



FY 2026/2027 DoIT Senate Finance Budget

Introduction:

Good afternoon. My name is Denis Goulet, and I am the Commissioner of the Department of Information Technology (DoIT). Joining me today is Ken Dunn, Deputy Commissioner and Loretta Razin, Director of Finance.

Thank you for the invitation to testify today and I welcome the opportunity to provide a high-level overview of DoIT's proposed FY26/27 Senate Phase operating budget.

DoIT is a centralized organization that works with all executive branch agencies. We manage the State's technology infrastructure, products, applications, and procurement processes in a consistent, secure, and cost-effective manner. DoIT also manages statewide telecommunications architecture and service functions.

The full set of DoIT responsibilities are outlined in RSA 21-R. We define our budget on a biennial basis by working with each individual agency. These sessions address unique agency needs (paid for via a direct chargeback method) as well as enterprise needs and services that would benefit all agencies (paid for via shared services chargeback methods). In addition, the statewide telecommunications infrastructure and associated support are maintained through a revolving fund. The revolving fund enables DoIT Telecommunications to define fixed rates to fund ongoing operations and charge agencies for extra services when required and as needed.

DoIT FY26-FY27 MISSION & VISION

Mission:

In service to the citizens of New Hampshire, the Department of Information Technology (DoIT) provides comprehensive technical leadership and solutions to agency partners in a secure, transparent, and fiscally responsible manner.

Vision:

The NH DoIT will be recognized as a valued partner to New Hampshire and a major contributor toward innovation and efficiency efforts.

During the upcoming biennium, DoIT will continue to focus on enterprise solutions, development of digital government capabilities, and expanded use of cloud hosted technologies. Additionally, we will continue to evolve our governance, security and compliance practice to protect the state's sensitive information, assure continuity of government and guard against the improper use of AI technology.

DoIT Organization

- CIO Office
 - Finance and Administration and HR
 - Governance and Strategic Planning
 - Cyber Security
- Business Relationship Management Division
 - DoIT Liaison to the Agency
 - Agency line-of-business Applications
- User Services Division
 - Desktop, Help Desk and E-mail Services
 - Enterprise Applications and File/Print Support
- Infrastructure & Operations Division
 - Server and Data Center Support
 - Network Engineering and Services, Providing Security, Internet Access and Telecommunications
- User Experience Division
 - Web Services, e-government, e-commerce Support
 - Hosts/Manages Agency Web Sites

Key FY26/27 DoIT Budget Trends:

- Hardware and Software Vendor Acceleration to Subscription Based Products
- Persistent Price Increases in Hardware, Software and Services – ** Potential Tariff Impacts Not Factored
- Shorter Equipment Lifecycles Driven by Cyber Security - Federal Compliance Requirements and Payment Card Industry Standards
- Continuous Focus on Cyber Defense and Protection Capabilities to Respond to Ongoing/Emerging Threats
- Agencies Shifting more IT Funding to Class 027 for DoIT to Manage Procurement and Contract Responsibilities

DoIT FY26/27 Budget Review by Accounting Units:

AU	DESCRIPTION	Actuals FY24	Adj Authorized FY25	FY2026		FY 2027	
				GOV	HOUSE	GOV	HOUSE
7706-7697, 7702	AGENCY DIRECT TOTALS	\$ 61,794,927	\$ 63,194,893	\$ 66,232,154	\$ 66,810,537	\$ 70,589,103	\$ 70,511,477
				\$ 3,037,261	\$ 3,615,644	\$ 7,394,210	\$ 7,316,584
7703	CENTRAL IT SERVICES & OPS	\$ 13,819,999	\$ 15,941,138	\$ 15,479,346 \$ (461,792)	\$ 15,479,346 \$ (461,792)	\$ 15,384,302 \$ (556,836)	\$ 15,384,302 \$ (556,836)
7708	IT SALARIES AND BENEFITS	\$ 46,209,871	\$ 51,535,121	\$ 49,439,904 \$ (2,095,217)	\$ 49,253,785 \$ (2,281,336)	\$ 50,712,606 \$ (822,515)	\$ 50,528,266 \$ (1,006,855)
5213	STATEWIDE TELECOMMUNICATIONS	\$ 5,208,349	\$ 6,508,081	\$ 5,806,404 \$ (701,677)	\$ 5,806,404 \$ (701,677)	\$ 5,897,227 \$ (610,854)	\$ 5,897,227 \$ (610,854)
	HB1 - TOTAL EXPENDITURES - DOIT	\$ 121,824,797	\$ 137,179,233	\$ 136,957,808	\$ 137,350,072	\$ 142,583,238	\$ 142,321,272
	HB2 - BUDGET ADJUSTMENT				\$ (5,000,000)		\$ (5,000,000)
NET EXPENDITURES - DOIT			\$ 137,179,233	\$ 136,957,808	\$ 132,350,072	\$ 142,583,238	\$ 137,321,272

**** FY 2024 Expenditures \$121,824,797 plus \$14,850,441 encumbrance carry forward for a FY 2024 Total \$136,675,238**

FY 2026 DoIT Overall Requested Budget Increase of ~\$170K (0.12%) over FY 25.

- Agency Direct: Increase 5.72% in Hardware, Software and Consultants.
- Central IT Services/Ops: Decrease (2.90%) in Hardware and Software.
- IT Salaries and Benefits: Decrease (4.43%) Unfunded 40 DoIT Shared and Direct Full-Time Positions.
- Statewide Telecomm: Decrease (10.78%) in Hardware and Software.

FY 2027 DoIT Overall Requested Budget Increase of ~\$4.97M (3.49%) increase over FY 26.

- Agency Direct: Increase 3.49% in Hardware, Software and Consultants.
- Central IT Services/Ops: Decrease (0.61%) in Hardware and Consultants.
- IT Salaries and Benefits: Increase 2.59% in Salaries and Benefits.
- Statewide Telecomm: Increase 1.56% in Salaries and Benefits.

DoIT Funding Sources

Funds Mix⁽¹⁾	Federal Funds	General Funds	Liquor Funds	Highway Funds	Turnpike Funds	Lottery Funds	Fish & Game Fund	Other Funds	Total
FY26	25.7%	41.6%	4.8%	12.4%	0.7%	0.9%	0.6%	13.4%	100.00%
FY27	25.8%	42.0%	4.7%	11.8%	0.7%	0.9%	0.6%	13.5%	100.00%

⁽¹⁾ Note: Based on cost allocations generated in the Agency phase of the budget

FY26-FY27 Budget Highlights

- General Funds are ~42% of DoIT funding
- DoIT utilized ARPA Funds over the past 4 years to implement several next generation solutions
 - Statewide Network Infrastructure Replacement/Upgrades for Executive Branch
 - New Storage and Backup solutions, with Disaster Recovery As a Service option
 - Shifting Server workloads to more resilient 3rd party Data Centers
- Upgrades did not result in an increase of support or maintenance costs for FY26/FY27
- No new Programs or Solutions are included in our FY26/FY27 budget

