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|  | **State of New Hampshire**DEPARTMENT OF ADMINISTRATIVE SERVICES25 Capitol Street – Room 120**Concord, New Hampshire 03301**Office@das.nh.gov |
| **Charles M. Arlinghaus****Commissioner****(603) 271-3201** |  | **Joseph B. Bouchard****Assistant Commissioner****(603) 271-3204****Catherine A. Keane****Deputy Commissioner****(603) 271-2059** |

March 4, 2021

Representative Lynne Ober, Chair

And Representatives of House Finance Division 1

Legislative Office Building

33 North State Street

Concord NH 03301

RE: FY22/23 Budget Questions

Dear Representative Ober:

Please find the responses to the questions concerning the Department of Administrative Services (DAS) FY22/23 Governor’s Recommended budget.

* 1. What new full-time staff has been added to your budget?

*No new full time staff were added in the Governor’s Recommended budget. At Division One’s meeting with DAS on March 4, 2021, we will request one new full-time position for the central DAS Finance Office in order to provide support to five independent agencies administratively attached to DAS.*

* + - 1. Cost for each staff member added (salary, benefits, IT, telecom, desk, equipment, office space).

 *Estimated total salary and benefits cost for one additional full time staff is approximately $87,400 in FY22 and $93,900 in FY23.*

 b. Brief description of the need for each staff member added.

*The Governor’s Recommended Budget proposes to administratively attach five separate small, independent agencies to DAS. We agree that administrative attachment supports efficiency and avoids duplication of staffing in small agencies, however, the combined workload exceeds the capacity of the central DAS Finance Office’s staff to provide the necessary support. An additional staff person in the DAS Finance Office would equip DAS to meet the needs of the administratively attached agencies as well as the requirements of DAS’s existing workload.*

2. What new part-time staff has been added to your budget?

*No new part-time staff have been added to the DAS budget.*

3. What positions had to be eliminated in order to meet the governor's budget requirements?

*See attached chart of position bundles including position numbers, titled DAS Additional Prioritized Needs. A total of 20 positions are unfunded.*

4. Is your agency adequately staffed to complete all work assigned to your agency in state law? *No.*

5. If the answer to Q. 4 is no, please describe.

*In an environment of scarcity, DAS is willing to do its part to triage work and prioritize the application of remaining resources. In FY 20/21, a very aggressive lapse target from the start combined with a hiring freeze six months later and coupled with significant pandemic-related repurposing has placed significant stress on our workforce. Even though staff have risen to the challenge of doing more work with less, staff stress levels are noticeably high causing great concern. For a central service and control agency, triage requires patience on the part of the agencies we service and prioritization of audits and review. Unfortunately, the nature of our role as a central service agency doesn’t allow service requirements to be ignored (we can’t stop bidding contracts for agencies, paying for electricity, processing payroll, auditing spending, paying for health benefits, etc.) If every position in the FY20/FY21 budget had been able to be filled, we would have done a fair amount of triage of workload demands, prioritizing those items adding the most value and asking the patience of agencies to wait for longer periods. Were we to find ourselves 20 positions short of FY 20/21 original funding levels, and assuming a comparable and new lapse requirement in the FY 22/23 budget that would require DAS to leave an additional 20 positions open, we would need to do a lot of internal triage analysis but it seems likely that few statutory requirements would be ignored altogether.*

1. 6. What things are you doing (found in state law) that could be eliminated and why?

*Over the last several budget cycles, the budget trailer bill has included several exemptions to DAS’ statutory service requirements and other responsibilities that we would like to see renewed in this budget cycle. However, as a central service agency, DAS plays a vital role in many different areas and those responsibilities cannot readily be eliminated without significantly harming the state’s financial position. For example, DAS saves the state millions of dollars every year through procurements for health care and other goods and services. DAS audits vendor payments to ensure the state correctly pays its bills. DAS maintains state buildings. . Many DAS responsibilities are required by law and they also have deadlines that are not flexible (G&C, CAFR and financial reporting deadlines, contract deadlines, etc.) Therefore, many times we do not have the option to delay things. It is for this reason that we are constantly prioritizing the urgent items and frustrating those who must wait for our ability to address their needs.*

7. What priorities did you have that were not funded? Cost? Description? Impact of not funding?

*Please see the attachment entitled DAS Additional Prioritized Needs that describes DAS’s unfunded positions unfunded.*

8. Please be prepared to discuss any HB2 sections that apply to your agency.

 *We are prepared to discuss sections of HB2 that apply to DAS.*

Sincerely,

*Catherine A. Keane, for*

 Charles M. Arlinghaus

 Commissioner