

CAPITAL BUDGET PROCESS OVERVIEW

DEPARTMENT OF ADMINISTRATIVE SERVICES

APRIL 25, 2025

COMMISSIONER CHARLES M. ARLINGHAUS

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About DAS

Division of Plant & Property

- Maintains and operates 96 buildings
 - Office buildings, courthouses
 - Not residential or institutional properties
- Over 200 staff
 - Janitorial, maintenance, security, grounds, skilled trades, and office staff
- Combination of in-house staff and contracted services to provide safe, efficient, and accessible space for state employees and the public

Division of Public Works

- Provides design and construction services to build and maintain State-owned buildings
- Staff comprised of engineers and architects
- Services provided to all state agencies and state building managers, except university and community college agencies
- By law, all building-related projects over \$25,000 are required to be managed by DPW

Capital Requests by DAS

34 Projects

Approximately \$150,000,000

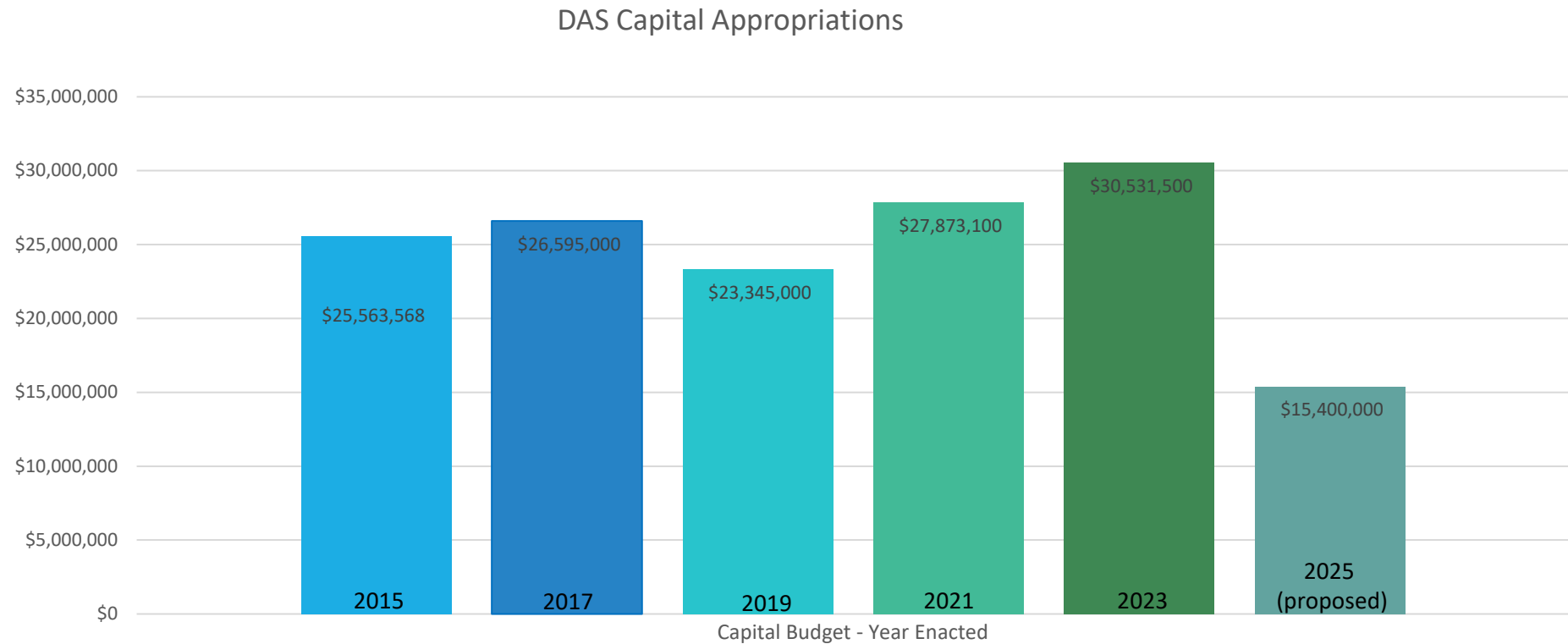
Including requests for:

- New construction
- Boilers and HVAC
- Life/Safety projects
- Windows and flooring
- Elevators
- Energy Efficiency
- Infrastructure

DAS Projects Included in Governor's Budget

•Statewide Emergency Fund	\$1,500,000
•State House Annex Renovation – Phase 2	\$12,250,000
•Sprinkler Replacement (DMV)	\$550,000
•Main Building Elevator Replacement	<u>\$1,100,000</u>
	\$15,400,000

Historical Comparison



Operational Challenges and Additional Needs

- There were no projects included for the Bureau of Court Facilities
 - Portsmouth Circuit and Coos County HVAC - **\$4,300,000**
 - Carroll County and Lebanon Circuit Boilers & Controls - **\$2,850,000**
- Main Building & Annex Brick Repointing - **\$600,000**
- Spaulding Window Replacement - **\$1,600,000**
- Brown Building Elevator Upgrades - **\$650,000**

Operational Challenges and Additional Needs (continued)

Enterprise Resource Planning System - Sustainability and Advancement - \$5,000,000

This request is to modernize the Enterprise Resource Planning System (ERP), the computer engine that drives and supports the State's financial, budget, human resource, payroll, supply chain, inventory, benefit, and other enterprise operation systems. Although that process will significantly improve the functionality of existing business processes, it will also unlock access to the entire cloud-based product. The scope of the existing modernization does not include adding systems, but other process owners anticipate future change and further integration with the new system. As an example, though many Treasury functions are not in the ERP (like some cash management and bank reconciliation processes), it would make no sense not to advance State function by adding them and making them work well together. There will be dozens of examples as the new ERP goes online in 2025. The Department has had sustainability and advancement capital projects in many of the last ten capital budgets to ensure both hardware and software changes are made to keep and improve functionality. It is part of current State policy not to let major computer systems turn into legacies that cannot be updated or supported.

The life expectancy of this project is 10years.