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January 23, 2024

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court and

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

REQUESTED ACTION

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Business and Economic Affairs (BEA), to accept and expend \$282,000 of Northern Border Regional Commission (NBRC) funds for the purpose of improving the economic opportunities in New Hampshire's Northern Borders Regional Commission (NBRC) communities in compliance with a grant awarded by NBRC, effective upon Fiscal Committee and Governor and Council approval through June 30, 2025. **100% Federal Funds**
2. Pursuant to the provision of RSA 124:15, and contingent upon the approval of Requested Action #1, authorize BEA to establish one (1), full-time temporary Program Specialist IV (13-1190 MISC BUS OPS SPECS-5, Pay Band 6), using Northern Border Regional Commission (NBRC) funds to coordinate and help administer NBRC grant programming and support Outdoor Recreation Industry Development (ORID) initiatives, effective upon Fiscal Committee and Governor and Council approval through June 30, 2025. **100% Federal Funds**

Funds are to be budgeted in FY2024 in the following account:

03-22-022-220510-26440000, Capacity Grant

Class	Description	FY24 Current Adjusted Authorized	Requested Action	FY24 Revised Authorized
000-400338-16	Federal Funds	\$ 371,435	\$ 282,000	\$ 653,435
	TOTAL REVENUE	\$ 371,435	\$ 282,000	\$ 653,435
020-500200	Current Expenses	\$ -	\$ 17,000	\$ 17,000
022-500248	Rents - Leases - Other than State	\$ -	\$ 7,900	\$ 7,900
030-500311	Equipment - New	\$ -	\$ 4,000	\$ 4,000
037-500174	Technology - Hardware	\$ -	\$ 3,000	\$ 3,000
038-500175	Technology - Software	\$ -	\$ 3,000	\$ 3,000
039-500188	Telecommunications	\$ -	\$ 1,800	\$ 1,800

040-501587	Indirect Costs	\$ -	\$ 22,925	\$ 22,925
041-500801	Audit Fund Set Aside	\$ 250	\$ 275	\$ 525
042-500620	Post Retirement Benefits	\$ -	\$ 5,300	\$ 5,300
059-500117	Temp Full Time	\$ -	\$ 72,000	\$ 72,000
060-500601	Benefits	\$ -	\$ 43,000	\$ 43,000
070-500707	Travel - in state	\$ -	\$ 14,000	\$ 14,000
080-500717	Travel - out of state	\$ -	\$ 3,800	\$ 3,800
102-500731	Contracts for Program Services	\$ 371,185	\$ 84,000	\$ 455,185
	TOTAL EXPENSES	\$ 371,435	\$ 282,000	\$ 653,435

EXPLANATION

The Northern Borders Regional Commission (NBRC), a federal-state partnership for economic and community development in New Hampshire, Maine, Vermont, and New York, was created by federal legislation in 2008. New Hampshire has willingly participated because this partnership provides access to funds and opportunities that benefit the state and businesses in key regions and industries as the NBRC provides federal funds for critical economic and community development projects for many of our rural communities each year. The authorizing statute (40 U.S.C. Subtitle V) not only dictates what states shall comprise the NBRC, it also determines what communities in New Hampshire can participate in NBRC programming (six counties).

The NBRC is an entity unlike other partnerships or programs in which the State participates. Federal statute concribes participants, operations, and costs. As part of NBRC programming, BEA leads award rounds, hosts workshops and webinars, provides technical assistance, conducts significant outreach, advocates for and works with awardees to advance their projects, and assists awardees in meeting regulatory requirements associated with their awards, which requires significant, dedicated administrative efforts.

The Department of Business and Economic Affairs (BEA) administers NBRC funding allocated to the State for grant programs. In 2023 alone, BEA administered NBRC grants totaling \$11million in funding, awarded to projects in New Hampshire Counties that comprise the State's Northern Borders Region (Coos, Grafton, Carroll, Belknap, Sullivan and Cheshire).

This request also includes funds for BEA to provide technical assistance services for pre-development strategies and project development for applicants and awardees seeking NBRC grant funding. These funds are allocated to the State on a federal fiscal year basis, which does not coincide with the State's fiscal year. The State can access these funds as it draws down previous allocations. On February 24, 2023, New Hampshire was allocated \$500,000 for administrative and technical assistance capacity.

These technical assistance and administrative funds will in part be used to hire one new staff person that will help manage New Hampshire's NBRC program's fiscal, budgetary, and reporting activities, multiple grant application rounds and award processes, as well as provide support to Office of Outdoor Recreation Industry Development (ORID) initiatives and report to the Division of Economic Development's deputy director. NBRC

grant opportunities are increasing in frequency, requiring additional internal administrative support to the benefit of applicants and NBRC grant programs generally.

Funds are budgeted as follows:

Class 020 – Current Expenses – office supplies, paper and printer ink to support requested position.

Class 022 – Rents – Leases – office space to support requested position

Class 030 – Equipment – office furniture to support requested position

Class 037 – Technology, Hardware – laptops, monitors and docking stations to support requested position

Class 038 – Technology, Software – standard software required stations to support requested position

Class 039 – Telecommunications – phones and phone lines stations to support requested position

Class 040 – Indirect costs - BEA will withdraw funds at the rate of 10% of direct costs; this rate was calculated by BEA and reported to the Federal Government as the rate to be used for federal grants. all agencies receiving outside funding from any source are required by RSA 21-I:75 to recover a proportional share of the outside funding source to alleviate agency indirect costs.

