

**ADMINISTRATIVE OFFICE**  
 45 SOUTH FRUIT STREET  
 CONCORD, NH 03301-4857



GEORGE N. COPADIS, COMMISSIONER  
 RICHARD J. LAVERS, DEPUTY COMMISSIONER

~~APPROVED BY FISCAL COMMITTEE~~

December 27, 2019

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

His Excellency, Governor Christopher T. Sununu  
 And the Honorable Council  
 State House  
 Concord, NH 03301

**REQUESTED ACTIONS**

- 1) Pursuant to RSA 14:30-a, VI, authorize the New Hampshire Employment Security (NHES) to accept and expend funds within accounting unit 80520000, Job Training Program, as outlined below, in the amount of \$2,886,942 to cover anticipated remaining SFY 2020 and 2021 expenditures. Effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2021. 100% Other Funds – Job Training Program.

Funding is to be budgeted in accounting unit #02-27-27-271010-8052, entitled "Job Training Program" with the authority to adjust across state fiscal years through the Budget Office if needed and justified as follows:

02-027-027-270010-80520000 Job Training Program			SFY 2020		
Class	Account	Description	Current Budget	Requested Action	Revised Budget
001	484927	TRANSFERS FROM OTHER AGENCY	(1,974,349)	-	(1,974,349)
003	407549	REVOLVING FUNDS	(4,569,203)	(1,430,797)	(6,000,000)
<b>TOTAL REVENUE:</b>			<b>(6,543,552)</b>	<b>(1,430,797)</b>	<b>(7,974,349)</b>
020	500200	CURRENT EXPENSES	4,994	9,330	14,324
022	500248	RENTS-LEASES OTHER THAN STA	1,822	28,640	30,462
023	500291	HEAT ELECTRICITY WATER	1,500	23,296	24,796
024	500225	MAINT OTHER THAN BUILD-GRN	1,150	8,241	9,391
027	582703	TRANSFERS TO DOIT	3,000	283,394	286,394
030	500300	EQUIPMENT NEW REPLACEMENT	2,733	5,314	8,047
037	500168	TECHNOLOGY-HARDWARE	2,300	9,594	11,894
038	500175	TECHNOLOGY-SOFTWARE	2,300	36,151	38,451
039	500180	TELECOMMUNICATIONS	3,000	29,514	32,514
040	500800	INDIRECT COSTS	1,273	8,865	10,138
041	500801	AUDIT FUND SET ASIDE	-	1,588	1,588
042	500620	ADDITIONAL FRINGE BENEFITS	7,073	37,927	45,000
048	500226	CONTRACTUAL MAINT BUILD-GRN	1,402	18,457	19,859
050	500109	PERSONAL SERVICE TEMP APPOI	131,023	567,399	698,422
060	500601	BENEFITS	39,538	295,449	334,987
066	500546	EMPLOYEE TRAINING	474	-	474
070	500700	IN STATE TRAVEL REIMBURSEME	-	67,638	67,638
102	500731	CONTRACTS FOR PROGRAM SERVI	6,328,469	-	6,328,469
103	500739	CONTRACTS FOR OP SERVICES	11,501	-	11,501
<b>TOTAL EXPENDITURES:</b>			<b>6,543,552</b>	<b>1,430,797</b>	<b>7,974,349</b>

02-027-027-270010-80520000 Job Training Program			SFY 2021		
Class	Account	Description	Current Budget	Requested Action	Revised Budget
003	407549	REVOLVING FUNDS	(4,543,855)	(1,456,145)	(6,000,000)
<b>TOTAL REVENUE:</b>			<b>(4,543,855)</b>	<b>(1,456,145)</b>	<b>(6,000,000)</b>
020	500200	CURRENT EXPENSES	4,730	9,518	14,248
022	500248	RENTS-LEASES OTHER THAN STA	1,794	27,948	29,742
023	500291	HEAT ELECTRICITY WATER	1,530	23,266	24,796
024	500225	MAINT OTHER THAN BUILD-GRN	1,100	8,291	9,391
027	582703	TRANSFERS TO DOIT	2,825	283,045	285,870
030	500300	EQUIPMENT NEW REPLACEMENT	2,692	4,355	7,047
037	500168	TECHNOLOGY-HARDWARE	11	-	11
038	500175	TECHNOLOGY-SOFTWARE	2,185	5,516	7,701
039	500180	TELECOMMUNICATIONS	2,825	29,539	32,364
040	500800	INDIRECT COSTS	1,241	8,897	10,138
041	500801	AUDIT FUND SET ASIDE	-	1,588	1,588
042	500620	ADDITIONAL FRINGE BENEFITS	6,897	40,195	47,092
048	500226	CONTRACTUAL MAINT BUILD-GRN	1,306	18,553	19,859
050	500109	PERSONAL SERVICE TEMP APPOI	27,651	647,990	675,641
060	500601	BENEFITS	39,831	279,806	319,637
066	500546	EMPLOYEE TRAINING	474	-	474
070	500700	IN STATE TRAVEL REIMBURSEME	-	67,638	67,638
102	500731	CONTRACTS FOR PROGRAM SERVI	4,435,262	-	4,435,262
103	500739	CONTRACTS FOR OP SERVICES	11,501	-	11,501
<b>TOTAL EXPENDITURES:</b>			<b>4,543,855</b>	<b>1,456,145</b>	<b>6,000,000</b>

- 2) Pursuant to RSA 124:15 and contingent upon approval of Requested Action #1, authorize the New Hampshire Employment Security (NHES) to establish additional part-time positions in expenditure class 050- Personal Services-Temporary, for the purpose of supporting the Job Training Program. Effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2021. 100% Other Funds – Job Training Program.

