

**STATE-TRIBAL COLLABORATION ACT
DEPARTMENT OF FINANCE AND ADMINISTRATION
FISCAL YEAR 2016 AGENCY REPORT**

EXECUTIVE SUMMARY

The New Mexico Department of Finance and Administration (DFA) provides planning, fiscal services, and the necessary oversight for state and local entities to ensure compliance with all applicable statutes as well as transparency and accountability in the management of taxpayer dollars. This action includes collaboration with all pueblo and tribal entities.

Our aim is to continually strengthen New Mexico's financial management and oversight practices through sound analysis, effective communication, appropriate monitoring and excellent customer service.

We are committed to achieving Governor Martinez's performance and accountability goals, and look forward to working with all state agencies, local entities and tribal governments to provide efficient services for all New Mexicans.

MISSION STATEMENT

The mission of the Department of Finance and Administration is to provide sound fiscal advice and problem solving support to the Governor, provide budget direction and fiscal oversight to state agencies and local governments so as to ensure positive impact on the daily life of all New Mexico citizens and ensure every tax dollar is spent wisely.

AGENCY EFFORTS TO IMPLEMENT POLICY

The State Budget Division, Capital Outlay Bureau (COB) provides training, assistance and oversight on the planning, project management and administration of capital project appropriations. The COB has worked with the Indian Affairs Department (IAD) to train IAD and tribal staff on the capital budget and capital outlay processes. The COB also works closely with IAD to prepare capital budget documents and to provide training on the Capital Project Monitoring System (CPMS), which tracks all capital appropriations. The COB provided training in conjunction with the Local Government Division (LGD) and individually to tribal governments as requested by individual tribal entities. The COB monitors the expiration dates of all capital appropriations to ensure timely reversions of expired appropriation balances. For FY2016, IAD had open capital projects totaling \$51.5 million and, as of June 30, 2016, the unspent balance was \$44.9 million with \$13.2 million encumbered, this does not include the Tribal Infrastructure Fund (TIF) (TIF balances are provided on page 3. This year the COB has participated in several TIF workgroup meetings seeking input from tribal entities on updates to the TIF Guidelines.

LGD, through its Local Driving While Intoxicated (LDWI) Grant Program, supports county-driven, local initiatives to prevent or reduce the incidence of DWI, alcoholism and alcohol abuse. In FY2016, 25 LDWI programs in New Mexico provided screening and tracking services for Native American DWI offenders. Total offenders and the portion that were Native American statewide and in select counties were as follows:

Geographical Area	Total DWI Offenders	Native American DWI Offenders	Percent Native American
Bernalillo	1,140	176	15%
Cibola	123	72	60%
McKinley	297	272	92%
San Juan	873	626	72%
Sandoval	563	194	35%
Statewide Total	6,630	1,462	22%

In addition to screening and tracking services, 12 counties provide other services and activities directly to Native American communities, including prevention, enforcement and treatment.

LGD administers the Emergency 911 (E-911) Program, which provides fiscal and technical support for Public Safety Answering Points (PSAPs) operated by municipal and county governments. The E-911 fund reimburses local governmental grantees for capital expenditures and operational costs associated with calls received by individual PSAPs. There are 33 grantees operating 45 PSAPs within the State. All New Mexico pueblos and tribes receive E-911 service through the state's 45 PSAPs. However, 4 separate tribal PSAPs—located at Isleta, Jicarilla, Zuni, and Mescalero—are in operation and receive funding through a consolidated effort with each of the respective grantees—Village of Los Lunas, City of Espanola, McKinley County and the Village of Ruidoso.

Combined FY16 operating and capital funding supporting the four tribal PSAPs was \$2,493,165. Of that, Mescalero was approved for installation of new E-911 equipment in the amount of \$239,512, which was installed and fully operational on June 17, 2016.

During this period the LGD E-911 GIS program manager provided software and training to the E-911 personnel for the Pueblos of Zia and Santa Ana to assist with their addressing and baseline data for E-911 mapping. Cochiti and Isleta Pueblos also received assistance regarding re-addressing projects for mapping in FY2016.

LGD provides trainings that target Tribal entities on the Infrastructure Capital Improvement Plan (ICIP). The training provides instruction on how to plan for infrastructure projects and input data into the online ICIP database. In FY2016, LGD sponsored trainings in Gallup, and Albuquerque, Santa Fe, Deming, and Roswell. IAD presented at three of the trainings on the TIF projects as a potential funding source for projects listed in the ICIP.

DFA also participated in the State-Tribal Leader’s Summit in July 2016 at Isleta Pueblo Resort.

CURRENT AND PLANNED PROGRAMS AND SERVICES

Recognizing that many tribal communities lack basic infrastructure, the Tribal Infrastructure Act (Act) provides tribal communities with financial assistance to address basic infrastructure needs. The Act created a 13 person Tribal Infrastructure Board (Board), consisting of nine voting members and four non-voting members. The Secretary of DFA is a voting member of the Board.

A portion of senior Severance Tax Bond (STB) capacity is earmarked for Tribal Infrastructure projects awarded by the Board. From FY2012 through FY2015, 5% of senior STB capacity was earmarked for Tribal Infrastructure projects. Legislation enacted in the 2015 regular legislative session reduced overall senior STB capacity, but held the dollar value of the Tribal Infrastructure project capacity harmless. To offset a reduction in the overall size of the senior STB program, the earmark for Tribal Infrastructure projects rose to 6.5% in FY2016 and will be 5.5% in FY2017 and beyond. The Board evaluates project proposals and awards grants and loans funded with STB proceeds to qualified projects from monies available in the Project Fund. The New Mexico Interim Legislative Indian Affairs Committee provides oversight of the Board.

LGD processes fiscal documents related to the Tribal Infrastructure Project Fund. Awards and unspent balances in the fund for FY2016 as of June 30, 2016, are as follows:

Fiscal Year of Award	Amount of STB Awarded	Current Unspent Balance	Encumbrances	Amount Reverted
FY2012	\$ 13,207,965	\$ 207,401	\$0	\$ 65,876
FY2013	\$ 16,640,011	\$ 3,523,788	\$0	\$ 4,635
FY2014	\$ 14,235,640	\$ 5,624,532	\$1,821,690.07	
FY2015	\$ 14,000,875	\$ 14,000,875	\$363,752.41	
FY2016	\$ 11,958,068	\$ 11,958,068	\$0	

TRAINING AND EMPLOYEE NOTIFICATION

IAD notifies DFA when State Tribal Collaboration Act training is available and many DFA employees attend this training. This is an ongoing effort that will continue.

In FY17 LGD plans to develop an ICIP training specific to the needs of the pueblos and tribal entities.

KEY NAMES AND CONTACT INFORMATION

Rick Lopez, Director, Local Government Division, 505-827-8053

Deborah K. Romero, Bureau Chief, Capital Outlay Bureau, 505-827-3651

Julie Krupcale, Bureau Chief, LDWI Bureau, 505-827-4951

Michael Mariano, Bureau Chief, E911 Bureau, 505-827-8060

Jeannette Gallegos, Bureau Chief, Special Services Bureau, 827-4787