the Independent Evaluator (a "**Proposed Invoice**"); (vi) a statement or data indicating the specific Provider providing Housing Services to a given Participant; (vii) a statement reconciling actual MASH expenditures to the anticipated expenditures set forth in the Agreement; and (viii) such other information as is reasonably requested in advance by the Commonwealth's members of the oversight committee established by the Parties (the "**Oversight Committee**"). The

aggregate days described in the above subclauses (iii) and (iv), as contained in a given Periodic Report are referred to as "**Qualified Payment Days**".

- The final Periodic Report shall be delivered by no later than the five (5) year, one (1) month anniversary of the Commencement Date and shall relate only to the period from the preceding Periodic Report through the end of the term of the Housing Services.

Occupancy-Based Success Payments:

Occupancy-based Success Payments shall be paid by EOAF to MASH in the following amounts and on the following timeframe based on the number of High Use Homeless Individuals successfully housed in permanent supportive housing as part of the Housing Services during the Services Term:

- Within forty-five (45) calendar days upon delivery of each Periodic Report and the Evaluator's confirmation of any Proposed Invoice therein (a "**Verified Invoice**"), the Commonwealth shall pay to MASH:
  - (a) with respect to each Current Participant and Qualified Current Participant for such Reporting Period, an amount in cash (by wire transfer of immediately available funds to MASH's program-specific operating account (the "**MASH Operating Account**")) equal to the product of (a) $8.22 (the "**Per Diem Rate**") multiplied by (b) such Qualified Current Participant's number of Qualified Payment Days as reported in such Periodic Report; and

  - (b) with respect to each Qualified Former Participant included in such Reporting Period, an amount in cash (by wire transfer of immediately available funds to the MASH Operating Account) equal to the product of (a) the Per Diem Rate multiplied by (b) such Qualified Former Participant's number of Qualified Payment Days as reported in such Periodic Report.

- In no event shall the aggregate amount of Success Payments funded exceed $6,000,0000 unless consented to in writing by the Commonwealth via an approved amendment to or extension of the Agreement and the Housing Services.

Commonwealth

Guarantee: The Success Payments shall be backed by the full faith and credit of the Commonwealth of Massachusetts.

Administrative Costs / Reimbursement of Expenses: MASH shall, consistent with its organizational documentation, use funds in the MASH Operating Account to fund in a timely manner its obligations under the Program Coordination Agreement, Financial Management and Oversight Agreement, and Services Agreements, as applicable, including reimbursement of related expenses (collectively, "**Fees and Expenses**").

Breach by the Commonwealth: If the Commonwealth materially breaches the terms of the Agreement, after receipt of written notice of termination from MASH, the Commonwealth shall promptly pay MASH an amount equal to (i) the principal amount of the Invested Capital actually expended by MASH, together with interest accrued and unpaid, plus (ii) amounts owed by MASH through the date of termination pursuant to the Program Coordination Agreement, the Provider Agreements, the Financial Management and Oversight Agreement, Services Agreements, and the Evaluation Agreement, minus (iii) certain funds available in the MASH Operating Account, plus (iv) reasonable costs to assure an orderly wind-down of the Agreement.

Termination: The Agreement may be terminated by either party upon written notice in case of the other party's material uncured breach, subject to customary cure rights.

Other Terms: The Agreement will contain other customary or appropriate terms, including the following:

- Oversight & Reporting. The Agreement will facilitate appropriately limited Commonwealth oversight of the Housing Services based on periodic meetings of the Oversight Committee and reporting.

- Representations & Warranties. The Agreement will reflect customary or appropriate representations and warranties of the parties, including (i) in the case of MASH, as to organization, good standing & qualifications; authorization & enforceability; non-contravention; government consents; compliance with laws; litigation, and (ii) in the case of the Commonwealth, as to powers as to contract and pledge, requisite approvals (absence of further required consents).

- Covenants. The Agreement will reflect additional covenants (including negative covenants) as necessary or appropriate to facilitate the provision of the Housing Services and availability and payment of Success Payments and to generally ensure efficient administration of the parties' respective rights and remedies under the Agreement.

- Additional Terms & Provisions. The Agreement will contain other terms and provisions as are customary or appropriate, including (without limitation) as to limitation of liability; amendment; successors and assigns; notices; third party beneficiary rights; severability; counterparts; captions; governing law; waiver of jury trial; certain Commonwealth standard terms and conditions (subject to review by MASH); further assurances; certain matters of interpretation; and integration (entire agreement).

MISCELLANEOUS

Expenses: Except as explicitly provided above or in the Agreement (or as otherwise statutorily allocated or approved from time to time) with respect to Fees and Expenses (as described above), each party shall bear its own fees and expenses incurred in connection with the evaluation, negotiation and consummation of the transactions contemplated by this Summary of Terms.

Confidentiality: This Summary of Terms shall be treated as confidential in all respects and shall not be distributed to any parties other than the Commonwealth, MASH, MHSA, UWMB, CSH and their respective representatives and advisors, and then solely on a need-to-know basis as required to facilitate negotiation and documentation of the Agreement; provided, that MASH and its advisers, agents, counsel and representatives shall be permitted to share this Summary of Terms as necessary or appropriate in connection with fundraising efforts relating to the Private Funding Documentation.

Nature of Document: This Non-Binding Summary of Terms is intended as an expression of certain basic understandings of the parties and does not constitute a legally binding obligation of the Commonwealth, MASH, MHSA or UWMB and any such rights or obligations in respect of the specific subject matter of this Summary of Terms shall only arise upon the execution of a binding definitive Agreement.

* * *

Appendix B

Indicative Six-Year Cash Flow Model
(Assuming an 85% Success Rate)

Please see attached.

MASH
FUNDING PLAN
SIF
6 YEAR CASH FLOW MODEL
530 UNITS @ 145 MRVP's
Appendix B

	Year 1					Year 2				
	Q1	Q2	Q3	Q4	Total	Q5	Q6	Q7	Q8	Total
Opening Cash	$ 2,500,000	$ 2,187,950	$ 1,875,900	$ 2,129,283	$ 2,500,000	$ 1,779,070	$ 1,521,220	$ 1,469,420	$ 1,975,403	$ 1,779,070
Revenues										
Funds Received from Commonwealth	-	-	-	-	-	255,000	255,000	247,350	255,000	**1,012,350**
Grants	-	-	333,333	-	**333,333**		-	333,333	-	**333,333**
Interest Income	-	-	-	5,787	**5,787**	-	-	-	4,693	**4,693**
Total Revenues	-	-	**333,333**	**5,787**	**339,120**	**255,000**	**255,000**	**580,683**	**259,693**	**1,350,376**
Expenses										
Payments to Providers	(232,100)	(232,100)	-	(206,050)	**(670,250)**	(438,150)	(232,100)	-	(206,050)	**(876,300)**
Payments to Intermediaries	(79,950)	(79,950)	(79,950)	(79,950)	**(319,800)**	(74,700)	(74,700)	(74,700)	(74,700)	**(298,800)**
Evaluation Expense	-	-	-	(70,000)	**(70,000)**	-	-	-	(60,000)	**(60,000)**
Investor Payments @ 3.33%	-	-	-	-	-	-	-	-	(165,000)	**(165,000)**
Total Expenses	(312,050)	(312,050)	(79,950)	(356,000)	(1,060,050)	(512,850)	(306,800)	(74,700)	(505,750)	(1,400,100)
Closing Cash	$ 2,187,950	$ 1,875,900	$ 2,129,283	$ 1,779,070	$ 1,779,070	$ 1,521,220	$ 1,469,420	$ 1,975,403	$ 1,729,346	$ 1,729,346

