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State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
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July 29, 2021

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu and
the Honorable Council
State House
Concord, New Hampshire 0330 I

REQUESTED ACTION

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Administrative Services (DAS), to accept and expend $1,227,396 of American Rescue Plan (ARP) State and Local Fiscal Recovery Funds (FRF), to add additional, temporary capacity to the Division of Public Works to work on the significant increase in projects under the American Rescue Plan Act, effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. **100% Federal Funds**

2. Pursuant to the provision of RSA 124:15, I, Positions Restricted, and contingent to approval of requested action item # 1 above, authorize DAS to establish five, full time temporary positions using ARP FRF effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. **100% Federal Funds.**

Funds are to be budgeted in state fiscal year 2022 and 2023 with the authority to adjust between state fiscal years through the Budget Office if needed and justified.
Funds are to be budgeted in FY2022 and FY2023 in the following new accounting unit:

01-14-14-14XX10-XXXX0000 ARP DPW POSITIONS

Class	Description	FY22	FY23	TOTAL
020-500200	CURRENT EXPENSES	5,000	5,000	10,000
027-582703	TRANSFERS TO DOIT	5,000	5,000	10,000
028-582814	TRANSFERS FOR RENT	20,000	20,000	40,000
030-500301	EQUIPMENT NEW REPLACEMENT	12,500	-	12,500
037-500177	TECHNOLOGY - HARDWARE	7,825	-	7,825
038-500173	TECHNOLOGY - SOFTWARE	3,660	3,660	7,320
039-500188	TELECOMMUNICATIONS	9,165	4,080	13,245
040-501587	INDIRECT COSTS	53,447	53,042	106,489
041-500801	AUDIT FUND SET ASIDE	534	530	1,064
042-500620	POST-RETIREMENT BENEFITS	26,891	28,062	54,953
059-500117	SALARY TEMPORARY EMPLOYEES	304,200	317,440	621,640
060-500612	BENEFITS	165,117	173,243	338,360
070-500704	IN STATE TRAVEL REIMBURSEM	2,000	2,000	4,000
	TOTAL EXPENSES	**$615,339**	**$612,057**	**$ 1,227,396**
000-400338	FEDERAL FUNDS	615,339	612,057	1,227,396
	TOTAL REVENUE	**$615,339**	**$612,057**	**$ 1,227,396**

EXPLANATION

Pursuant to US Treasury 31 CFR Part 35, RIN 1505-AC77, the Coronavirus State Fiscal Recovery Fund established under the American Rescue Plan Act authorizes use of funding to address the public health emergency.

This request is to add additional, temporary capacity to the Division of Public Works to work on the significant increase in projects under the American Rescue Plan Act (ARPA). In a typical biennium, about $90 million of Capital Budget funded projects are overseen by the Division of Public Works under the provisions of RSA 21-I:79-86. Recent acceptances of ARPA funding will add at least $65 million to that total. The Division of Public Works process a group of architects and engineers as project managers – subject matter experts akin to a small engineering firm. This request would add three additional project managers to a group that is currently sixteen.

The most significant chokepoint in pushing work through is the contracting process including Governor and Council. This process involves some work by project managers, some work by 2 or 3 accounting staff in the division, and some assistance in the Department's central finance office. This request would add two additional positions to do the work of all three groups and report to the Department's CFO. We believe this will be more efficient and help reduce a potential bottleneck.

All five of the positions would be created in class 59 as "full-time temporary positions."

The staffing level outlined above presumes approximately $65 million in ARPA construction projects in addition to the capital budget as passed. The funds budgeted other than in class 59 are the ancillary costs associated with the creation of a new position.

Funds are budgeted as follows:

Class 020 – Current Expenses – office supplies for new staff

Class 027 – Transfers to DOIT – DOIT support for new staff

Class 028 – Transfers to Plant & Property – Rent to Plant & Property for use of State maintained space

Class 030 – Equipment – office furniture including but not limited to a cubicle station, chair, and desk for new staff

Class 037 – Technology, Hardware – laptops, monitors and docking stations for new staff

Class 038 – Technology, Software – standard computer software required for new staff

Class 039 – Telecommunications – phones and phone lines for new staff

Class 040 – Indirect Expenses – at a rate of 10%

Class 041 – Audit Fund Set Aside – at a rate of .01%

Class 042 – Post Retirement Benefits – at a rate of 8.84%

Class 059 – Salary Temporary Employees– for the five new temporary positions

Class 060 – Benefits – for the five new temporary positions

Class 070 – In State Travel Reimbursement – mileage incurred for travel to various state owned buildings where work is taking place.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

1) *List of Personnel involved:*

One full-time temporary Administrator I	Position # 9TXXXX
One full-time temporary Administrator I	Position # 9TXXXX
One full-time temporary Project Manager IV	Position # 9TXXXX
One full-time temporary Project Manager IV	Position # 9TXXXX
One full-time temporary Project Manager IV	Position # 9TXXXX

2) *Nature, need and duration:*
The period of performance runs until December 31, 2026.

3) *Relationship to existing agency programs:*
The Division of Public Works currently uses project managers and other accounting staff to oversee construction projects and the contracts associated with them. The positions requested will perform similar duties on the projects funded through the American Rescue Plan Act in the same way the divisions currently oversees capital projects.

4) *Has similar program been requested of the Legislature and denied?* No

5) Why wasn't funding included in the agency's budget request?

These funds were only recently awarded as part of the American Rescue Plan Act.

6) *Can portions of the grant funds be utilized for other purposes?*
These funds can only be used for the purpose of the grant award.

7) *Estimate the funds required to continue these positions:*
Funding is requested only for the duration of the grant and would not continue beyond that period.

8) *Geographic Area Served:*
Statewide

9) *Sources of Funds:*
US Treasury Federal American Rescue Plan Act Funds

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

Respectfully submitted,

Charles M. Arlinghaus
Commissioner