



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
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Concord, New Hampshire 03301
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October 26, 2020

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

REQUESTED ACTIONS

Authorize the Department of Administrative Services (DAS) and the New Hampshire Department of Business and Economic Affairs (BEA) to enter into a Memorandum of Understanding (MOU) effective upon approval by Governor and Council and through June 30, 2021, identifying certain human resource management (HR) support services to be provided by the DAS Division of Personnel (DOP) in exchange for funds paid by BEA.

Authorize the Department of Administrative Services (DAS) to accept and expend the transfer of funds of \$24,000 from the New Hampshire Department of Business and Economic Affairs (BEA) effective upon approval by Governor and Council through June 30, 2021. **100% Transfer from Other Agency.**

Funding is available in the SYF 2021 operating budget and contingent upon the availability and continued appropriations in SFY 2021 as follows:

03-22-22-22000000-20070000 Department of Business and Economic Affairs

049 – 584914 Transfer to Other State Agencies FY 21
\$24,000

Funds received by DAS will be budgeted as follows: 01-14-14-141001-10440000 Department of Administrative Services, Division of Personnel.

CLASS	DESCRIPTION	FY21 CURRENT AUTHORIZED	REQUESTED ACTION	FY21 TOTAL ADJ AUTHOR
UUU-000010	General Fund	\$ 1,790,457	\$ -	\$ 1,790,457
001- 484977	Transfers from Other Agency	\$ 33,044		\$ 33,044
001- 484926	Transfers from Other Agency	\$ 5,000		\$ 5,000
001- 484922	Transfers from Other Agency	\$ 0	\$ 24,000	\$ 24,000

CLASS	DESCRIPTION	FY21 CURRENT AUTHORIZED	REQUESTED ACTION	FY21 TOTAL ADJ AUTHOR
009-407017	Agency Income	\$ 307,290	\$ -	\$ 307,290
	Total Income	\$ 2,135,791	\$ 24,000	\$ 2,159,791
010-500100	Personal Services	\$ 1,015,995	\$ -	\$ 1,015,995
011-500126	Unclassified Personal Serv	\$ 89,844	\$ -	\$ 89,844
018- 500106	Overtime	\$ 4,950	\$ 500	\$ 5,450
020-500200	Current Expenses	\$ 12,615	\$ 500	\$ 13,115
022-599022	Rents-Leases Other than State	\$ 206,500	\$ 4,500	\$ 211,000
026-500251	Membership Fees	\$ 5,500	\$ -	\$ 5,500
030-500175	Equipment	\$ 1,200	\$ 1,200	\$ 2,400
038-500176	Software – Online Services	\$ 0	\$ 1,500	\$ 1,500
039-500180	Telecommunications	\$ 10,933	\$ -	\$ 10,933
050-500109	Personal Serv-Temp	\$ 125,292	\$ 15,800	\$ 141,092
059-500117	Temp Full Time	\$ 58,676	\$ -	\$ 58,676
060-500601	Benefits	\$ 602,656	\$ -	\$ 602,656
070-500704	In-State Travel	\$ 1,130	\$ -	\$ 1,130
080-500710	Out of State Travel	\$ 500	\$ -	\$ 500
	Total Expenditures	\$ 2,135,791	\$ 24,000	\$ 2,159,791

EXPLANATION

The MOU between the DAS and the BEA, attached, authorizes the DAS Division of Personnel (DOP) to provide certain human resources (HR) management support services to the BEA. This MOU builds on the DOP's plan for modernizing the State's personnel management practices. The goals of this plan include, among other activities, developing statewide policies and standard operating procedures to standardize HR practices statewide ensuring legal compliance and enhancing customer service to agencies and employees. This work includes adjusting DOP and agency HR roles to ensure that all agencies receive the top-notch HR services critical to achieving their missions.

One component of DOP's plan is to enhance the support of HR functions in smaller agencies that often have one, or even less than one, full-time equivalent staff person dedicated to fulfill all of the agency's HR needs. Under this plan, DOP will work with smaller agencies to incrementally move HR responsibilities and staff under a combined unit, called a Human Resource Support Unit (HRSU), under the guidance of experienced and seasoned DOP staff. This arrangement will provide for more timely, comprehensive, and accurate HR support than can be provided by a single HR staff located within BEA.

Under this MOU, BEA will retain certain human resource functions, as specified in the MOU. The DOP-HRSU will provide an accompanying set of HR support services to the BEA including but not limited to: advising on position and employee transactions; advising on reclassification needs and processes; oversight of employee reviews and increments; assistance with disciplinary issues and actions; support of

employees including extended leaves of absence; and staffing analysis in support of the agency's strategic objectives. Over time, DOP expects other smaller agencies to become part of the HRSU model.

DOP will work with BEA to evaluate the HRSU service provided to BEA. Based on that evaluation, DOP will work with BEA to address any HRSU performance and service delivery issues.

During SFY 2021, BEA will pay \$3,000 per month, or \$24,000 for the remainder of the fiscal year, to DOP to support HRSU staff salary and benefits, salary and benefits cost of time by other DOP staff supporting BEA, cost of office space, office supplies, and software to track and report on human resource data and HRSU performance metrics.

The Department of Administrative Services requests approval of this request.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Charles M. Arlinghaus', written in a cursive style.

Charles M. Arlinghaus, Commissioner
Department of Administrative Services

MEMORADUM OF UNDERSTANDING

A. AGREEMENT

This Memorandum of Understanding (MOU) between the NH Department of Business and Economic Affairs (BEA) and the NH Department of Administrative Services (DAS) sets forth the terms and conditions for provision of certain human resource support services for the BEA by staff within a Human Resources Support Unit (HRSU) under the DAS Division of Personnel. In exchange for such services, BEA will pay \$3,000 per month to DAS to support HRSU operations.