MASH
FUNDING PLAN
SIF
6 YEAR CASH FLOW MODEL
530 UNITS @ 145 MRVP's
Appendix B

	Year 3					Year 4				
	Q9	Q10	Q11	Q12	Total	Q13	Q14	Q15	Q16	Total
Opening Cash	$ 1,729,346	$ 1,726,646	$ 1,759,146	$ 2,265,280	$ 1,729,346	$ 2,102,173	$ 2,099,473	$ 2,131,973	$ 2,304,773	$ 2,102,173
Revenues										
Funds Received from Commonwealth	510,000	339,150	247,350	255,000	**1,351,500**	510,000	339,150	247,350	255,000	**1,351,500**
Grants		-	333,334	-	**333,334**	-	-	-	-	**-**
Interest Income	-	-	-	4,993	**4,993**	-	-	-	5,509	**5,509**
Total Revenues	**510,000**	**339,150**	**580,684**	**259,993**	1,689,827	**510,000**	**339,150**	**247,350**	**260,509**	1,357,009
Expenses										
Payments to Providers	(438,150)	(232,100)	-	(206,050)	**(876,300)**	(438,150)	(232,100)	-	(206,050)	**(876,300)**
Payments to Intermediaries	(74,550)	(74,550)	(74,550)	(74,550)	**(298,200)**	(74,550)	(74,550)	(74,550)	(74,550)	**(298,200)**
Evaluation Expense	-	-	-	(60,000)	**(60,000)**	-	-	-	(60,000)	**(60,000)**
Investor Payments @ 3.33%	-	-	-	(82,500)	**(82,500)**	-	-	-	(82,500)	**(82,500)**
Total Expenses	**(512,700)**	**(306,650)**	**(74,550)**	**(423,100)**	(1,317,000)	**(512,700)**	**(306,650)**	**(74,550)**	**(423,100)**	(1,317,000)
Closing Cash	$ 1,726,646	$ 1,759,146	$ 2,265,280	$ 2,102,173	$ 2,102,173	$ 2,099,473	$ 2,131,973	$ 2,304,773	$ 2,142,182	$ 2,142,182

MASH
FUNDING PLAN
SIF
6 YEAR CASH FLOW MODEL
530 UNITS @ 145 MRVP's
Appendix B

	Year 5					Year 6				
	Q17	Q18	Q19	Q20	Total	Q21	Q22	Q23	Q24	Total
Opening Cash	$ 2,142,182	$ 2,373,532	$ 2,640,082	$ 2,814,832	$ 2,142,182	$ 2,920,928	$ 3,103,328	$ 3,113,598	$ 3,113,598	$ 2,920,928
Revenues										
Funds Received from Commonwealth	510,000	339,150	247,350	255,000	**1,351,500**	255,000	84,150	-	-	**339,150**
Grants	-	-	-	-	**-**	-	-	-	-	**-**
Interest Income	-	-	-	6,196	**6,196**	-	-	-	6,105	**6,105**
Total Revenues	**510,000**	**339,150**	**247,350**	**261,196**	**1,357,696**	**255,000**	**84,150**	**-**	**6,105**	**345,255**
Expenses										
Payments to Providers	(206,050)	-	-	-	**(206,050)**	-	(1,280)	-	-	**(1,280)**
Payments to Intermediaries	(72,600)	(72,600)	(72,600)	(72,600)	**(290,400)**	(72,600)	(72,600)	-	-	**(145,200)**
Evaluation Expense	-	-	-	-	**-**	-	-	-	-	**-**
Investor Payments @ 3.33%	-	-	-	(82,500)	**(82,500)**	-	-	-	(2,587,500)	**(2,587,500)**
Total Expenses	**(278,650)**	**(72,600)**	**(72,600)**	**(155,100)**	**(578,950)**	**(72,600)**	**(73,880)**	**-**	**(2,587,500)**	**(2,733,980)**
Closing Cash	$ 2,373,532	$ 2,640,082	$ 2,814,832	$ 2,920,928	$ 2,920,928	$ 3,103,328	$ 3,113,598	$ 3,113,598	$ 532,203	$ 532,203

Appendix C

Schedule of Interest Rates Earned at Various Success Rates
and
Schedule of Invested Capital Principal Repayments at Various Success Rates

Please see attached.

Various Outcomes Based on Success Rates

MASH

FINANCIAL MODEL

SIF

(all projections based on 530 units @ 145 MRVPs)

APPENDIX C

Success Rates	Full capacity 94.30%	91%	88%	Proposed Capacity 85%	82%	79%
Interest Rate Offered to Investors	**5.33%**	**4.66%**	**4.00%**	**3.33%**	**2.00%**	**0%**
Payments to Providers for Success Payments	$ 3,506,000	$ 3,506,000	$ 3,506,000	**$ 3,506,480**	$ 3,506,000	$ 3,506,000
Payments to Intermediary MHSA and UWMB	1,650,600	$ 1,650,600	$ 1,650,600	**$ 1,650,600**	$ 1,650,600	$ 1,650,600
Evaluation - Reduced	250,000	$ 250,000	$ 250,000	**$ 250,000**	$ 250,000	$ 250,000
Interest paid to investors at various interest rates	800,000	$ 700,000	$ 600,000	$ 500,000	$ 300,000	$ -
Total Payments to made	6,206,600	6,106,600	6,006,600	**5,907,080**	5,706,600	5,406,600
Reserve balance required	826,683	714,283	623,483	**532,203**	541,883	651,083
Total Funds required	**$ 7,033,283**	**$ 6,820,883**	**$ 6,630,083**	**$ 6,439,283**	**$ 6,248,483**	**$ 6,057,683**
Funds Received from Commonwealth	6,000,000	$ 5,787,600	$ 5,596,800	**$ 5,406,000**	$ 5,215,200	$ 5,024,400
Philanthrophy	1,000,000	$ 1,000,000	$ 1,000,000	**$ 1,000,000**	$ 1,000,000	$ 1,000,000
Interest Income	33,283	$ 33,283	$ 33,283	**$ 33,283**	$ 33,283	$ 33,283
Loss of Principal	$ -	$ -	$ -	$ -	$ -	$ -
Percentage of Investors' Capital loss	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

Various Outcomes Based on Success Rates

MASH

FINANCIAL MODEL

SIF

(all projections based on 530 units @ 145 MRVPs)

APPENDIX C

Success Rates	79%	70%	60%	50%	40%	30%	20%	10%	0%
Interest Rate Offered to Investors	**0%**	-	-	-	-	-	-	-	-
Payments to Providers for Success Payments	$ 3,506,000	$ 3,506,000	$ 3,506,000	$ 3,506,000	$ 3,506,000	$ 3,506,000	$ 3,506,000	$ 3,506,000	$ 3,506,000
Payments to Intermediary MHSA and UWMB	$ 1,650,600	$ 1,650,600	$ 1,650,600	$ 1,650,600	$ 1,650,600	$ 1,650,600	$ 1,650,600	$ 1,650,600	$ 1,650,600
Evaluation - Reduced	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000
Interest paid to investors at various interest rates	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Payments to made	5,406,600	5,406,600	5,406,600	5,406,600	5,406,600	5,406,600	5,406,600	5,406,600	5,406,600
Reserve balance	$ 651,083	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 34,683	$ (601,317)	$ (1,237,317)	$ (1,873,317)
Total Funds required	**$ 6,057,683**	**$ 5,906,600**	**$ 5,906,600**	**$ 5,906,600**	**$ 5,906,600**	**$ 5,441,283**	**$ 4,805,283**	**$ 4,169,283**	**$ 3,533,283**
Funds received from Commonwealth	$ 5,024,400	$ 4,452,000	$ 3,816,000	$ 3,180,000	$ 2,544,000	$ 1,908,000	$ 1,272,000	$ 636,000	$ -
Philanthrophy	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
Interest Income	$ 33,283	$ 33,283	$ 33,283	$ 33,283	$ 33,283	$ 33,283	$ 33,283	$ 33,283	$ 33,283
Loss of Principal	$ -	**$ (421,317)**	**$ (1,057,317)**	**$ (1,693,317)**	**$ (2,329,317)**	**$ (2,500,000)**	**$ (2,500,000)**	**$ (2,500,000)**	**$ (2,500,000)**
		17%	42%	68%	93%	100%	100%	100%	100%

