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State of New Hampshire  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
OFFICE OF THE COMMISSIONER  
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August 2, 2019

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court  
State House  
Concord, NH 03301

His Excellency, Governor Christopher T. Sununu  
and the Executive Council  
State House  
Concord, NH 03301

**REQUESTED ACTION**

Pursuant to the provisions of Chapter 145, subparagraph I, (a), Laws of 2019, the Department of Administrative Services, requests authorization to exceed the 3/12 limitation of said resolution for the accounts listed on the attached analysis, in the total amount of **\$319,061**, to the extent shown as projected deficits for the period of Fiscal Committee and Governor and Council approval through September 30, 2019. **72.9 % General funds, 27.1% Other Funds**

**PERSONAL SERVICES PERMANENT - 100% General Fund**

Account	Bureau/Division	Class	Cont. Res. Budget	Estimated Expenditures	This Request - Projected Deficit
01-14-14-140010-13600000	BUSINESS OFFICE	010	92,650	99,300	(6,650)
01-14-14-140010-25560000	OFFICE OF THE CHILD ADVOCATE	010	31,179	31,400	(221)
01-14-14-140010-41020000	PROJECT MGT, INNOV, OP ANALYS	010	16,465	32,100	(15,635)
01-14-14-140010-86230000	OFFICE OF COST CONTAINMENT	010	68,056	73,600	(5,544)
01-14-14-140510-13100000	BUREAU OF ACCOUNTING	010	233,378	252,400	(19,022)
01-14-14-141010-10440000	PERSONNEL ADMIN - SUPPORT	010	256,383	280,300	(23,917)
01-14-14-141010-14420000	BUR OF EMPLOYEE RELATIONS	010	9,906	15,000	(5,094)
01-14-14-141510-14110000	BUREAU OF PLANNING - MGMT	010	16,664	18,600	(1,936)
01-14-14-141510-14400000	PLANT - PROPERTY ADMINISTRATN	010	62,108	85,800	(23,692)
01-14-14-141510-29500000	GENERAL SERVICES MAINT & GRND	010	216,230	217,700	(1,470)
01-14-14-141710-51180000	FIXED & MOBILE ASSETS	010	73,111	76,900	(3,789)
01-14-14-141710-51200000	GRAPHIC SERVICES ADMINISTRATI	010	46,802	53,900	(7,098)
01-14-14-142010-13700000	FINANCIAL DATA MANAGEMENT	010	533,140	572,800	(39,660)
01-14-14-140010-10420000	COMMISSIONER-ADMINISTRATION	011	66,538	71,200	(4,662)

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
August 2, 2019  
Page 2 of 5

01-14-14-140010-13500000	BUDGET OFFICE	011	31,727	35,400	(3,673)
01-14-14-140010-25560000	OFFICE OF THE CHILD ADVOCATE	011	23,658	26,100	(2,442)
01-14-14-140510-13300000	FINANCIAL REPORTING	011	30,665	33,400	(2,735)
01-14-14-141510-14400000	PLANT - PROPERTY ADMINISTRATN	011	27,793	28,800	(1,007)
01-14-14-140010-41020000	PROJECT MGT, INNOV, OP ANALYS	012	26,395	28,400	(2,005)
01-14-14-142010-13700000	FINANCIAL DATA MANAGEMENT	012	28,018	30,100	(2,082)
<b>General Funding</b>			<b>\$ 1,890,866</b>	<b>\$ 2,063,200</b>	<b>\$ (172,334)</b>

**PERSONAL SERVICES PERMANENT - Mixed or Other Funding**

Account	Bureau/Division	Class	Cont. Res. Budget	Estimated Expenditures	This Request - Projected Deficit
01-14-14-140010-13070000	DEFERRED COMPENSATION	010	20,867	22,400	(1,533)
01-14-14-141510-20420000	FACILITIES - ASSETS MANAGEMEN	010	275,887	299,800	(23,913)
01-14-14-141510-20450000	BUREAU OF COURT FACILITIES	010	288,519	306,500	(17,981)
01-14-14-141510-20810000	EMERGENCY OPERATIONS CENTER	010	33,903	40,400	(6,497)
01-14-14-141510-20930000	64 SOUTH STREET	010	10,130	11,400	(1,270)
01-14-14-141510-20940000	WALKER BUILDING	010	51,657	54,200	(2,543)
01-14-14-141510-20950000	LONDERGAN HALL	010	19,742	21,500	(1,758)
01-14-14-141510-20960000	JOHNSON HALL	010	8,624	9,600	(976)
01-14-14-141510-20970000	SPAULDING HALL	010	14,790	16,700	(1,910)
01-14-14-141510-21670000	CLAREMONT NH (OLD MILL)	010	20,938	22,200	(1,262)
01-14-14-141510-29510000	DEPT OF SAFETY / DMV FACILITY	010	102,825	108,400	(5,575)
01-14-14-141710-51330000	SURPLUS PROPERTY	010	23,024	24,500	(1,476)
01-14-14-141910-51410000	PUBLIC WORKS DESIGN & CONSTRC (G)	010	318,380	319,200	(820)
	PUBLIC WORKS DESIGN & CONSTRC (O)	010	106,126	106,400	(274)
01-14-14-143510-29010000	RISK MANAGEMENT UNIT	011	28,028	30,300	(2,272)
<b>General Funding</b>			<b>\$ 318,380</b>	<b>\$ 319,200</b>	<b>\$ (820)</b>
<b>Other Funding</b>			<b>\$ 1,005,060</b>	<b>\$ 1,074,300</b>	<b>\$ (69,240)</b>