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

Class 042 – Additional Fringe Benefits – post retirements expenses for staff – budgeted at 7.46%

Class 059 – Temp Full Time – for the one temporary full-time position requested above

Class 060 – Benefits – for the one temporary full-time position requested above

Class 070 – In State Travel Reimbursement – mileage incurred for work related activities with regards to meetings with stakeholders and other in state travel requirements

Class 080 – Out of State Travel Reimbursement – For anticipated Federal meetings

Class 102 – Contracts for Program Services - Contracts for Program Services to cover contractual services that will set up and provide technical assistance.

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

1) List of Personnel involved: One (1) full-time temporary Program Specialist IV (Position #9TXXX, 13-1190 MISC BUS OPS SPECS-5)

2) Nature, need and duration:

The program Specialist IV position will be responsible for planning, developing, and overseeing the fiscal and budgetary activities of the Northern Borders Regional Commission programs for New Hampshire. The period of performance runs until September 30, 2025.

3) Relationship to existing agency programs:

The NBRC and ORID programs are awarded to the state to improve the economic opportunities in New Hampshire's Northern Borders Regional Commission's communities, in compliance with the award criteria. BEA's long term strategies include providing resources and support for regions in the state and the outdoor recreation economy.

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

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

Funding for this program does not coincide with the state fiscal year. Moreover, the demands for the program have increased as well as the NBRC grant funding for projects in each of the four participating northern borders states (New Hampshire, New York, Vermont and Maine). This administrative position is essential to manage New Hampshire's multi-million-dollar NBRC programs, application round processes, as well as the fiscal and budgetary requirements.

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 required for the duration of the grant, through September 30, 2025, and is expected to be continued beyond that period. The estimated cost for the position through the end of FY 2025 is \$115,000.

If federal funds become no longer available, general funds will not be requested to support this program.

Respectfully submitted,



Taylor Caswell
Commissioner

Fiscal Situation
FY 2024
03-22-22-220510-26440000, Capacity Grant

Total Federal Authorization	\$	500,000
Less Expenditures thru 6/30/23	\$	96,565
Remaining Authorization to Budget	\$	<u>403,435</u>
Less Current FY24 Budget Authorization	\$	121,435
Total Prior Fiscal Year(s) Actual Expenditures:	\$	<u>282,000</u>
Available to Budget at a Later Date	\$	-
REQUESTED ACTION	\$	<u>282,000</u>

Grant Award Number	Award Amount	Expenses to 6/30/23	Balance
NBRC20GSCNH01	\$ 500,000	\$ 96,565	\$ 403,435



**Grant Agreement
Between
Northern Border Regional Commission (NBRC)**

And

**State of New Hampshire, Department of Business and
Economic Affairs**

February 24, 2023

**NBRC Grant Agreement Number: NBRC22GSCNH01
Project Title: State Capacity Grant**

<p>Grantee/Recipient:</p> <p>New Hampshire Department of Business and Economic Affairs</p> <p>Contact: Linda Cilley, Accountant II</p> <p>100 North Main Street, Suite 100 Concord NH 03301</p> <p>603-271-0260</p> <p>Linda.s.cilley@livefree.nh.gov</p> <p>www.dbea.nh.gov</p>	<p>Grantor:</p> <p>Northern Border Regional Commission</p> <p>Contact: Andrea K. Smith, Program Director</p> <p>53 Pleasant Street, Suite 1501, Concord, NH 03301</p> <p>603-369-3001</p> <p>admin@nbrc.gov</p> <p>www.nbrc.gov</p>
<p>Co- Recipient: N/A</p>	
<p>State Contact: Steven J. Fortier, Rural Economic Development Administrator, NH Dept of BEA</p>	<p>603-271-6305 steven.j.fortier@livefree.nh.gov</p>

Grantee's Employer Identification Number (EIN):	02-000618
Grantee's UEI Number:	ZXA9V13R9MN8
Date of Award:	February 24, 2023
Date of Amendments	N/A
Total Project Amount:	\$ 500,000.00
Amount of Federal NBRC Funds Awarded:	\$ 500,000.00
Total Other Funds/Match:	\$ 0
Reimbursement Rate:	100%
CFDA Number and Name:	#90.601 /Economic and Infrastructure Development Grant Program
Project Description:	Maintain and expand a technical assistance service for project development within the six counties of the Northern Border Region (Coos, Graton, Carroll, Belknap, Sullivan and Cheshire) for the purpose of identifying community and economic development projects and capacity needs that hinges on unidentified gap funding.
Approved Indirect Cost Rate:	N/A
Period of Performance:	February 24, 2023 – September 30, 2025
Project Scope:	As reflected in the State Capacity Work Plan and Budget submitted by State of New Hampshire BEA and approved by NBRC.

Grant Provisions

- I. STATEMENT OF PURPOSE—This agreement incorporates by reference the recipient's proposal properly submitted in accordance with NBRC procedures on or before February 24, 2023. The agreement implements a grant/investment made