



STATE OF NEW HAMPSHIRE

FIS 23 162



GOVERNOR'S OFFICE

for

EMERGENCY RELIEF AND RECOVERY

May 2, 2023

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

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 Governor's Office of Emergency Relief and Recovery (GOFERR) to amend previously approved accept and expend FIS 22-316, approved by Fiscal Committee on September 9, 2022, and item #65A, approved by Governor and Council on September 7, 2022, to reallocate federal funds in the amount of \$8,549,541 from the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) for the purposes of retaining Guidehouse Inc. as a consultant and supportive resource for the State concerning COVID-19 federal relief funds, with an emphasis on ARPA SLFRF, effective upon approval of the Fiscal Committee and Governor and Council through June 30, 2025. This is an allowable use of ARPA SLFRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts 100% Federal Funds.

Funds are to be adjusted in FY2023 in the following accounts:

Table with 5 columns: CLASS, ACCOUNT, FY2023 CURRENT MODIFIED BUDGET, FY2023 BUDGET REQUEST, FY2023 REVISED BUDGET. Rows include EXPENDITURES, 072 - Grants Federal, TOTAL EXPENSES, SOURCE OF FUNDS, 000 - Federal Funds, and TOTAL REVENUE.

[1] All costs will be accounted for using activity 00FRF602PH0201Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

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01-02-002-020210-24690000[1] ARP GRANTS AND DISBURSEMENTS		<u>FY2023</u>	<u>FY2023</u>	<u>FY2023</u>
CLASS	ACCOUNT	CURRENT MODIFIED BUDGET	BUDGET REQUEST	REVISED BUDGET
EXPENDITURES				
040 – Indirect Costs	501587	\$1,182,750	\$0	\$1,182,750
041 – Audit Fund Set Aside	500801	\$250,694	\$8,541	\$259,235
042 - Additional Fringe Benefits	500620	\$60,500	\$0	\$60,500
072 – Grants Federal	500575	\$166,057,552	\$0	\$166,057,552
085 - Interagency Xfr Out of Fed Fn	588510	\$9,412,214	\$0	\$9,412,214
103 - Contracts for Op Services	502507	\$2,449,800	\$8,541,000	\$10,990,800
TOTAL EXPENSES		\$179,413,510	\$8,549,541	\$187,963,051
SOURCE OF FUNDS				
000 – Federal Funds	400338-16	\$179,413,510	\$8,549,541	\$187,963,051
TOTAL REVENUE		\$179,413,510	\$8,549,541	\$187,963,051

2. Pursuant to RSA 14:30-a, VI, authorize the Governor's Office of Emergency Relief and Recovery (GOFERR) to amend previously approved accept and expend FIS 22-316, approved by Fiscal Committee on September 9, 2022, and item #65A, approved by Governor and Council on September 7, 2022, to reallocate federal funds in the amount of \$592,620 from the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) for the purposes of reallocating these funds for other eligible uses, namely projects focused on a mental health resiliency initiative through the Department of Safety and emergent staffing needs at the NH Department of Corrections, effective upon approval of the Fiscal Committee and Governor and Council through June 30, 2023. This is an allowable use of ARPA SFRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts **100% Federal Funds**.

Funds are to be adjusted in FY2023 in the following account:

01-02-002-020210-26670000[1] LOCAL EMPLOYER RECOUP EXT PRO		<u>FY2023</u>	<u>FY2023</u>	<u>FY2023</u>
CLASS	ACCOUNT	CURRENT MODIFIED BUDGET	BUDGET REQUEST	REVISED BUDGET
EXPENDITURES				
072 – Grants Federal	500575	\$12,012,600	(\$592,620)	\$11,419,980
TOTAL EXPENSES		\$12,012,600	(\$592,620)	\$11,419,980
SOURCE OF FUNDS				

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000 – Federal Funds	400338-16	\$12,012,600	(\$592,620)	\$11,419,980
TOTAL REVENUE		\$12,012,600	(\$592,620)	\$11,419,980

EXPLANATION

The funds requested here will be reallocated from a previously approved ARPA SLFRF funded program, which has remaining funds, FIS 22-316, and will be used to support three projects: support for the ongoing administration of ARPA SLFRF, mental health and resiliency efforts for first responders, and emergent staffing resources for the NH Department of Corrections' NH State Prison for Men.

Approximately \$215,000 would be reallocated and provided for the purpose of providing emergent staffing resources to the NH Department of Corrections' (DOC) NH State Prison for Men through the National Guard. Staffing challenges have substantially increased for DOC since the beginning of the COVID-19 pandemic when they saw unprecedented security staff retirements and staff departures. A separate Fiscal Item will be submitted by DOC for use of these funds for the above-described purpose.

Approximately \$375,000 would be reallocated and provided for the purpose of developing mental health and resiliency resources for first responders and support staff within the Department of Safety (DOS). The funding will address the mental health crisis resulting from and exacerbated by the pandemic by building proactive and preventive mental health and resiliency programs. The funding will also be used to develop additional mental health and resiliency resources for employees serving in the public safety capacity, including State Police, fire fighters, EMS, and civilian employees assigned throughout DOS. A separate Fiscal Item will be submitted by DOS for use of these funds for the above-described purpose.

Approximately \$8,500,000 would be reallocated and utilized by GOFERR to retain Guidehouse Inc. as its consultant and a supportive resource for the State concerning COVID-19 federal relief funds, with an emphasis on ARPA SLFRF. This would enable amending and extending an existing multi-year contract through the period of performance of SLFRF that will ensure timely obligation of these funds for this purpose and continuity in resources used by the State and provided to agencies and communities across New Hampshire in the oversight, compliance, and utilization of federal COVID-19 relief funds.