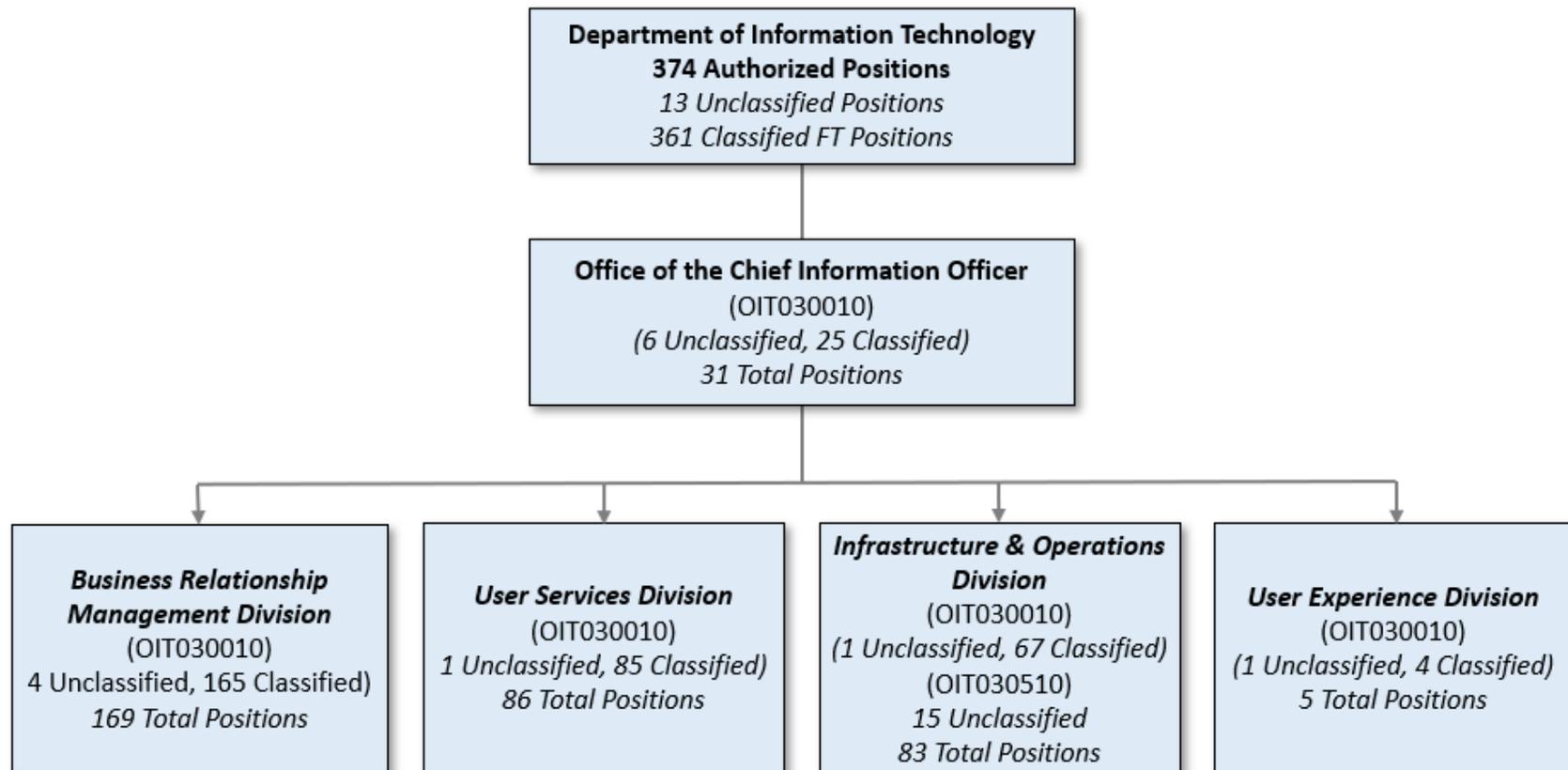
Key Budget Adjustments

- 40 positions unfunded in the current House budget (39 were in the Agency/Governor’s phase)
- Removal of class 027 funds related to HB2, for the following offices:
 - HAB (#125), COA(#77), HRC (#124), OCA (#119), T&LA(#24)
- Additional \$5M “Back of the Budget” reduction from House for FY26 and FY27

Unfunded through House Phase:

2 Unclassified FT Positions
38 Classified FT Positions

FY 26-FY27 DoIT Organizational Chart



DoIT Senate Finance Requests:

Amendment to HB 1-A

10 Department of Information Technology; Appropriation Reductions. [Request Removal](#)

- I. The department of information technology shall reduce shared appropriations by \$5,000,000 for the fiscal year ending June 30, 2026, and by \$5,000,000 for the fiscal year ending June 30, 2027.
- II. The department of information technology, in consultation with the department of administrative services, shall proportionally decrease the funding allocated to the class 027 expenditure class lines of each state department or agency by their respective portion of these department of information technology shared costs.

