

New Mexico State – Tribal Summit Overview of Capital Outlay Process



**Department of Finance & Administration
State Budget Division, Capital Outlay Bureau**

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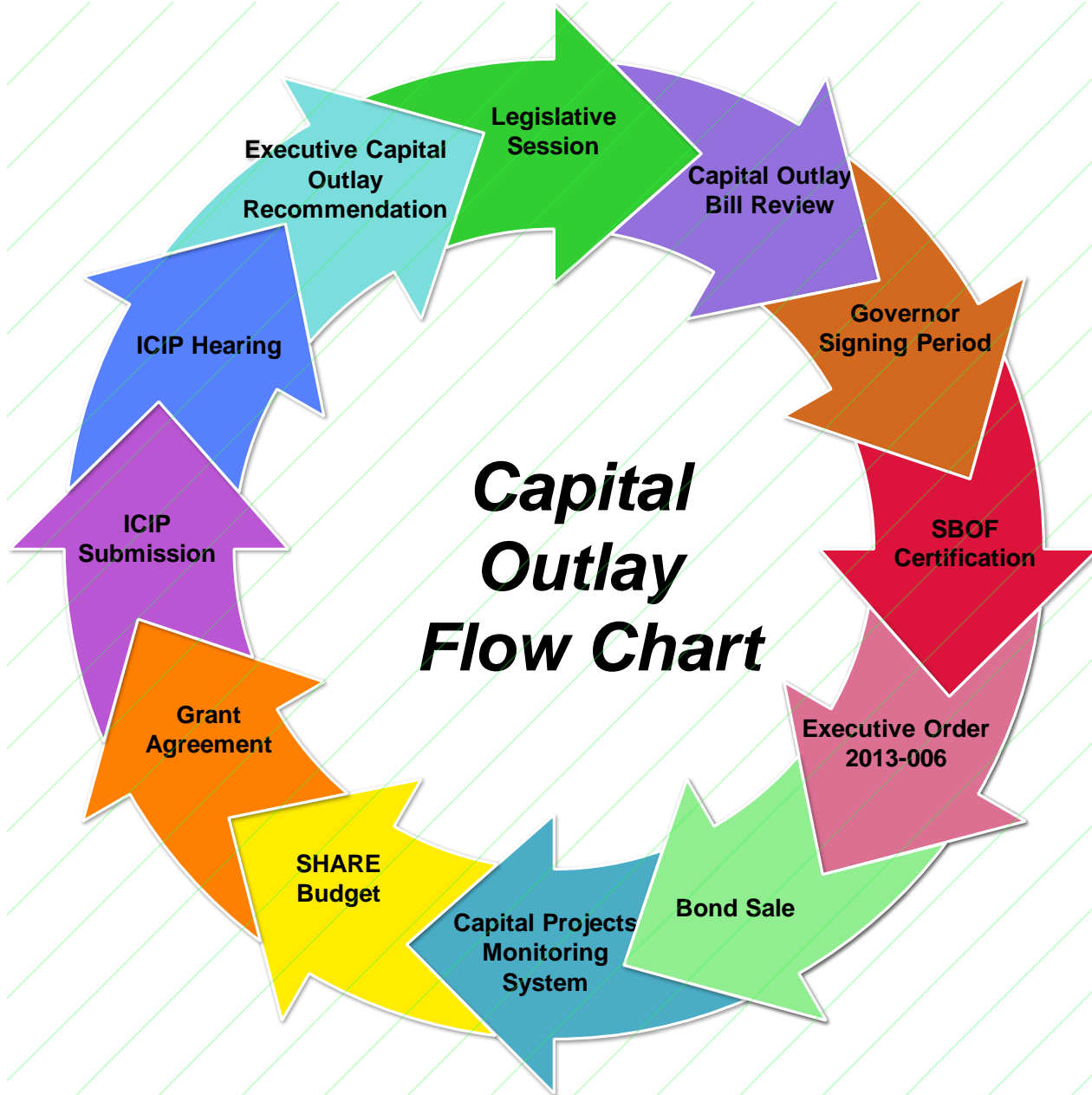
http://nmdfa.state.nm.us/Capital_Outlay_Bureau.aspx



What will this training cover?