Guidehouse has been under contract since June 2021 through GOFERR on behalf of the State for the purpose of providing guidance, consultation, and support on matters pertaining to COVID-19 federal relief funds, with a focus on ARPA SLFRF. Engaging Guidehouse in an amendment to its multi-year contract at this juncture is necessary to avoid a gap in services, with the current contract end date of June 30, 2023, and because ARPA SLFRF requires that all funds must be fully obligated by December 31, 2024. These reallocated funds thus would enable up to a four-year contract extension with Guidehouse through the life of ARPA SLFRF, inclusive of reporting and compliance requirements that will exist into 2027.

A well-built team at Guidehouse has worked closely with the State and localities and has proven to be an exceptionally valuable partner that plays a critical role alongside GOFERR in the administration and oversight of federal COVID-19 relief funds.

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Examples of the work Guidehouse conducts or helps facilitate include:

- Analysis concerning eligible uses of ARPA SLFRF for the State and communities that received direct allocations of federal funds
- Creating and utilizing tools that assist with federal reporting, project oversight, and compliance requirements for the State and localities
- Support and coordination with GOFERR and State agencies in the reporting and oversight processes
- Subject matter expertise concerning COVID-19 federal funding
- Development and facilitation of webinars and information sessions for State agencies and localities and providing one-on-one assistance to both

Funds are to be adjusted as follows:

- 26670000 – Local Employer Recoupment Extension Program
 - Class 072 – Grants Federal – Reduction of funds as described in Explanation
- 24690000 – ARP Grants and Disbursements
 - Class 041 – Audit Fund Set Aside to comply with RSA 124:16 that requires all agencies that receive federal funds to set aside a percentage (0.1%) of the federal revenue amount received to pay for financial and compliance audits.
 - Class 103 – Contracts for Operational Services – Increase of funds for continued ARPA SLFRF oversight and technical assistance.

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Chase Hagaman
Deputy Director, GOFERR



STATE OF NEW HAMPSHIRE



GOVERNOR'S OFFICE

for

EMERGENCY RELIEF AND RECOVERY

FIS 22 316

August 26, 2022

The Honorable Karen Emberger, 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

Pursuant to RSA 14:30-a, VI, the Governor's Office for Emergency Relief and Recovery (GOFERR) requests authorization to accept and expend funds in the amount of \$12,400,000 in American Rescue Plan Act (ARPA) State Fiscal Recovery Funds (SFRF) for the Local Employer Recoupment Extension Program to enable businesses with the ability to enter into loans to help reduce the near term burden of recoupment previously associated with CARES Act funded awards and risk of funds due repayment entering into collections, effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. This is an allowable use of ARPA SFRF funds under Section 602 (c)(1)(C) for the provision of government services to the extent of the reduction in revenue. 100% Federal Funds.

Funds are to be budgeted in FY2023 in the following accounts:

01-02-002-020210-24690000 ¹ ARP GRANTS AND DISBURSEMENTS		FY2023	FY2023	FY2023
CLASS	ACCOUNT	CURRENT MODIFIED BUDGET	BUDGET REQUEST	REVISED BUDGET
EXPENDITURES				
040 -- Indirect Costs	501587	\$750,250	\$375,000	\$1,125,250
041 -- Audit Fund Set Aside	500801	\$189,866	\$12,400	\$202,266
042 - Additional Fringe Benefits	500620	\$60,500	\$0	\$60,500
072 -- Grants Federal	500575	\$124,080,032	\$0	\$124,080,032
085 - Interagency Xfr Out of Fed Fn	5885XX	\$3,019,499	\$0	\$3,019,499
103 - Contracts for Op Services	502664	\$2,449,800	\$0	\$2,449,800
TOTAL EXPENSES		\$130,549,947	\$387,400	\$130,937,347
SOURCE OF FUNDS				
000 -- Federal Funds	400338-16	\$130,549,947	\$387,400	\$130,937,347
TOTAL REVENUE		\$130,549,947	\$387,400	\$130,937,347

¹ All direct program costs will be accounted for using activity 00FRF602GS0203A-D and all administrative and indirect costs will be accounted for using activity 00FRF602GS0203Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

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funding to offer no-interest loans with a repayment period of up to two years. By transferring these obligations from CARES Act CRF to ARPA SFRF, this approach would assist businesses in need, ensure federal relief funds remain in the State and its recovering economy, as well as enable repaid funds to be reused for other ARPA SFRF eligible purposes upon reallocation.

These businesses that remain in recoupment not only face continued negative economic impacts of the pandemic but also the burden of repaying in some cases large portions of their initial CARES Act CRF award in a short period of time or the potential of seeing those funds owed enter collections. This requested program would help relieve some of that burden at a time when these small businesses need continued support to further their recovery. This program would also be accessible to other business entities experiencing a similar burden that received CARES Act funded awards and are in recoupment, such as recipients of awards in the General Assistance Preservation (GAP) Fund.

The Local Employer Recoupment Extension Program must operate during a limited window in September in order to meet the CARES Act CRF related deadline of September 30, 2022, for the expenditure of those funds.

As has been the case with funds repaid to date, CARES Act CRF funds received prior to September 30, 2022, will be transferred to the State's UI Trust Fund in accordance with the existing and authorized CARES Act CRF waterfall, but any awards left unpaid following that deadline would likely have to be returned to U.S. Treasury once collected.

Funds are budgeted as follows:

Class 040 -- Indirect Costs

Class 041 -- Audit Fund Set-Aside - .001 of federal funds payable to DAS for audit fees

Class 072 -- Grants out of Federal Funds as described in the explanation

In the event that Federal Funds are no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Taylor Caswell
Executive Director, GOFERR