



**STATE OF NEW HAMPSHIRE
OFFICE OF THE GOVERNOR**

CHRISTOPHER T. SUNUNU
Governor

April 12, 2021

George Copadis
Commissioner
New Hampshire Department of Employment Security
45 South Fruit Street
Concord, N.H. 03301

Dear Commissioner Copadis,

Pursuant to my authority under RSA 21-P:43; RSA 4:45; RSA 4:47; and Executive Order 2020-04, as extended by Executive Orders 2020-05, 2020-08, 2020-09, 2020-10, 2020-14, 2020-15, 2020-16, 2020-17, 2020-18, 2020-20, 2020-21, 2020-23, 2020-24, 2020-25, 2021-01, 2021-02, 2021-04, and 2021-05 I have approved your written request, in attachment, to take the following actions related to the Coronavirus Assistance, Relief, and Economic Security (CARES) Act Pandemic Emergency Unemployment Compensation and Pandemic Unemployment Assistance Program Funds:

1. Authority for New Hampshire Employment Security (NHES) to accept and expend \$1,215,000 in additional federal CARES Act funds from the United States Department of Labor – Employment Training Administration (USDOL-ETA) for the purpose of assisting with fraud prevention, detection, and related overpayment collection efforts. Budgeted consistent with the information in the request, in attachment, effective through June 30, 2022. (100% Federal Funds)

The Department of Administrative Services is authorized to take the actions necessary to effectuate this authorization.

Sincerely,

A handwritten signature in blue ink that reads "Clitch T. Sununu".

Christopher T. Sununu
Governor

CC: Charles Arlinghaus, Commissioner, Department of Administrative Services



"We're working to keep New Hampshire working"

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



GEORGE N. COPADIS, COMMISSIONER

RICHARD J. LAVERS, DEPUTY COMMISSIONER

April 12, 2021

His Excellency, Governor Christopher T. Sununu
State House
Concord, NH 03301

REQUESTED ACTION UNDER RSA 21-P:43; RSA 4:45; RSA 4:47; AND EXECUTIVE ORDER 2020-04, AS EXTENDED BY EXECUTIVE ORDERS 2020-05, 2020-08, 2020-09, 2020-10, 2020-14, 2020-15, 2020-16, 2020-17, 2020-18, 2020-20, 2020-21, 2020-23, 2020-24, 2020-25, 2021-01, 2021-02, 2021-04 AND 2021-05.

Authorize the New Hampshire Employment Security (NHES) to accept and expend \$1,215,000 in additional federal funds from the United States Department of Labor – Employment and Training Administration (USDOL-ETA) for the purpose of assisting with fraud prevention, detection and related overpayment collection efforts with the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 Pandemic Emergency Unemployment Compensation and Pandemic Unemployment Assistance programs through June 30, 2022. 100% Federal Funds.

02-027-027-270010-80400000 Employment Security			SFY 2021		
Class	Account	Class Description	Current Budget	Requested Action	Revised Budget
000	404625	FEDERAL FUNDS	(\$40,930,547)	(\$1,215,000)	(\$42,145,547)
001	484945	TRANSFERS FROM OTHER AGENCY	(\$975,757)		(\$975,757)
003	407549	REVOLVING FUNDS	(\$11,658,183)		(\$11,658,183)
009	402338	AGENCY INCOME	(\$593,391)		(\$593,391)
00D	488522	TRANSFERS FROM OTHER AGENCY	(\$4,523,000)		(\$4,523,000)
TOTAL REVENUE:			(\$58,680,878)	(\$1,215,000)	(\$59,895,878)
010	500100	PERSONAL SERVICES PERM CLAS	\$14,211,684		\$14,211,684
011	500126	PERSONAL SERVICES UNCLASSIF	\$232,480		\$232,480
012	500128	PERSONAL SERVICES UNCLASSIF	\$108,451		\$108,451
013	500131	PERSONAL SERVICES UNCLASSIF	\$347,354		\$347,354
018	500106	OVERTIME	\$3,828,239		\$3,828,239
019	500105	HOLIDAY PAY	\$160,499		\$160,499
020	500200	CURRENT EXPENSES	\$907,841	\$4,000	\$911,841
022	500248	RENTS-LEASES OTHER THAN STA	\$447,574	\$3,794	\$451,368
023	500291	HEAT ELECTRICITY WATER	\$509,226	\$8,829	\$518,055
024	500225	MAINT OTHER THAN BUILD-GRN	\$242,203	\$3,859	\$246,062
026	500251	ORGANIZATIONAL DUES	\$25,500		\$25,500
027	582703	TRANSFERS TO DOIT	\$5,166,221	\$15,669	\$5,181,890
028	582814	TRANSFERS TO GENERAL SERVIC	\$1		\$1