Reductions / Impact:

- Targets “shared costs”, which represents ~33% of our current budget (\$46M in FY26, \$46.6M in FY27)
- Agencies continue to shift more funds to Class 027, increasing DoIT’s budget, but may be reducing their overall budget to meet their budget target
- Reductions to meet \$5M/year target:
 - Additional staff reductions – longer response times; impacts daily operations, service requests, break/fix, changes/upgrades; equipment refreshes; agency moves
 - Reduce/eliminate On Call off hours support and Overtime – slower response time; longer outages; extended implementations
 - Agency projects – longer lead times; Agencies may need to supplement project staff
 - Reduction In Agency equipment purchases – Focus on replacing oldest devices

PELRB – Expanded Operations, per HB2

An increase in the Senate budget is requested to cover Class 027 costs (Shared Support Services, Technology, Software), including additional licenses/upgrade of case management software, associated with the addition of the Personnel Appeals Board (PAB) and the Office of the Right to Know Ombudsman (RTK) to PELRB operations.

Department:		PELRB					
Compare Page #	378	<u>FY 2026</u>			<u>FY 2027</u>		
Accounting Unit:		House Budget	Change	Revised Budget	House Budget	Change	Revised Budget
02-73-73-730010-2066							
Class 27	27	\$ 20,849	\$ 44,047	\$ 64,896	\$ 16,759	\$ 32,297	\$ 49,056
Class 39	39	\$ 6,500	\$ 6,500	\$ 13,000	\$ 6,500	\$ 6,500	\$ 13,000
	Total	\$ 27,349	\$ 50,547	\$ 77,896	\$ 23,259	\$ 38,797	\$ 62,056
Funding Source:		General	General	General	General	General	General

Reason: If HB-2 as Amended by the House, #302, p. 116, New Chapter 273-E (Office of State Public and Public Sector Labor Relations) becomes law, the PELRB will be administratively onboarding 7 people [Personnel Appeals Board (5), Office of Right to Know Ombudsman (1), vacant position (1)]. Proper and appropriate integration into existing PELRB operational and case management systems requires technology, software, and telecomm expenses. The changes reported here were calculated in consultation with PERLB based upon the underlying detail of Class 027 expenses in the PELRB's Senate Budget.

HB2 Requests

#1 - Synopsis: [Not Included in House Phase HB2](#)

Department of Information Technology; Unclassified Position Established.

Description:

Establishes the unclassified position and salary of chief privacy officer. The chief privacy officer was established in the department of information technology's FY 2024/2025 budget,(biennium ending June 30, 2025) but was not added to RSA 94:1-a. The amended language corrects the oversight.

Statutory Language:

Department of Information Technology; Unclassified Position Established.

I. The unclassified position of chief privacy officer is hereby established in the department of information technology and shall be qualified for the position by reason of education and experience, shall be appointed by the commissioner of the department of information technology and shall serve at the pleasure of the commissioner.

II. The salary of the unclassified position established in paragraph I shall be determined after assessment and review of the appropriate letter grade allocation in RSA 94:1-a, for positions which shall be conducted pursuant to RSA 94:1-d and RSA 14:14-c.

#2 - Synopsis: [Included in House Phase HB2 \(Item 169\)](#)

Department of Information Technology; Unfunded Positions; Authorization

#3 - Synopsis: [Included in House Phase HB2 \(Item 111\)](#)

Department of Information Technology; amend RSA 94:1-a, I. (b) to clarify the unclassified position titles.