Green - Cash surplus available for distribution (not including reserve)

Yellow - Amount of investors' capital reduced at each success rate

COMMONWEALTH OF MASSACHUSETTS ~ STANDARD CONTRACT FORM

This form is jointly issued and published by the Executive Office for Administration and Finance (ANF), the Office of the Comptroller (CTR) and the Operational Services Division (OSD) as the default contract for all Commonwealth Departments when another form is not prescribed by regulation or policy. Any changes to the official printed language of this form shall be void. Additional non-conflicting terms may be added by Attachment. Contractors may not require any additional agreements, engagement letters, contract forms or other additional terms as part of this Contract without prior Department approval. Click on hyperlinks for definitions, instructions and legal requirements that are incorporated by reference into this Contract. An electronic copy of this form is available at www.mass.gov/osc under Guidance For Vendors - Forms or www.mass.gov/osd under OSD Forms.

CONTRACTOR LEGAL NAME: Massachusetts Alliance for Supportive Housing, LLC **(and d/b/a):**	**COMMONWEALTH DEPARTMENT NAME:** Executive Office Administration and Finance **MMARS Department Code:** ANF
Legal Address: (W-9, W-4,T&C):	**Business Mailing Address:** Statehouse Room 373 Boston MA 02133
Contract Manager: Joe Finn	**Billing Address (if different):**
E-Mail: jfinn@mhsa.net	**Contract Manager:** Danielle Cerny
Phone: (617) 367-6447 **Fax:**	**E-Mail:** Danielle.Cerny@state.ma.us
Contractor Vendor Code:	**Phone:** 617-727-2040 **Fax:**
Vendor Code Address ID (e.g. "AD001"): **(Note: The Address Id Must be set up for EFT payments.)**	**MMARS Doc ID(s):**
	RFR/Procurement or Other ID Number: RFR ANF SIF HI

X NEW CONTRACT	___ CONTRACT AMENDMENT
PROCUREMENT OR EXCEPTION TYPE: (Check one option only) __ **Statewide Contract** (OSD or an OSD-designated Department) __ **Collective Purchase** (Attach OSD approval, scope, budget) X **Department Procurement** (includes State or Federal grants 815 CMR 2.00) (Attach RFR and Response or other procurement supporting documentation) __ **Emergency Contract** (Attach justification for emergency, scope, budget) __ **Contract Employee** (Attach Employment Status Form, scope, budget) __ **Legislative/Legal or Other:** (Attach authorizing language/justification, scope and budget)	Enter **Current Contract End Date** *Prior* to Amendment: _____, 20___. Enter **Amendment Amount:** $ _____. (or "no change") **AMENDMENT TYPE: (Check one option only. Attach details of Amendment changes.)** __ **Amendment to Scope or Budget** (Attach updated scope and budget) __ **Interim Contract** (Attach justification for Interim Contract and updated scope/budget) __ **Contract Employee** (Attach any updates to scope or budget) __ **Legislative/Legal or Other:** (Attach authorizing language/justification and updated scope and budget)

The following COMMONWEALTH TERMS AND CONDITIONS (T&C) has been executed, filed with CTR and is incorporated by reference into this Contract.

X Commonwealth Terms and Conditions __ Commonwealth Terms and Conditions For Human and Social Services

COMPENSATION: (Check ONE option): The Department certifies that payments for authorized performance accepted in accordance with the terms of this Contract will be supported in the state accounting system by sufficient appropriations or other non-appropriated funds, subject to intercept for Commonwealth owed debts under 815 CMR 9.00.

__ **Rate Contract** (No Maximum Obligation. Attach details of all rates, units, calculations, conditions or terms and any changes if rates or terms are being amended.)

X **Maximum Obligation Contract** Enter Total Maximum Obligation for total duration of this Contract (or *new* Total if Contract is being amended). $ 6,000,000.

PROMPT PAYMENT DISCOUNTS (PPD): Commonwealth payments are issued through EFT 45 days from invoice receipt. Contractors requesting **accelerated** payments must identify a PPD as follows: Payment issued within 10 days __% PPD; Payment issued within 15 days __% PPD; Payment issued within 20 days __% PPD; Payment issued within 30 days __% PPD. If PPD percentages are left blank, identify reason: __agree to standard 45 day cycle __ statutory/legal or Ready Payments (G.L. c. 29, § 23A); __ only initial payment (subsequent payments scheduled to support standard EFT 45 day payment cycle. See Prompt Pay Discounts Policy.)

BRIEF DESCRIPTION OF CONTRACT PERFORMANCE or REASON FOR AMENDMENT: (Enter the Contract title, purpose, fiscal year(s) and a detailed description of the scope of performance or what is being amended for a Contract Amendment. Attach all supporting documentation and justifications.)

Contract for the Chronic Individual Homelessness Pay for Success Initiative. The Massachusetts Alliance for Supportive Housing, LLC will serve as the project intermediary, coordinating funders, providers, and project partners to house chronically homeless individuals as described in the attached document.

ANTICIPATED START DATE: (Complete ONE option only) The Department and Contractor certify for this Contract, or Contract Amendment, that Contract obligations:

X 1. may be incurred as of the Effective Date (latest signature date below) and no obligations have been incurred prior to the Effective Date.

__ 2. may be incurred as of _____, 20___, a date LATER than the Effective Date below and no obligations have been incurred prior to the Effective Date.

__ 3. were incurred as of ___, a date PRIOR to the Effective Date below, and the parties agree that payments for any obligations incurred prior to the Effective Date are authorized to be made either as settlement payments or as authorized reimbursement payments, and that the details and circumstances of all obligations under this Contract are attached and incorporated into this Contract. Acceptance of payments forever releases the Commonwealth from further claims related to these obligations.

CONTRACT END DATE: Contract performance shall terminate as of **June 30, 2021**, with no new obligations being incurred after this date unless the Contract is properly amended, provided that the terms of this Contract and performance expectations and obligations shall survive its termination for the purpose of resolving any claim or dispute, for completing any negotiated terms and warranties, to allow any close out or transition performance, reporting, invoicing or final payments, or during any lapse between amendments.

CERTIFICATIONS: Notwithstanding verbal or other representations by the parties, the **"Effective Date"** of this Contract or Amendment shall be the latest date that this Contract or Amendment has been executed by an authorized signatory of the Contractor, the Department, or a later Contract or Amendment Start Date specified above, subject to any required approvals. The Contractor makes all certifications required under the attached Contractor Certifications (incorporated by reference if not attached hereto) under the pains and penalties of perjury, agrees to provide any required documentation upon request to support compliance, and agrees that all terms governing performance of this Contract and doing business in Massachusetts are attached or incorporated by reference herein according to the following hierarchy of document precedence, the applicable Commonwealth Terms and Conditions, this Standard Contract Form including the Instructions and Contractor Certifications, the Request for Response (RFR) or other solicitation, the Contractor's Response, and additional negotiated terms, provided that additional negotiated terms will take precedence over the relevant terms in the RFR and the Contractor's Response only if made using the process outlined in 801 CMR 21.07, incorporated herein, provided that any amended RFR or Response terms result in best value, lower costs, or a more cost effective Contract.