02-027-027-270010-80400000 Employment Security			SFY 2021		
Class	Account	Class Description	Current Budget	Requested Action	Revised Budget
030	500331	EQUIPMENT NEW REPLACEMENT	\$155,336	\$3,908	\$159,244
037	500174	TECHNOLOGY-HARDWARE	\$1,003,621	\$4,800	\$1,008,421
038	509038	TECHNOLOGY-SOFTWARE	\$9,141,023	\$791,440	\$9,932,463
039	500198	TELECOMMUNICATIONS	\$646,149	\$5,352	\$651,501
040	500800	INDIRECT COSTS	\$403,255	\$4,060	\$407,315
041	500801	AUDIT FUND SET ASIDE	\$43,327	\$1,215	\$44,542
042	500620	ADDITIONAL FRINGE BENEFITS	\$1,639,316	\$16,630	\$1,655,946
046	500460	CONSULTANTS	\$4,000		\$4,000
047	500240	OWN FORCES MAINT BUILD-GRN	\$9,210		\$9,210
048	500226	CONTRACTUAL MAINT BUILD-GRN	\$519,008	\$8,170	\$527,178
049	584922	TRANSFER TO OTHER STATE AGE	\$91,404		\$91,404
050	500109	PERSONAL SERVICE TEMP APPOI	\$967,462	\$211,869	\$1,179,331
057	500531	BOOKS PERIODICALS SUBSCRIPT	\$11,300		\$11,300
059	500117	TEMP FULL TIME	\$1,104,853		\$1,104,853
060	500601	BENEFITS	\$9,781,891	\$125,905	\$9,907,796
061	500536	UNEMPLOYMENT COMPENSATION	\$20,000		\$20,000
062	500538	WORKERS COMPENSATION	\$125,000		\$125,000
065	500542	BOARD EXPENSES	\$15,000		\$15,000
066	500544	EMPLOYEE TRAINING	\$16,907		\$16,907
070	500700	IN STATE TRAVEL REIMBURSEME	\$84,900		\$84,900
080	500710	OUT OF STATE TRAVEL REIMB	\$37,000		\$37,000
085	588512	INTER-AGENCY TRANSFERS-FEDERAL	\$465,000		\$465,000
102	500731	CONTRACTS FOR PROGRAM SERVI	\$5,867,584		\$5,867,584
103	500740	CONTRACTS FOR OP SERVICES	\$303,530	\$5,500	\$309,030
211	501530	CATASTROPHIC CASUALTY INS	\$3,373		\$3,373
229	500764	SHERIFF REIMBURSEMENT	\$10,500		\$10,500
230	500765	INTERPRETER SERVICE	\$23,657		\$23,657
TOTAL EXPENDITURES:			\$58,680,878	\$1,215,000	\$59,895,878

EXPLANATION

NHES is requesting approval to accept and expend additional federal funds to support identity verification, fraud/identity theft prevention/detection and overpayment recovery activities associated with Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC) programs' benefit payments resulting from the COVID-19 pandemic.

Due to the unexpected nature of the COVID-19 pandemic, NHES was not able to forecast or budget these funds in advance.

