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STATE OF NEW HAMPSHIRE

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GOVERNOR'S OFFICE
for
EMERGENCY RELIEF AND RECOVERY

May 6, 2022

The Honorable Karen Umberger, 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 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a VI, authorize the Governor's Office for Emergency Relief and Recovery (GOFERR) to accept and expend federal funds in the amount of $220,000 from the American Rescue Plan Act of 2021 (ARPA) State Fiscal Recovery Funds (SFRF) for the purpose of sub granting funds to the American Red Cross to support the safe, uninterrupted provision of blood, blood supply products through a new HVAC system, blood transport vehicle, and generator to assist with the operational needs as a result of the pandemic effective through June 30, 2023 upon the approvals of the Fiscal Committee of the General Court and Governor and Executive Council. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts.
100% Federal Funds.

Funds are to be budgeted in FY2022 in the following account:

01-02-002-020210-24690000[1] ARP GRANTS AND DISBURSEMENTS		**FY2022**	**FY2022**	**FY2022**
CLASS	**ACCOUNT**	**CURRENT MODIFIED BUDGET**	**BUDGET REQUEST**	**REVISED BUDGET**
EXPENDITURES				
040 – Indirect Costs	501587	$735,250	$2,500	$737,750
041 – Audit Fund Set Aside	500801	$132,161	$220	$132,381
042 - Additional Fringe Benefits	500620	$60,500	$0	$60,500
072 – Grants Federal	500575	$71,099,627	$217,280	$71,316,907

[1] All direct program costs will be accounted for using activity 00FRF602PH0221A and all administrative and indirect costs will be accounted for using activity 00FRF602PH221Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

1 Eagle Square, Concord, New Hampshire 03301
Website: http://www.goferr.nh.gov/ • Email: info@goferrnh.gov
TDD Access: Relay NH 1-800-735-2964

085 - Interagcy Xfr Out of Fed Fn	588502	$3,019,499	$0	$3,019,499
103 - Contracts for Op Services	502664	$3,500,000	$0	$3,500,000
TOTAL EXPENSES		**$78,547,037**	**$220,000**	**$78,767,037**
SOURCE OF FUNDS				
000 – Federal Funds	400338	$78,547,037	$220,000	$78,767,037
TOTAL REVENUE		**$78,547,037**	**$220,000**	**$78,767,037**

EXPLANATION

The American Red Cross has been substantially impacted by the COVID-19 pandemic, seeing significant reductions in sponsored blood drives by businesses due to increased remote work, with a 50 percent reduction in sponsored blood drives overall in 2021, including a 62 percent reduction in college and high school blood drives. Blood donor engagement has waned as well, with the smallest donor base it has had over the past decade. The Red Cross has continued to experience high pressure on its blood services program in New Hampshire – as well as unanticipated equipment failures.

At the outset of the pandemic, the Red Cross quickly implemented new protocols to continue delivery of essential services while protecting the health of our workforce, clients, and community. As the pandemic persisted, they focused investments on two pillars in New Hampshire: ensuring a sufficient blood supply to meet the needs of 22 recipient hospitals and treatment centers, and the patients who rely on them for care, and ensuring continuity of critical disaster relief services.

These funds are to support investments in a new HVAC system, blood transport vehicle, and generator and will help meet New Hampshire's pandemic operational needs while making their blood collections system more resilient and adaptable.

Replacement of the HVAC system for the Manchester biomedical facility is needed. Following the recent, unforeseen failure of the system's compressor, they learned that the unit cannot be effectively repaired. Especially in the context of the ongoing pandemic, replacing this unit with a reliable new system, with state-of-the-art filtration to protect blood donors, staff, and volunteers is a high priority. This was a previously unbudgeted expense.

A new transport vehicle is also needed, which will be used to deliver specialized equipment such as donor beds and collection kits to and from community-based blood drives, and collected blood to testing, processing, and storage facilities. With some of their largest corporate and university drive locations remaining closed to the public, the Red Cross has pivoted to many alternate locations to meet its collections goals. This vehicle will replace an aging fleet vehicle with declining reliability, based at their Manchester biomedical facility.

The final item requested is a generator to provide back-up power in the event of an outage at their Manchester biomedical facility, preventing the loss of irreplaceable blood and blood products. As the nation's blood supply remains at the lowest level seen in more than a decade, every unit collected is needed. Occasional loss of power is a reality in this region, especially during winter storms, and this back-up system will protect against disruption to refrigeration and other essential systems.

Funds are being budgeted in the classes listed below as follows:

Class 040 – Indirect Costs to recover, per by RSA 21-I:75, a proportional share of the outside funding source to alleviate agency indirect costs.

Class 041 – Audit Fund Set Aside to comply with RSA 124:16 that requires all agencies that receive federal funds to set aside a percentage (0.1%) of the federal revenue amount received to pay for financial and compliance audits.

Class 072 – Grants Federal subaward to American Red Cross Northern New England Region.

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

Respectfully submitted,

Taylor Caswell,
Executive Director, GOFERR