AUTHORIZING SIGNATURE FOR THE CONTRACTOR:	AUTHORIZING SIGNATURE FOR THE COMMONWEALTH:
X: _____ Date: 12/3/14	X: _____ Date: 12/3/14
(Signature and Date Must Be Handwritten At Time of Signature)	(Signature and Date Must Be Handwritten At Time of Signature)
Print Name: Joe Finn	Print Name: Glen Shor
Print Title: Manager	Print Title: Secretary of Administration and Finance

INSTRUCTIONS AND CONTRACTOR CERTIFICATIONS

COMMONWEALTH OF MASSACHUSETTS ~ STANDARD CONTRACT FORM

The following instructions and terms are incorporated by reference and apply to this Standard Contract Form. Text that appears underlined indicates a "hyperlink" to an Internet or bookmarked site and are unofficial versions of these documents and Departments and Contractors should consult with their legal counsel to ensure compliance with all legal requirements. Using the Web Toolbar will make navigation between the form and the hyperlinks easier. Please note that not all applicable laws have been cited.

CONTRACTOR LEGAL NAME (AND D/B/A): Enter the **Full Legal Name** of the Contractor's business as it appears on the Contractor's W-9 or W-4 Form (Contract Employees only) **and** the applicable Commonwealth Terms and Conditions if Contractor also has a "doing business as" (d/b/a) name, BOTH the legal name and the "d/b/a" name must appear in this section.

Contractor Legal Address: Enter the Legal Address of the Contractor as it appears on the Contractor's W-9 or W-4 Form (Contract Employees only) **and** the applicable Commonwealth Terms and Conditions, which must match the legal address on the 1099I table in MMARS (or the Legal Address in HR/CMS for Contract Employee).

Contractor Contract Manager: Enter the authorized Contract Manager who will be responsible for managing the Contract. The Contract Manager should be an Authorized Signatory or, at a minimum, a person designated by the Contractor to represent the Contractor, receive legal notices and negotiate ongoing Contract issues. The Contract Manager is considered "Key Personnel" and may not be changed without the prior written approval of the Department. If the Contract is posted on Comm-PASS, the Contract Manager must be listed on the Vendor Section tab.

Contractor E-Mail Address/Phone/Fax: Enter the electronic mail (e-mail) address, phone and fax number of the Contractor Contract Manager. This information must be kept current by the Contractor to ensure that the Department can contact the Contractor and provide any required legal notices. Notice received by the Contract Manager (with confirmation of actual receipt) through the listed address, fax number(s) or electronic mail address will meet any written legal notice requirements.

Contractor Vendor Code: The Department must enter the MMARS Vendor Code assigned by the Commonwealth. If a Vendor Code has not yet been assigned, leave this space blank and the Department will complete this section when a Vendor Code has been assigned. The Department is responsible under the Vendor File and W-9s Policy for verifying with authorized signatories of the Contractor, as part of contract execution, that the legal name, address and Federal Tax Identification Number (TIN) in the Contract documents match the state accounting system.

Vendor Code Address ID: (e.g., "AD001") The Department must enter the MMARS Vendor Code Address Id identifying the payment remittance address for Contract payments, which MUST be set up for EFT payments PRIOR to the first payment under the Contract in accordance with the Bill Paying and Vendor File and W-9 policies.

COMMONWEALTH DEPARTMENT NAME: Enter the full Department name with the authority to obligate funds encumbered for the Contract.

Commonwealth MMARS Alpha Department Code: Enter the three (3) letter MMARS Code assigned to this Commonwealth Department in the state accounting system.

Department Business Mailing Address: Enter the address where all formal correspondence to the Department must be sent. Unless otherwise specified in the Contract, legal notice sent or received by the Department's Contract Manager (with confirmation of actual receipt) through the listed address, fax number(s) or electronic mail address for the Contract Manager will meet any requirements for legal notice.

Department Billing Address: Enter the Billing Address or email address if invoices must be sent to a different location. Billing or confirmation of delivery of performance issues should be resolved through the listed Contract Managers.

Department Contract Manager: Identify the authorized Contract Manager who will be responsible for managing the Contract, who should be an authorized signatory or an employee designated by the Department to represent the Department to receive legal notices and negotiate ongoing Contract issues.

Department E-Mail Address/Phone/Fax: Enter the electronic mail (e-mail) address, phone and fax number of the Department Contract Manager. Unless otherwise specified in the Contract, legal notice sent or received by the Contract Manager (with confirmation of actual receipt) through the listed address, fax number(s) or electronic mail address will meet any requirements for written notice under the Contract.

MMARS Document ID(s): Enter the MMARS 20 character encumbrance transaction number associated with this Contract which must remain the same for the life of the Contract. If multiple numbers exist for this Contract, identify all Doc Ids.

RFR/Procurement or Other ID Number or Name: Enter the Request for Response (RFR) or other Procurement Reference number, Contract ID Number or other reference/tracking number for this Contract or Amendment and will be entered into the Board Award Field in the MMARS encumbrance transaction for this Contract.

NEW CONTRACTS (left side of Form):

Complete this section ONLY if this Contract is brand new. (Complete the CONTRACT AMENDMENT section for any material changes to an existing or an expired Contract, and for exercising options to renew or annual contracts under a multi-year procurement or grant program.)

PROCUREMENT OR EXCEPTION TYPE: Check the appropriate type of procurement or exception for this Contract. Only one option can be selected. See State Finance Law and General Requirements, Acquisition Policy and Fixed Assets, the Commodities and Services Policy and the Procurement Information Center (Department Contract Guidance) for details.

Statewide Contract (OSD or an OSD-designated Department). Check this option for a Statewide Contract under OSD, or by an OSD-designated Department.

Collective Purchase approved by OSD. Check this option for Contracts approved by OSD for collective purchases through federal, state, local government or other entities.

Department Contract Procurement. Check this option for a Department procurement including state grants and federal sub-grants under 815 CMR 2.00 and State Grants and Federal Subgrants Policy, Departmental Master Agreements (MA). If multi-Department user Contract, identify multi-Department use is allowable in Brief Description.

Emergency Contract. Check this option when the Department has determined that an unforeseen crisis or incident has arisen which requires or mandates immediate purchases to avoid substantial harm to the functioning of government or the provision of necessary or mandated services or whenever the health, welfare or safety of clients or other persons or serious damage to property is threatened.

Contract Employee. Check this option when the Department requires the performance of an Individual Contractor, and when the planned Contract performance with an individual has been classified using the Employment Status Form (prior to the Contractor's selection) as work of a Contract Employee and not that of an Independent Contractor.

Legislative/Legal or Other. Check this option when legislation, an existing legal obligation, prohibition or other circumstance exempts or prohibits a Contract from being competitively procured, or identify any other procurement exception not already listed. Legislative "earmarks" exempt the Contract solely from procurement requirements, and all other Contract and state finance laws and policies apply. Supporting documentation must be attached to explain and justify the exemption.

CONTRACT AMENDMENT (Right Side of Form)

Complete this section for any Contract being renewed, amended or to continue a lapsed Contract. All Contracts with available options to renew must be amended referencing the original procurement and Contract doc ids, since all continuing contracts must be maintained in the same Contract file (even if the underlying appropriation changes each fiscal year.) "See Amendments, Suspensions, and Termination Policy.)