B. STAFF AND SUPERVISION

DAS will provide human resources staff within a Human Resources Support Unit (HRSU), under the direction of DOP personnel, with appropriate knowledge and experience to provide the necessary human resource functions as outlined in this agreement. DAS' Division of Personnel (DOP) will be solely responsible for hiring and supervision of such employees. DOP staff will have responsibility to assign and approve work tasks, approve leave requests, assign training, and approve timesheets for HRSU position(s) supporting BEA.

DAS is responsible for ensuring that the HRSU is adequately staffed to provide satisfactory human resources support services to BEA, and other agencies served by the HRSU.

C. SCOPE OF WORK

Human resource support requests from BEA shall be coordinated through two designated liaison positions within BEA, one for the BEA Welcome Centers and another for all other sections of BEA. These liaisons will work directly with DOP's Human Resource Specialist – Generalist overseeing the HRSU staff. BEA will receive HR support services from several staff persons who comprise the HRSU staff under the direction of DOP's Human Resource Specialist – Generalist.

Human resource support services provided by HRSU staff shall include the following:

- Approve employee and position transactions prepared by BEA, in compliance with applicable Personnel Rules and Collective Bargaining Agreements;
- Research to resolve system errors and problems to ensure proper processing of transactions affecting employment status and pay for employees;
- Advise on and finalize reclassification materials and coordinate their review with the DOP's Classification Section;
- Assist, when needed, with certain recruitment functions, including revisions of supplemental job descriptions and certification of candidates.
- Oversight of employee discipline, performance reviews, and increments;
- Support employees in understanding and compliance with human resource rules and benefits, particularly with extended leaves of absence and workers compensation;
- Respond to union inquiries;

- Provide backup support for timecard submission and payroll processing;
- Provide advice for agency management on human resources management policy and procedures; and
- Conduct staffing and performance analysis in support of the agency's strategic objectives.

Under this agreement, BEA will continue to perform certain human resource functions, including:

- Prepare and enter employee transactions and pay adjustments (e.g., step increases, change in employee information, status change);
- Manage timecard submission and payroll processing;
- Prepare initial job reclassification request materials;
- Prepare and provide managerial review of employee evaluations; and
- Prepare and enter job postings in NH FIRST and manage the application and hiring processes, except as noted above.

DOP and DAS will work to resolve any issues regarding allocation of responsibilities between the agencies under this MOU; significant changes may require revision of this agreement.

D. PAYMENT FOR SERVICES

DAS-DOP will cover all employee-related costs for staff within the HRSU including salary, benefits, computer and telephone equipment and access, software licenses, office space, appropriate furniture for the space, access to printer/copiers and office supplies, and supervision.

BEA will pay the sum of \$3,000 per month, or \$24,000 for the remainder of Fiscal Year 2021 (Nov-June), to DOP in exchange for provision of human resources management support provided by HRSU staff. DAS-DOP will invoice BEA quarterly for payment.

E. EVALUATION AND QUALITY ASSURANCE

Human resource support services provided under this MOU must be performed in a manner that is satisfactory to BEA. If BEA determines that services provided are not satisfactory, the BEA liaison will first attempt to resolve the issue with the DOP Human Resources Specialist – Generalist. If those efforts are not successful, BEA will raise the concern with DOP senior management (Director or Deputy Director). DOP will take appropriate action to address BEA's concern(s).

HRSU staff will be evaluated by their DOP supervisor. Input will be solicited from other DOP personnel as well as from those agencies served by the HRSU, including BEA. If HRSU staff do not perform satisfactorily, DAS will coordinate with agencies served by the HRSU in taking any disciplinary action, including termination, as needed.

F. MISCELLANEOUS

The entire understanding between the parties is compiled in the Agreement. Neither party may further modify or amend the terms of this Agreement except by written agreement signed by both parties.

Neither this agreement, nor any rights, duties, nor obligations described herein, shall be assigned by either party without the prior written consent of the other party. The agreement shall be construed under the laws of the state of New Hampshire.

G. DURATION

This Agreement is effective upon Governor and Council approval, and shall continue until June 30, 2021, unless otherwise terminated, subject to continued availability of sufficient funds.

H. TERMINATION

Either party can terminate this agreement with 45 days written notice to other party, or any time mutually agreed to by the parties. Upon termination of the agreement, BEA will resume responsibility for any and all required human resources management functions. In addition, BEA will no longer be obligated to pay any outstanding balance due to DAS-DOP beginning the month immediately following the effective date of the termination of this agreement.

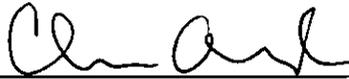
I. SIGNATORIES



Taylor Caswell, Commissioner
Department of Business and Economic Affairs

10/29/2020

Date



Charles M. Arlinghaus, Commissioner
Department of Administrative Services

10/30/20

Date

Approved by the Attorney General this ____ day of _____, 2020, as to form, substance, and execution.

OFFICE of the ATTORNEY GENERAL

Signature

Printed Name and Title

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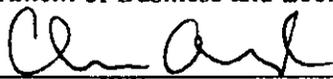
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I. SIGNATORIES



Taylor Caswell, Commissioner
Department of Business and Economic Affairs

10/29/2020
Date



Charles M. Arlinghaus, Commissioner
Department of Administrative Services

10/30/20
Date

Approved by the Attorney General this 30 day of October, 2020, as to form, substance, and execution.

OFFICE of the ATTORNEY GENERAL

Takhmina Rakhmatova
Signature

Takhmina Rakhmatova, Attorney
Printed Name and Title