**BENEFITS - 100% General Fund**

Account	Bureau/Division	Cls	Cont. Res. Budget	Estimated Expenditures	This Request - Projected Deficit	Part Time and Overtime Projected Deficit	Total Projected Deficit
01-14-14-141010-10440000	PERSONNEL ADMIN - SUPPORT	060	156,469	166,800	(10,331)	-	(10,331)
01-14-14-141010-10490000	PERSONNEL BOARD OF APPEALS	060	368	1,300	(237)	(695)	(932)
01-14-14-140010-13600000	BUSINESS OFFICE	060	32,847	34,100	(1,253)	-	(1,253)
01-14-14-142010-13700000	FINANCIAL DATA MANAGEMENT	060	255,871	268,300	(10,510)	(1,919)	(12,429)
01-14-14-141510-14110000	BUREAU OF PLANNING - MGMT	060	6,214	11,900	(5,686)	-	(5,686)
01-14-14-141510-14400000	PLANT - PROPERTY ADMINISTRATN	060	45,954	47,000	(1,046)	-	(1,046)

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court

Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
August 2, 2019  
Page 3 of 5

01-14-14-141010-14420000	BUR OF EMPLOYEE RELATIONS	060	12,476	13,600	(1,124)	-	(1,124)
01-14-14-140010-25560000	OFFICE OF THE CHILD ADVOCATE	060	24,739	29,600	(4,861)	-	(4,861)
01-14-14-140010-41020000	PROJECT MGT, INNOV, OP ANALYS	060	17,801	29,100	(11,299)	-	(11,299)
01-14-14-141710-51180000	FIXED & MOBILE ASSETS	060	38,831	40,400	(1,569)	-	(1,569)
01-14-14-141510-59680000	LACONIA COTTAGES (LRC)	060	403	500	-	(97)	(97)
01-14-14-140010-86230000	OFFICE OF COST CONTAINMENT	060	32,878	44,583	(11,456)	(249)	(11,705)
<b>General Funding</b>			<b>\$ 624,851</b>	<b>\$ 687,183</b>	<b>\$(59,372)</b>	<b>\$ (2,960)</b>	<b>\$(62,332)</b>

**BENEFITS - Mixed or Other Funding**

Account	Bureau/Division	Cls	Cont. Res. Budget	Estimated Expenditures	This Request - / Projected Deficit	Part Time and Overtime Projected Deficit	Total Projected Deficit
01-14-14-141510-20420000	FACILITIES - ASSETS MANAGEMEN	060	169,171	176,358	(4,590)	(2,597)	(7,187)
01-14-14-141510-20810000	EMERGENCY OPERATIONS CENTER	060	15,455	16,100	(403)	(242)	(645)
01-14-14-141510-20940000	WALKER BUILDING	060	32,100	39,300	(6,676)	(524)	(7,200)
01-14-14-141510-20950000	LONDERGAN HALL	060	11,811	12,100	(151)	(138)	(289)
01-14-14-141510-20960000	JOHNSON HALL	060	9,643	9,800	(157)	-	(157)
01-14-14-141510-21670000	CLAREMONT NH (OLD MILL)	060	14,041	17,300	(3,030)	(229)	(3,259)
01-14-14-141710-51290000	SURPLUS FOOD	060	29,860	31,100	(1,203)	(37)	(1,240)
01-14-14-141510-80500000	CENTRALIZED MAIL DISTRIBUTION	060	17,832	19,000	(1,085)	(83)	(1,168)
01-14-14-141910-51410000	PUBLIC WORKS DESIGN & CONSTRC (G)	060	160,976	163,734	-	(2,758)	(2,758)
	PUBLIC WORKS DESIGN & CONSTRC (O)	060	53,659	54,578	-	(919)	(919)
<b>General Funding</b>			<b>\$ 160,976</b>	<b>\$ 163,734</b>	<b>\$ -</b>	<b>\$ (2,758)</b>	<b>\$(2,758)</b>
<b>Other Funding</b>			<b>\$ 353,572</b>	<b>\$ 375,636</b>	<b>\$(17,295)</b>	<b>\$ (4,769)</b>	<b>\$(22,064)</b>
<b>General Funding</b>			<b>\$2,995,073</b>	<b>\$ 3,233,317</b>	<b>\$(232,526)</b>	<b>\$ (5,718)</b>	<b>\$(238,244)</b>
<b>Other Funding</b>			<b>\$1,358,632</b>	<b>\$ 1,449,936</b>	<b>\$(86,535)</b>	<b>\$ (4,769)</b>	<b>\$(91,304)</b>
<b>Total by Funding</b>			<b>\$4,353,705</b>	<b>\$ 4,683,253</b>	<b>\$(319,061)</b>	<b>\$ (10,487)</b>	<b>\$(329,548)</b>