Enter Current Contract End Date: Enter the termination date of the Current Contract being amended, even if this date has already passed. (Note: Current Start Date is not requested since this date does not change and is already recorded in MMARS.)

Enter Amendment Amount: Enter the amount of the Amendment increase or decrease to a Maximum Obligation Contract. Enter "no change" for Rate Contracts or if no change.

AMENDMENT TYPE: Identify the type of Amendment being done. Documentation supporting the updates to performance and budget must be attached. **Amendment to Scope or Budget.** Check this option when renewing a Contract or executing any Amendment ("material change" in Contract terms) even if the Contract has lapsed. The parties may negotiate a change in any element of Contract performance or cost identified in the RFR or the Contractor's response which results in lower costs, or a more cost-effective or better value performance than was presented in the original selected response, provided the negotiation results in a better value within the scope of the RFR than what was proposed by the Contractor in the original selected response. Any "material" change in the Contract terms must be memorialized in a formal Amendment even if a corresponding MMARS transaction is not needed to support the change. Additional negotiated terms will take precedence over the relevant terms in the RFR and the Contractor's Response only if made using the process outlined in 801 CMR 21.07, incorporated herein, provided that any amended RFR or Response terms result in best value, lower costs, or a more cost effective Contract.

Interim Contracts. Check this option for an Interim Contract to prevent a lapse of Contract performance whenever an existing Contract is being re-procured but the new procurement has not been completed, to bridge the gap during implementation between an expiring and a new procurement, or to contract with an interim Contractor when a current Contractor is unable to complete full performance under a Contract.

Contract Employee. Check this option when the Department requires a renewal or other amendment to the performance of a Contract Employee.

Legislative/Legal or Other. Check this option when legislation, an existing legal obligation, prohibition or other circumstance exempts or prohibits a Contract from being competitively procured, or identify any other procurement exception not already listed. Legislative "earmarks" exempt the Contract solely from procurement requirements, and all other Contract and state finance laws and policies apply. Attach supporting documentation to explain and justify the exemption and whether Contractor selection has been publicly posted.

COMMONWEALTH TERMS AND CONDITIONS

Identify which Commonwealth Terms and Conditions the Contractor has executed and is incorporated by reference into this Contract. This Form is signed only once and recorded on the Vendor Customer File (VCUST). See Vendor File and W-9s Policy.

COMMONWEALTH OF MASSACHUSETTS ~ STANDARD CONTRACT FORM

COMPENSATION

Identify if the Contract is a **Rate Contract** (with no stated Maximum Obligation) or a **Maximum Obligation Contract** (with a stated Maximum Obligation) and identify the Maximum Obligation. If the Contract is being amended, enter the new Maximum Obligation based upon the increase or decreasing Amendment. The Total Maximum Obligation must reflect the total funding for the dates of service under the contract, including the Amendment amount if the Contract is being amended. The Maximum Obligation must match the MMARS encumbrance. Funding and allotments must be verified as available and encumbered prior to incurring obligations. If a Contract includes both a Maximum Obligation component and Rate Contract component, check off both, specific Maximum Obligation amounts or amended amounts and Attachments must clearly outline the Contract breakdown to match the encumbrance.

PAYMENTS AND PROMPT PAY DISCOUNTS

Payments are processed within a 45 day payment cycle through EFT in accordance with the Commonwealth Bill Paying Policy for investment and cash flow purposes. Departments may NOT negotiate accelerated payments and Payees are NOT entitled to accelerated payments UNLESS a prompt payment discount (PPD) is provided to support the Commonwealth's loss of investment earnings for this earlier payment, or unless a payments is legally mandated to be made in less than 45 days (e.g., construction contracts, Ready Payments under G.L. c. 29, s. 23A). See Prompt Pay Discounts Policy. PPD are identified as a percentage discount which will be automatically deducted when an accelerated payment is made. Reduced contracts rates may not be negotiated to replace a PPD. If PPD fields are left blank please identify that the Contractor agrees to the standard 45 day cycle; a statutory/legal exemption such as Ready Payments (G.L. c. 29, § 23A); or only an initial accelerated payment for reimbursements or start up costs for a grant, with subsequent payments scheduled to support standard EFT 45 day payment cycle. Financial hardship is not a sufficient justification to accelerate cash flow for *all* payments under a Contract. Initial grant or contract payments may be accelerated for the *first* invoice or initial grant installment, but subsequent periodic installments or invoice payments should be scheduled to support the Payee cash flow needs and the standard 45 day EFT payment cycle in accordance with the Bill Paying Policy. Any accelerated payment that does not provide for a PPD must have a legal justification in Contract file for audit purposes explaining why accelerated payments were allowable without a PPD.

BRIEF DESCRIPTION OF CONTRACT PERFORMANCE

Enter a brief description of the Contract performance, project name and/or other identifying information for the Contract to specifically identify the Contract performance, match the Contract with attachments, determine the appropriate expenditure code (as listed in the Expenditure Classification Handbook) or to identify or clarify important information related to the Contract such as the Fiscal Year(s) of performance (ex. "FY2012" or "FY2012-14"). Identify settlements or other exceptions and attach more detailed justification and supporting documents. Enter "Multi-Department Use" if other Departments can access procurement. For Amendments, identify the purpose and what items are being amended. Merely stating "see attached" or referencing attachments without a narrative description of performance is insufficient.

ANTICIPATED START DATE

The Department and Contractor must certify WHEN obligations under this Contract/Amendment may be incurred. Option 1 is the default option when performance may begin as of the Effective Date (latest signature date and any required approvals). If the parties want a new Contract or renewal to begin as of the upcoming fiscal year then list the fiscal year(s) (ex. "FY2012" or "FY2012-14") in the Brief Description section. Performance starts and encumbrances reflect the default Effective Date (if no FY is listed) or the later FY start date (if a FY is listed). Use Option 2 only when the Contract will be signed well in advance of the start date and identify a specific future start date. Do not use Option 2 for a fiscal year start unless it is certain that the Contract will be signed prior to fiscal year. Option 3 is used in lieu of the Settlement and Release Form when the Contract/Amendment is signed late, and obligations have already been incurred by the Contractor prior to the Effective Date for which the Department has either requested, accepted or deemed legally eligible for reimbursement, and the Contract includes supporting documents justifying the performance or proof of eligibility, and approximate costs. Any obligations incurred outside the scope of the Effective Date under any Option listed, even if the incorrect Option is selected, shall be automatically deemed a settlement included under the terms of the Contract and upon payment to the Contractor will release the Commonwealth from further obligations for the identified performance. All settlement payments require justification and must be under same encumbrance and object codes as the Contract payments. Performance dates are subject to G.L. c.4, § 9.

CONTRACT END DATE

The Department must enter the date that Contract performance will terminate. **If the Contract is being amended and the Contract End Date is not changing, this date must be re-entered again here.** A Contract must be signed for at least the initial duration but not longer than the period of procurement listed in the RFR, or other solicitation document (if applicable). No new performance is allowable beyond the end date without an amendment, but the Department may allow a Contractor to complete minimal close out performance obligations if substantial performance has been made prior to the termination date of the Contract and prior to the end of the fiscal year in which payments are appropriated, provided that any close out performance is subject to appropriation and funding limits under state finance law, and CTR may adjust encumbrances and payments in the state accounting system to enable final close out payments. Performance dates are subject to G.L. c.4, § 9.

CERTIFICATIONS AND EXECUTION

See Department Head Signature Authorization Policy and the Contractor Authorized Signatory Listing for policies on Contractor and Department signatures.

