



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
 27 Hazen Dr., Concord, NH 03301
 Fax: 603-271-1516 TDD Access: 1-800-735-2964
 www.nh.gov/doi

FIS 18 147

31

Denis Goulet
 Commissioner

June 25, 2018

The Honorable Neal M. Kurk, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, NH 03301

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

Christopher Sununu 7/29/18
Approved by Fiscal Committee Date

REQUESTED ACTION

Pursuant to the provisions of RSA 9:16-a authorize approval to transfer funds in the amount of \$550,000.00 in State Fiscal Year (SFY) 2019 in Other (Class 027) funds in the Department of Information Technology (DoIT). This transfer will have no impact on General Funds or State Revenue. The transfer is summarized below, effective the date of Legislative Fiscal Committee and Governor and Council approval through June 30, 2019. 100% Other (Agency Class 027) Funds; the agency class 027 used by the Department of Health and Human Services to reimburse DoIT is 52% General Funds and 48% Federal Funds.

In SFY19, funds shall be transferred within 01-03-03-030010-77030000, Central IT Services and Ops as follows:

<u>Class</u>	<u>Description</u>	<u>SFY19 Current Adjusted Authorized</u>	<u>Requested Action</u>	<u>Revised SFY19 Adjusted Authorized</u>
001-482795	Transfer from Other Agencies	(\$10,009,013.00)	\$0.00	(\$10,009,013.00)
	General Funds	(\$63,951.00)	\$0.00	(\$63,951.00)
	Totals	(\$10,072,964.00)	\$0.00	(\$10,072,964.00)
020-500200	Current Expense	\$39,000.00	\$0.00	\$39,000.00
022-500265	Rents-Leases Other than State	\$110,068.00	(\$100,000.00)	\$10,068.00
025-509025	Lease of State Owned Equip	\$30,000.00	\$0.00	\$30,000.00
026-500251	Organizational Dues	\$16,500.00	\$0.00	\$16,500.00
028-50295	Transfers to General Services	\$750,692.00	\$0.00	\$750,692.00
037-500173	Technology Hardware	\$2,398,627.00	\$550,000.00	\$2,948,627.00
038-500177	Technology Software	\$5,127,145.00	(\$450,000.00)	\$4,677,145.00

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
June 25, 2018
Page 2 of 3

039-500188	Telecommunications	\$272,367.00	\$0.00	\$272,367.00
046-500465	Consultants	\$1,038,000.00	\$0.00	\$1,038,000.00
049-500294	Transfer to Other State Agencies	\$11,850.00	\$0.00	\$11,850.00
057-500531	Books, Periodicals, Subscript	\$2,756.00	\$0.00	\$2,756.00
066-500545	Employee Training	\$210,300.00	\$0.00	\$210,300.00
070-500704	In-State Travel Reimbursement	\$24,484.00	\$0.00	\$24,484.00
080-500716	Out-Of State Travel	\$41,175.00	\$0.00	\$41,175.00
	Totals	\$10,072,964.00	\$0.00	\$10,072,964.00

EXPLANATION

The transfer of appropriation reflects adjustments to operating expense accounts to address projected FY 19 budget shortfalls within the Department of Information Technology. The budget shortfalls are projected due to the expansion of compute capacity for the IBM z/14 platform which will support multiple mission critical initiatives for DHHS, including:

DCYF Document Imaging – This initiative supports SB63 which has been approved by the legislature and requires DHHS to digitize child welfare client documentation. An electronic case record will assist DCYF in their ongoing effort to optimize service delivery and mitigate the impact of the opioid epidemic on children and the associated increase in caseload. The project re-uses enterprise asset to reduce the cost of meeting requirements. The z/14 will be used to host increased volume of work on the web and application servers used for document retrieval and workflow management on the Red Hat Linux operating system.

New HEIGHTS Modernization – DHHS has been shifting workload from the z/OS mainframe operating system to the Red Hat Linux operating system replacing legacy assets using a Java and COTS application framework. This modernization initiative reduces the cost of ongoing operations and supports compliance with the Center for Medicare & Medicaid Services (CMS) standards and conditions for enhanced federal operations match. The enhanced operations match upgrades the standard match from 50/50 to 75/25. The increased capacity will enable DHHS to execute the planned migration of workload from z/OS to Linux.

The IBM z/14 hardware platform supports a scope of work that includes:

- DHHS enterprise case management system, including self-service & imaging
- 100+ categories of assistance including Medicaid, SNAP, TANF, Childcare, Child Welfare, Long term Support Services, etc.
- 275,000+ clients serving 1 in 5 NH citizens
- 1,100 DHHS users & 750,000 transactions per day
- 1,150 online pages, 850 reports, 8.5M lines of code, 2.2M documents scanned annually

Additional funds are available in Class 022- Rents-Leases Other than State. The \$100,000.00 which was originally budgeted to finance payments for two (2) new virtual tape libraries to sync data between our production site in Concord, NH and the disaster recovery site. However, the solution costs came in much higher than expected and the plan did not move forward.

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu
and the Honorable Council

June 25, 2018

Page 3 of 3

Additional funds are available in Class 038-Technology-Software. The \$450,000.00 was originally budgeted for new software tool licenses and the expected year over year price increases for existing software maintenance. However, both licenses and maintenance have come in lower than anticipated, especially when purchased in conjunction with hardware upgrades.

The following information is provided in accordance with the Budget Officer's instructional memorandum dated April 17, 1985 to support the above requested actions:

A. Justification:

Information technology needs at DoIT have been assessed prior to the submission of this request and it was determined that sufficient surplus exists in Class 022-Rents-Leases other than State and Class 038-Technology Software to support this request. Additional appropriation is requested in Class 037-Technology Hardware to support the expansion of compute capacity for the IBM z/14 server which will support multiple mission critical initiatives for DHHS.

B. Does this transfer involve continuing programs or one-time projects?
This transfer involves continuing programs.

C. Is this transfer required to maintain existing program levels or will it increase the program level?
This transfer is required to maintain existing program levels.

D. Cite any requirements, which make this program mandatory.
Not applicable.

E. Identify the source of funds on all accounts listed on this transfer.
The source of funds for this transfer is 100% Other funds. DoIT does not anticipate any impact on General funds as a result of this fiscal transfer.

F. Will there be any effect on revenue as a result of this transfer?
There is no anticipated effect on revenue as a result of this transfer.

G. Are funds expected to lapse if this transfer is not approved?
It is anticipated that some funds will lapse whether or not this transfer is approved.

H. Are personnel services involved?
Personnel services are not involved.

The Department of Information Technology has conducted a review of DoIT operations to ensure that available funds are maximized to the greatest degree possible.

Respectfully submitted,



Denis Goulet
Commissioner