#### EXPLANATION

HB 4-FN-A-LOCAL (Chapter 346 of the Laws of 2019) transferred the Job Training Program from the Department of Business and Economic Affairs, Office of Workforce Opportunity to NH Employment Security. HB 4 also expanded the funding from the Job Training Program from \$2 million annually to \$6 million annually. The funding source is the Administrative Contribution paid by New Hampshire employers as a portion of their unemployment compensation taxes. Further, HB 4 also significantly expanded the scope of the Job Training Program to now include training, supports and services for job seekers to assist with gaining entry into occupations in high demand sectors. The program will continue to provide training support for employers for training existing workers. The program will also continue to support the Work Ready NH program provided at community college campuses as an intensive course to deliver basic skills and soft skill training for the unemployed.

The Department requests authorization to budget funds among the various accounts to support anticipated costs associated with administering the Job Training Program in SFY 2020 and SFY 2021 as detailed below.

Class 020 Current Expenses will be used to support the portion of operating costs associated with the positions involved in the program.

Class 022 Rentals will be used to support the portion of operating costs associated with the positions involved in the program.

Class 023 Utilities will be used to support the portion of operating costs associated with the positions involved in the program.

Class 024 Maintenance, Other than Building & Grounds will be used to support the portion of operating costs associated with the positions involved in the program.

Class 027 Transfer to DoIT will be used to support the portion of DoIT costs associated with positions involved in the program.

Class 030 Equipment will be used to support the portion of operating costs associated with positions involved in the program.

Class 037 Technology – Hardware will be used to procure seven (7) laptops and two (2) desktops plus peripheral equipment necessary for the program in SFY 2020.

Class 038 Technology - Software will be used to procure survey and database software programs necessary for the program in SFY 2020 plus the portion of operating costs associated with the positions involved in the program.

Class 039 Telecommunications will be used to support a dedicated toll-free telephone number plus the portion of operating costs associated with the positions involved in the program.

Class 040 Indirect Costs will be used to cover indirect costs incurred under the program.

Class 041 Audit Fund Set Aside will be used to cover audit fees incurred under the program.

Class 042 Additional Fringe Benefits will be used to cover additional fringe benefit costs incurred under the program.

Class 048 Maintenance, Building & Grounds will be used to support the portion of operating costs associated with the positions involved with the program.

Class 050 Personal Services – Part-time personal services funding will be used to support up to eleven (11) temporary positions for the program. It is anticipated that as many as nine (9) of those positions may need to be utilized on a fulltime temporary basis. The department intends to consult and seek support of the Department of Administrative Services Division of Personnel, pursuant to RSA 21-I:54 as the full-time temporary needs are identified. Additionally, portions of six (6) existing FT positions responsible for providing services under the program will receive funding.

Class 060 Benefits will be used to cover the benefits cost associated with the positions involved in the program.

Class 070 In-State Travel will be used to cover the travel-related costs associated with the positions involved with the program.

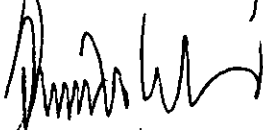
Relating to the establishing of positions and / or consultants through the acceptance of new funding, the following information is provided, in accordance with the Comptroller's instructional memorandum dated September 21, 1981.

- 1) List of personnel involved: A total of eleven (11) temporary positions will be utilized. Six (6) employment counselors, four (4) program specialist Is and one (1) accounting technician.
- 2) Nature, Need, and Duration: To administer the Job Training Program through June 30, 2021.

- 3) Relationship to existing agency programs: These positions will provide support for the Job Training Program through June 30, 2021.
- 4) Has a similar program been requested of the legislature and denied? No.
- 5) Why wasn't funding included in the agency's budget request? Funds were included in the enacted operating budget for FY 2020-2021 (Chapter 345 Laws of FY 2019) for the Department of Employment Security. However, funding for the program was not placed in the appropriate expenditure classes for the program's administration due to subsequent simultaneous changes in law resulting from new language in Chapter 346 Laws of 2019. That language transferred the program to Employment Security from the Department of Business and Economic Affairs. The original funding was closed out of the program accounting unit after consultation with the Department of Administrative Services. This item requests the exact same amount of funding be reauthorized in the proper expenditure classes for the two years of the biennium.
- 6) Can portions of the grant funds be utilized? No.
- 7) Estimate the funds required to continue these positions: Salaries and benefits for these positions are estimated at \$743,223 for FY 2020 and \$776,441 for FY 2021. Subsequent years' salaries and benefits costs are estimated at \$806,141 for FY 2022 and \$835,842 for FY 2023.

There are no General Funds required with this request. In the event that these funds become no longer available, General funds will not be requested to support these expenditures.

Respectfully submitted,



George N. Copadis  
Commissioner

GNC/jdr