Authorizing Signature for Contractor/Date: The Authorized Contractor Signatory must (in their own handwriting and in ink) sign AND enter the date the Contract is signed. See section above under "Anticipated Contract Start Date". Acceptance of payment by the Contractor shall waive any right of the Contractor to claim the Contract/Amendment is not valid and the Contractor may not void the Contract. **Rubber stamps, typed or other images are not acceptable.** Proof of Contractor signature authorization on a **Contractor Authorized Signatory Listing** may be required by the Department if not already on file.

Contractor Name /Title: The Contractor Authorized Signatory's name and title must appear legibly as it appears on the **Contractor Authorized Signatory Listing**.

Authorizing Signature For Commonwealth/Date: The Authorized Department Signatory must (in their own handwriting and in ink) sign AND enter the date the Contract is signed. See section above under "Anticipated Start Date". **Rubber stamps, typed or other images are not accepted.** The Authorized Signatory must be an employee within the Department legally responsible for the Contract. See Department Head Signature Authorization. The Department must have the legislative funding appropriated for all the costs of this Contract or funding allocated under an approved Interdepartmental Service Agreement (ISA). A Department may not contract for performance to be delivered to or by another state department without specific legislative authorization (unless this Contract is a Statewide Contract). For Contracts requiring Secretariat signoff, evidence of Secretariat signoff must be included in the Contract file.

Department Name /Title: Enter the Authorized Signatory's name and title legibly.

CONTRACTOR CERTIFICATIONS AND LEGAL REFERENCES

Notwithstanding verbal or other representations by the parties, the "Effective Date" of this Contract or Amendment shall be the latest date that this Contract or Amendment has been executed by an authorized signatory of the Contractor, the Department, or a later Contract or Amendment Start Date specified, subject to any required approvals. The Contractor makes all certifications required under this Contract under the pains and penalties of perjury, and agrees to provide any required documentation upon request to support compliance, and agrees that all terms governing performance of this Contract and doing business in Massachusetts are attached or incorporated by reference herein:

Commonwealth and Contractor Ownership Rights. The Contractor certifies and agrees that the Commonwealth is entitled to ownership and possession of all "deliverables" purchased or developed with Contract funds. A Department may not relinquish Commonwealth rights to deliverables nor may Contractors sell products developed with Commonwealth resources without just compensation. The Contract should detail all Commonwealth deliverables and ownership rights and any Contractor proprietary rights.

Qualifications. The Contractor certifies it is qualified and shall at all times remain qualified to perform this Contract; that performance shall be timely and meet or exceed industry standards for the performance required, including obtaining requisite licenses, registrations, permits, resources for performance, and sufficient professional, liability; and other appropriate insurance to cover the performance. If the Contractor is a business, the Contractor certifies that it is listed under the Secretary of State's website as licensed to do business in Massachusetts, as required by law.

Business Ethics and Fraud, Waste and Abuse Prevention. The Contractor certifies that performance under this Contract, in addition to meeting the terms of the Contract, will be made using ethical business standards and good stewardship of taxpayer and other public funding and resources to prevent fraud, waste and abuse.

Collusion. The Contractor certifies that this Contract has been offered in good faith and without collusion, fraud or unfair trade practices with any other person, that any actions to avoid or frustrate fair and open competition are prohibited by law, and shall be grounds for rejection or disqualification of a Response or termination of this Contract.

Public Records and Access The Contractor shall provide full access to records related to performance and compliance to the Department and officials listed under Executive Order 195 and G.L. c. 11, s.12 seven (7) years beginning on the first day after the final payment under this Contract or such longer period necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving this Contract. Access to view Contractor records related to any breach or allegation of fraud, waste and/or abuse may not be denied and Contractor can not claim confidentiality or trade secret protections solely for viewing but not retaining documents. Routine Contract performance compliance reports or documents related to any alleged breach or allegation of non-compliance, fraud, waste, abuse or collusion may be provided electronically and shall be provided at Contractor's own expense. Reasonable costs for copies of non-routine Contract related records shall not exceed the rates for public records under 950 C.M.R. 32.00.

Debarment. The Contractor certifies that neither it nor any of its subcontractors are currently debarred or suspended by the federal or state government under any law or regulation including, Executive Order 147; G.L. c. 29, s. 29F G.L. c.30, § 39R, G.L. c.149, § 27C, G.L. c.149, § 44C, G.L. c.149, § 148B and G.L. c. 152, s. 25C.

Applicable Laws. The Contractor shall comply with all applicable state laws and regulations including but not limited to the applicable Massachusetts General Laws; the Official Code of Massachusetts Regulations; Code of Massachusetts Regulations (unofficial); 801 CMR 21.00 (Procurement of Commodity and Service Procurements, including Human and Social Services); 815 CMR 2.00 (Grants and Subsidies); 808 CMR 1.00 (Compliance, Reporting and Auditing for Human And Social Services); AICPA Standards; confidentiality of Department records under G.L. c. 66A; and the Massachusetts Constitution Article XVIII if applicable.

Invoices. The Contractor must submit invoices in accordance with the terms of the Contract and the Commonwealth Bill Paying Policy. Contractors must be able to reconcile and properly attribute concurrent payments from multiple Departments. Final invoices in any fiscal year must be submitted no later than August 15th for performance made and received (goods delivered, services completed) prior to June 30th, in order to make payment for that performance prior to the close of the fiscal year to prevent reversion of appropriated funds. Failure to submit timely invoices by August 15th or other date listed in the Contract shall authorize the Department to issue an estimated payment based upon the Department's determination of performance delivered and accepted. The Contractor's acceptance of this estimated payment releases the Commonwealth from further claims for these invoices. If budgetary funds revert due to the Contractor's failure to submit timely final invoices, or for disputing an estimated payment, the Department may deduct a penalty up to 10% from any final payment in the next fiscal year for failure to submit timely invoices.

Payments Subject To Appropriation. Pursuant to G.L. c. 29 § 26, § 27 and § 29, Departments are required to expend funds only for the purposes set forth by the Legislature and within the funding limits established through appropriation, allotment and subsidiary, including mandated allotment reductions triggered by G.L. c. 29, § 9C. A Department cannot authorize or accept performance in excess of an existing appropriation and allotment, or sufficient non-appropriated available funds. Any oral or written representations, commitments, or assurances made by the Department or any other Commonwealth representative are not binding. The Commonwealth has no legal obligation to compensate a Contractor for performance that is not requested and is intentionally delivered by a Contractor outside the scope of a Contract. Contractors should verify funding prior to beginning performance.

Intercept. Contractors may be registered as Customers in the Vendor file if the Contractor owes a Commonwealth debt. Unresolved and undisputed debts, and overpayments of Contract payments that are not reimbursed timely shall be subject to intercept pursuant to G.L. c. 7A, s. 3 and 815 CMR 9.00. Contract overpayments will be subject to immediate intercept or payment offset. The Contractor may not penalize any state Department or assess late fees, cancel a Contract or other services if amounts are intercepted or offset due to recoupment of an overpayment, outstanding taxes, child support, other overdue debts or Contract overpayments.

Tax Law Compliance. The Contractor certifies under the pains and penalties of perjury tax compliance with Federal tax laws; State tax laws including but not limited to G.L. c. 62C, G.L. c. 62C, s. 49A; compliance with all state tax laws, reporting of employees and contractors, withholding and remitting of tax withholdings and child support and is in good standing with respect to all state taxes and returns due; reporting of employees and contractors under G.L. c. 62E, withholding and remitting child support including G.L. c. 119A, s. 12; TIR 05-11; New Independent Contractor Provisions and applicable TIRs.