**EXPLANATION**

The Department of Administrative Services (DAS) respectfully requests that above expenditure classes in specific accounting units be increased for the amounts noted, in excess of the 3/12 limitation established pursuant to Chapter 145, subparagraph I, (a), Laws of 2019.

The deficits projected through the end of the continuing resolution, September 30, 2019, are the result of anticipated payroll and benefit obligations, which will exceed the 25% level of funding for FY 2019, as reflected in the DAS agency budget request for the FY 2020-2021 biennium.

The primary driver for the shortfalls expected in the payroll and benefit line, is the timing of the State's bi-weekly payroll processing schedule that places 7 pay periods in the 3 month span of the Continuing Resolution. (This

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
August 2, 2019  
Page 4 of 5

seventh payroll is one of two extra monthly pay periods of our annual 26 pay period cycle, which places three FY 2020 payrolls in the months of August and January 2020.)

Additional contributors to the shortfalls, unique to the personnel makeup of each accounting unit, may include one or more of the following:

- The effect of the hiring of any individual(s) at a higher level of pay or benefit plan than originally planned for in the FY 2018-2019 budget process.
- The effect of an additional salary increment (step) available for employees associated with the most recent collective bargaining agreements, versus the original budgeted projections.
- Longevity and benefit payments as the result of employee retirements or their decision to leave State service.

The list of shortfall contributors above, would normally be mitigated in part by the agency's ability to seek relief from the Salary Adjustment Fund (RSA 99:4) and or the Benefit Adjustment fund (RSA 9:17,c) for these unbudgeted but normal costs of conducting the State's business.

The two funds noted above would normally be populated by DAS, from a general sweep request and action, to collect salary and benefit excess appropriations from each department, normally done on a quarterly basis. Given the short term of the Continuing Resolution, and the seventh pay period due to be paid September 27, 2019, excess funds are not expected to be available to be brought into the adjustment funds.

Listed below are answers to standard questions required of all Fiscal Committee item requests, related to RSA 9:16-a, "Transfers authorized", RSA 14:30-a, VI "Expenditure of funds over \$100,000 from any Non State Source", or RSA 124:15, "Positions Authorized", or both, and all emergency requests pursuant to " Chapter 145, subparagraph I, (a), Laws of 2019, making temporary appropriations for the expenses and encumbrances of the State of New Hampshire":

- 1. Is the action required of this request a result of the Continuing Resolution for FY 2020?** Yes, this request is a result of the Continuing Resolution. This action would not have been requested if the FY 2020-2021 Operating Budget proposal had been approved.
- 2. If this request is retroactive what is the significance and importance of the action being effective from an earlier date?** This request is not retroactive.
- 3. Is this a previously funded and ongoing program established through Fiscal Committee and Governor and Executive Council action? (If so, include as an attachment the original documents as approved and cite the specific dates of authorization and end dates for each action as part of your answer to this question.)** This request is not related to prior Fiscal Committee and/or Governor and Council action.
- 4. Was funding for this program included in the FY 2018-2019 enacted Budget or requested and denied?** Appropriate funding for salaries and benefits was requested and authorized in the FY 2018-2019 enacted budget.
- 5. Is this program in total or in part, included in the vetoed FY 2020-2021 Operating Budget proposal currently pending for your department, or was it requested and denied?** The total funding needs...

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court

Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
August 2, 2019  
Page 5 of 5

support the salaries and benefits for DAS were requested and included in the FY 2020-20201 Operating Budget proposal currently pending.

**6. Does this program include, either positions or consultants, and if so are the positions filled, vacant, or have offers pending? (Please provide details for each position and note whether consultant contracts have been awarded.)** This request is the result of the need for additional funding to support filled position costs associated with the seven pay periods of the Continuing Resolution and other expected payroll anomalies, which occur annually.

**7. What would be the effect should this program be discontinued or not initiated as a result of this request being denied?** The State is obligated to make payment to individuals for the work that they perform on our behalf. The denial of the request would necessitate that DAS return to Fiscal Committee with a transfer request compiled from any allowable expenditure class line with identical funding to mitigate the anticipated shortfalls in these salary and benefit lines.

Respectfully submitted,



Charles M. Artinghaus  
Commissioner