USDOL-ETA made additional federal funding available to state workforce agencies to assist with expanding efforts to (1) conduct identity verification/validation of claimants; (2) prevent and detect fraud and identify theft; and (3) recover fraud overpayments in the PUA and PEUC programs. USDOL-ETA offered the additional funding in the form of a supplemental budget request. NHES submitted the necessary applications and was approved for the supplemental funding to support these efforts which include system modifications necessary to

further enhance the New Hampshire Unemployment Insurance System (NHUIS), the state's unemployment benefit payment system.

The supplemental funds authorized provide for the expansion and improvement of existing integrity functions currently utilized by NHES. InvestiCase, the fraud prevention and detection module within NHUIS, will be further enhanced to provide staff with better visualization and configuration methods to trace identified fraud patterns. Additionally, Identify Verification available to NHES as a potential participant in the Integrity Data Hub (IDH), if authorized in the state budget for the fiscal biennium 2022-2023, will be integrated with existing identity verification, identity proofing and other fraud detection tools/methods within the InvestiCase module. The IDH is a secure, robust, coordinated platform that allows states to work together to detect and prevent unemployment fraud and is operated at no cost to states by the National Association of State Workforce Agencies on behalf of the US Department of Labor. These enhancements will enable staff to more promptly and effectively detect/prevent fraud using previous lessons learned.

The majority of the funding will be used to support a contract amendment with SymbioSys Solutions, the vendor responsible for maintenance, modifications and enhancements to NHUIS since 2009. A portion of the funding will also be used to support four (4) full-time temporary fraud investigator positions for a one-year period.

NHES is requesting authorization to accept and expend \$1,215,000 in Federal funds from USDOL-ETA, and to budget the funds as follows:

Class 020 Current Expenses - The funds will be used to pay for anticipated general office supplies required by the four temporary positions, such as paper, toner, calculators, organizers, etc, as well as to support the portion of operating costs associated with the four temporary positions.

Class 022 Rents/Leases -- The funds will be used to support the portion of office equipment rental/usage costs associated with the four temporary positions.

Class 023 Utilities -- The funds will be used to support the portion of utility costs associated with the four temporary positions.

Class 024 Maintenance, other than Building & Grounds-- The funds will be used to support increased equipment maintenance costs associated with increased usage by the four temporary positions.

Class 027 Transfer to DoIT -- The funds will be used to support the portion of DoIT costs associated with four temporary positions.

Class 030 Equipment -- The funds will be used to pay for necessary office equipment/furniture, such as phones, chairs and desks, for the four temporary staff.

Class 037 Technology, Hardware -- The funds will be used to purchase necessary laptops and related peripherals for the four temporary staff.

Class 038 Technology, Software -- The majority of class 038 funds will be used to enhance NHUIS by expanding and improving upon existing integrity functions, instituting new data-gathering and evaluation tools, and allowing NH to fully participate with the Integrity Data Hub.

Class 039 Telecommunications -- The funds will be used to pay for additional phone/data lines and anticipated increased usage for the four temporary staff.

Class 040 Indirect Costs -- The funds will be used to pay indirect costs associated with additional federal funding.

Class 041 Audit Fee Set Aside – The funds will be used to pay audit fee set aside associated with federal funding to comply with RSA 124:16 that requires all agencies which receive federal funds to set aside a percentage (0.1%) of the federal revenue amount received to pay for financial and compliance audits.

Class 042 Additional Fringe Benefits – The funds will be used to pay required post-retirement costs associated with the salary costs of the four temporary positions.

Class 048 Maintenance, Building & Grounds – The funds will be used to support the portion of building and grounds costs, such as HVAC, janitorial/cleaning, security/alarm systems maintenance/monitoring, associated with the four temporary positions.

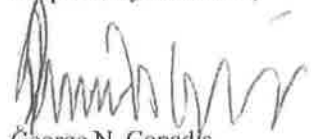
Class 050 Personal Services, Part-time – The funds will be used to support four existing (4) full-time temporary positions for a one-year period.

Class 060 Benefits – The funds will be used to support fringe benefit costs associated with four temporary positions for a one-year period.

Class 103 Contracts for Operational Services – The funds will be used to support the portion of operational contracts cost, such as shredding, trash and snow removal/landscaping services, associated with the four temporary positions.

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