Bankruptcy, Judgments, Potential Structural Changes, Pending Legal Matters and Conflicts. The Contractor certifies it has not been in bankruptcy and/or receivership within the last three calendar years, and the Contractor certifies that it will immediately notify the Department in writing **at least 45 days prior** to filing for bankruptcy and/or receivership, any potential structural change in its organization, or if there is **any risk** to the solvency of the Contractor that may impact the Contractor's ability to timely fulfill the terms of this Contract or Amendment. The Contractor certifies that at any time during the period of the Contract the Contractor is required to affirmatively disclose in writing to the Department Contract Manager the details of any judgment, criminal conviction, investigation or litigation pending against the Contractor or any of its officers, directors, employees, agents, or subcontractors, including any potential conflicts of interest of which the Contractor has knowledge, or learns of during the Contract term. Law firms or Attorneys providing legal services are required to identify any potential conflict with representation of any Department client in accordance with Massachusetts Board of Bar Overseers (BBO) rules.

Federal Anti-Lobbying and Other Federal Requirements. If receiving federal funds, the Contractor certifies compliance with federal anti-lobbying requirements including 31 USC 1352; other federal requirements; Executive Order 11246; Air Pollution Act; Federal Water Pollution Control Act and Federal Employment Laws.

Protection of Personal Data and Information. The Contractor certifies that all steps will be taken to ensure the security and confidentiality of all Commonwealth data for which the Contractor becomes a holder, either as part of performance or inadvertently during performance, with special attention to restricting access, use and disbursement of personal data and information under G.L. c. 93H and c. 66A and Executive Order 504. The Contractor is required to comply with G.L. c. 93I for the proper disposal of all paper and electronic media, backups or systems containing personal data and information, provided further that the Contractor is required to ensure that any personal data or information transmitted electronically or through a portable device be properly encrypted using (at a minimum) Information Technology Division (ITD) Protection of Sensitive Information, provided further that any Contractor having access to credit card or banking information of Commonwealth customers certifies that the Contractor is PCI compliant in accordance with the Payment Card Industry Council Standards and shall provide confirmation compliance during the Contract, provide further that the Contractor shall immediately notify the Department in the event of any security breach including the unauthorized access, disbursement, use or disposal of personal data or information, and in the event of a security breach, the Contractor shall cooperate fully with the Commonwealth and provide access to any information necessary for the Commonwealth to respond to the security breach and shall be fully responsible for any damages associated with the Contractor's breach including but not limited to G.L. c. 214, s. 3B.

Corporate and Business Filings and Reports. The Contractor certifies compliance with any certification, filing, reporting and service of process requirements of the Secretary of the Commonwealth, the Office of the Attorney General or other Departments as related to its conduct of business in the Commonwealth; and with its incorporating state (or foreign entity).

Employer Requirements. Contractors that are employers certify compliance with applicable state and federal employment laws or regulations, including but not limited to G.L. c. 5, s. 1 (Prevailing Wages for Printing and Distribution of Public Documents); G.L. c. 7, s. 22 (Prevailing Wages for Contracts for Meat Products and Clothing and Apparel); minimum wages and prevailing wage programs and payments; unemployment insurance and contributions; workers' compensation and insurance, child labor laws, AGO fair labor practices; G.L. c. 149 (Labor and Industries); G.L. c. 150A (Labor Relations); G.L. c. 151 and 455 CMR 2.00 (Minimum Fair Wages); G.L. c. 151A (Employment and Training); G. L. c. 151B (Unlawful Discrimination); G.L. c. 151E (Business Discrimination); G.L. c. 152 (Workers' Compensation); G.L. c.153 (Liability for Injuries); 29 USC c. 8 (Federal Fair Labor Standards); 29 USC c. 28 and the Federal Family and Medical Leave Act.

Federal And State Laws And Regulations Prohibiting Discrimination including but not limited to the Federal Equal Employment Opportunity (EEO) Laws the Americans with Disabilities Act,; 42 U.S.C Sec. 12,101, et seq., the Rehabilitation Act, 29 USC c. 16 s. 794; 29 USC c. 16. s. 701; 29 USC c. 14, 623; the 42 USC c. 45; (Federal Fair Housing Act); G. L. c. 151B (Unlawful Discrimination); G.L. c. 151E (Business Discrimination); the Public Accommodations Law G.L. c. 272, s. 92A; G.L. c. 272, s. 98 and 98A, Massachusetts Constitution Article CXIV and G.L. c. 93, s. 103; 47 USC c. 5, sc. II, Part II, s. 255 (Telecommunication Act; Chapter 149, Section 105D, G.L. c. 151C, G.L. c. 272, Section 92A, Section 98 and Section 98A, and G.L. c. 111, Section 199A, and Massachusetts Disability-Based Non-Discrimination Standards For Executive Branch Entities, and related Standards and Guidance, authorized under Massachusetts Executive Order or any disability-based protection arising from state or federal law or precedent. See also MCAD and MCAD links and Resources.

Small Business Purchasing Program (SBPP). A Contractor may be eligible to participate in the SBPP, created pursuant to Executive Order 523, if qualified through the SBPP SmartBid subscription process at: www.comm-pass.com and with acceptance of the terms of the SBPP participation agreement.

Limitation of Liability for Information Technology Contracts (and other Contracts as Authorized). The Information Technology Mandatory Specifications and the IT Acquisition Accessibility Contract Language are incorporated by reference into Information Technology Contracts. The following language will apply to Information Technology contracts in the U01, U02, U03, U04, U05, U06, U07, U08, U09, U10, U75, U98 object codes in the Expenditure Classification Handbook or other Contracts as approved by CTR or OSD. Pursuant to Section 11. Indemnification of the Commonwealth Terms and Conditions, the term "other damages" shall include, but shall not be limited to, the reasonable costs the Commonwealth incurs to repair, return, replace or seek cover (purchase of comparable substitute commodities and services) under a Contract. "Other damages" shall not include damages to the Commonwealth as a result of third party claims, provided, however, that the foregoing in no way limits the Commonwealth's right of recovery for personal injury or property damages or patent and copyright infringement under Section 11 nor the Commonwealth's ability to join the contractor as a third party defendant. Further, the term "other damages" shall not include, and in no event shall the contractor be liable for, damages for the Commonwealth's use of contractor provided products or services, loss of Commonwealth records, or data (or other intangible property), loss of use of equipment, lost revenue, lost savings or lost profits of the Commonwealth. In no event shall "other damages" exceed the greater of $100,000, or two times the value of the product or service (as defined in the Contract scope of work) that is the subject of the claim. Section 11 sets forth the contractor's entire liability under a Contract. Nothing in this section shall limit the Commonwealth's ability to negotiate higher limitations of liability in a particular Contract, provided that any such limitation must specifically reference Section 11 of the Commonwealth Terms and Conditions. In the event the limitation of liability conflicts with accounting standards which mandate that there can be no cap of damages, the limitation shall be considered waived for that audit engagement. These terms may be applied to

other Contracts only with prior written confirmation from the Operational Services Division or the Office of the Comptroller. The terms in this Clarification may not be modified.

Northern Ireland Certification. Pursuant to G.L. c. 7 s. 22C for state agencies, state authorities, the House of Representatives or the state Senate, by signing this Contract the Contractor certifies that it does not employ ten or more employees in an office or other facility in Northern Ireland and if the Contractor employs ten or more employees in an office or other facility located in Northern Ireland the Contractor certifies that it does not discriminate in employment, compensation, or the terms, conditions and privileges of employment on account of religious or political belief; and it promotes religious tolerance within the work place, and the eradication of any manifestations of religious and other illegal discrimination; and the Contractor is not engaged in the manufacture, distribution or sale of firearms, munitions, including rubber or plastic bullets, tear gas, armored vehicles or military aircraft for use or deployment in any activity in Northern Ireland.

Pandemic, Disaster or Emergency Performance. In the event of a serious emergency, pandemic or disaster outside the control of the Department, the Department may negotiate emergency performance from the Contractor to address the immediate needs of the Commonwealth even if not contemplated under the original Contract or procurement. Payments are subject to appropriation and other payment terms.

Consultant Contractor Certifications (For Consultant Contracts "HH" and "NN" and "U05" object codes subject to G.L. Chapter 29, s. 29A). Contractors must make required disclosures as part of the RFR Response or using the Consultant Contractor Mandatory Submission Form.

Attorneys. Attorneys or firms providing legal services or representing Commonwealth Departments may be subject to G.L. c. 30, s. 65, and if providing litigation services must be approved by the Office of the Attorney General to appear on behalf of a Department, and shall have a continuing obligation to notify the Commonwealth of any conflicts of interest arising under the Contract.

Subcontractor Performance. The Contractor certifies full responsibility for Contract performance, including subcontractors, and that comparable Contract terms will be included in subcontracts, and that the Department will not be required to directly or indirectly manage subcontractors or have any payment obligations to subcontractors. .

EXECUTIVE ORDERS

For covered Executive state Departments, the Contractor certifies compliance with applicable Executive Orders (see also Massachusetts Executive Orders), including but not limited to the specific orders listed below. A breach during period of a Contract may be considered a material breach and subject Contractor to appropriate monetary or Contract sanctions.

Executive Order 481. Prohibiting the Use of Undocumented Workers on State Contracts. For all state agencies in the Executive Branch, including all executive offices, boards, commissions, agencies, Departments, divisions, councils, bureaus, and offices, now existing and hereafter established, by signing this Contract the Contractor certifies under the pains and penalties of perjury that they shall not knowingly use undocumented workers in connection with the performance of this Contract; that, pursuant to federal requirements, shall verify the immigration status of workers assigned to a Contract without engaging in unlawful discrimination; and shall not knowingly or recklessly alter, falsify, or accept altered or falsified documents from any such worker

Executive Order 130. Anti-Boycott. The Contractor warrants, represents and agrees that during the time this Contract is in effect, neither it nor any affiliated company, as hereafter defined, participates in or cooperates with an international boycott (See IRC § 999(b)(3)-(4), and IRS Audit Guidelines Boycotts) or engages in conduct declared to be unlawful by G.L. c. 151E, s. 2. A breach in the warranty, representation, and agreement contained in this paragraph, without limiting such other rights as it may have, the Commonwealth shall be entitled to rescind this Contract. As used herein, an affiliated company shall be any business entity of which at least 51% of the ownership interests are directly or indirectly owned by the Contractor or by a person or persons or business entity or entities directly or indirectly owning at least 51% of the ownership interests of the Contractor, or which directly or indirectly owns at least 51% of the ownership interests of the Contractor.

Executive Order 346. Hiring of State Employees By State Contractors Contractor certifies compliance with both the conflict of interest law G.L. c. 268A specifically s. 5 (f) and this order; and includes limitations regarding the hiring of state employees by private companies contracting with the Commonwealth. A privatization contract shall be deemed to include a specific prohibition against the hiring at any time during the term of Contract, and for any position in the Contractor's company, any state management employee who is, was, or will be involved in the preparation of the RFP, the negotiations leading to the awarding of the Contract, the decision to award the Contract, and/or the supervision or oversight of performance under the Contract.

Executive Order 444. Disclosure of Family Relationships With Other State Employees. Each person applying for employment (including Contract work) within the Executive Branch under the Governor must disclose in writing the names of all immediate family related to immediate family by marriage who serve as employees or elected officials of the Commonwealth. All disclosures made by applicants hired by the Executive Branch under the Governor shall be made available for public inspection to the extent permissible by law by the official with whom such disclosure has been filed.

Executive Order 504. Regarding the Security and Confidentiality of Personal Information. For all Contracts involving the Contractor's access to personal information, as defined in G.L. c. 93H, and personal data, as defined in G.L. c. 66A, owned or controlled by Executive Department agencies, or access to agency systems containing such information or data (herein collectively "personal information"), Contractor certifies under the pains and penalties of perjury that the Contractor (1) has read Commonwealth of Massachusetts Executive Order 504 and agrees to protect any and all personal information; and (2) has reviewed all of the Commonwealth **Information Technology Division's Security Policies.** Notwithstanding any contractual provision to the contrary, in connection with the Contractor's performance under this Contract, for all state agencies in the Executive Department, including all executive offices, boards, commissions, agencies, departments, divisions, councils, bureaus, and offices, now existing and hereafter established, the Contractor shall: (1) obtain a copy, review, and comply with the contracting agency's Information Security Program (ISP) and any pertinent security guidelines, standards, and policies; (2) comply with all of the Commonwealth of Massachusetts Information Technology Division's "Security Policies") (3) communicate and enforce the contracting agency's ISP and such Security Policies against all employees (whether such employees are direct or contracted) and subcontractors; (4) implement and maintain any other reasonable appropriate security procedures and practices necessary to protect personal information to which the Contractor is given access by the contracting agency from the unauthorized access, destruction, use, modification, disclosure or loss; (5) be responsible for the full or partial breach of any of these terms by its employees (whether such employees are direct or contracted) or subcontractors during or after the term of this Contract; and any breach of these terms may be regarded as a material breach of this Contract; (6) in the event of any unauthorized access, destruction, use, modification, disclosure or loss of the personal information (collectively referred to as the "unauthorized use"): (a) immediately notify the contracting agency if the Contractor becomes aware of the unauthorized use; (b) provide full cooperation and access to information necessary for the contracting agency to determine the scope of the unauthorized use; and (c) provide full cooperation and access to information necessary for the contracting agency and the Contractor to fulfill any notification requirements. Breach of these terms may be regarded as a material breach of this Contract, such that the Commonwealth may exercise any and all contractual rights and remedies, including without limitation indemnification under Section 11 of the Commonwealth's Terms and Conditions, withholding of payments, Contract suspension, or termination. In addition, the Contractor may be subject to applicable statutory or regulatory penalties, including and without limitation, those imposed pursuant to G.L. c. 93H and under G.L. c. 214, § 3B for violations under M.G.L c. 66A.

Executive Orders 523, 524 and 526. Executive Order 526 (Order Regarding Non-Discrimination, Diversity, Equal Opportunity and Affirmative Action which supersedes Executive Order 478). Executive Order 524 (Establishing the Massachusetts Supplier Diversity Program which supersedes Executive Order 390). Executive Order 523 (Establishing the Massachusetts Small Business Purchasing Program.) All programs, activities, and services provided, performed, licensed, chartered, funded, regulated, or contracted for by the state shall be conducted without unlawful discrimination based on race, color, age, gender, ethnicity, sexual orientation, gender identity or expression, religion, creed, ancestry, national origin, disability, veteran's status (including Vietnam-era veterans), or background. The Contractor and any subcontractors may not engage in discriminatory employment practices; and the Contractor certifies compliance with applicable federal and state laws, rules, and regulations governing fair labor and employment practices; and the Contractor commits to purchase supplies and services from certified minority or women-owned businesses, small businesses, or businesses owned by socially or economically disadvantaged persons or persons with disabilities. These provisions shall be enforced through the contracting agency, OSD, and/or the Massachusetts Commission Against Discrimination. Any breach shall be regarded as a material breach of the contract that may subject the contractor to appropriate sanctions.