- SBOF Certification & Bond Sale
- Executive Order 2013-006
- Inter-Governmental Grant Agreement (IGA)
- Capital Projects Monitoring System (CPMS) Reporting
- Infrastructure Capital Improvement Plan (ICIP)

Capital Outlay Flow Chart





SBOF Certification & Bond Sale

- Each legislative session a capital outlay bill is passed funding projects mostly with Severance Tax Bond (STB) proceeds and every other year with General Obligation Bonds (GOB)
- STB and GOB funding is not available until the bonds are sold through the State Board of Finance (SBOF)
- Typically there are two Severance Tax Bond sales per year.



SBOF Certification & Bond Sale

- A Capital Outlay GOB bill is passed, every other legislative session (in years ending with an even number) during the 30-day session
- The GOB bill requires approval by registered voters of the state in the November general election
- The GOB bond sale typically takes place in early spring following voter approval



SBOF Certification & Bond Sale

- Before an agency can certify the need for severance tax bond proceeds, the project must be developed sufficiently so that the agency reasonably expects to:
 1. Encumber at least **five percent**, within six months after the applicable bond proceeds are available for the project; and
 2. expend at least **eighty-five percent** of the bond proceeds within three years after the applicable bond proceeds are available for the project.



Executive Order 2013-006

Executive Order 2013-006 was established on May 2, 2013 to address the following:

- Lack of audits or findings raise concerns about a grantee's ability to be a good steward of capital outlay funds thereby increasing the risk of fraud, waste and abuse
 - Independent audits provide the best assessment of grantees' accounting methods
 - Oversight of grantees' accounting methods is needed to safeguard appropriations and assets



Executive Order 2013-006

FIN 9.2 Grants Management—Funding Criteria and Oversight Requirements

established by the Financial Control Division of the Department of Finance and Administration (revised September 30, 2013) to create a policy and criteria for implementation of Executive Order 2013-006



Executive Order 2013-006

For grantee to be eligible for a grant:

1. Annual audit required by the Audit Act for most recent fiscal year must be public record
2. Budget has been approved and compliant with financial reporting requirements
3. If audit contains material weaknesses, significant deficiencies or findings that raise concerns about a grantee's ability to properly account for funds and assets:
 - Grantee must have remedied the problem, or
 - State agency must be able to adequately address the problem through special grant conditions, or
 - Local entity must find an alternative fiscal agent (must be approved by the state agency)



Executive Order 2013-006

If a grantee is not required to have annual audits by the Audit act:

1. Grantee must demonstrate that it has adequate accounting procedures
2. State agency must impose adequate conditions to safeguard funds, or
3. Local entity must find alternative fiscal agent.



Executive Order 2013-006

Budget and Financial Reporting

- Interim Budget Submission – June 1
- Final Budget Submission - July 31
 - DFA Local Government Division (LGD) approves final budget first Monday in September
- Quarterly Report Submissions
 - Quarter end 9/30/ due 10/31
 - Quarter end 12/31 due 1/31
 - Quarter end 3/31 due 4/30
 - Quarter end 6/30 due 7/31

***Additional training presentations can be found at the LGD-Budget and Finance Bureau website:

http://www.nmdfa.state.nm.us/Budget_Finance_Bureau.aspx

Intergovernmental Grant Agreement (IGA)



- The agency issues a grant agreement after bonds are sold, compliance with Executive Order 2013-006 is verified, and the appropriation has been budgeted in SHARE.
- **Scope of Work** - use appropriation law language as a guide when determining scope of work, and ensure all appropriation activity is within the limits of the Bond Projects Disbursement Rule 2.61.6.1

Intergovernmental Grant Agreement



- **Notice of Obligation** (NOO) Exhibit 3 - agency reviews third party agreement and verifies it falls within the scope of work defined in the grant agreement and law language.
 - Available on COB website:
http://nmdfa.state.nm.us/uploads/FileLinks/6583a4770de841daa2d07b9e130326e7/Notice_of_Obligation_Process_Update_11_2016_1.docx.
 - local entity provides third party agreement between contractor and local entity **(BEFORE IT IS FULLY EXECUTED)** to the agency
 - agency issues NOO for the amount of the third party agreement or for the full amount of the appropriation whichever is less
 - upon the local entities receipt of the approved NOO, they can execute the third party agreement and proceed with the project
 - agency issues a purchase order for the amount listed on the NOO

NOTICE OF OBLIGATION TO REIMBURSE GRANTEE

DATE: _____

TO: Grantee Representative: _____

FROM: Department Representative: _____

SUBJECT: Notice of Obligation to Reimburse Grantee

Project Number: _____

As the designated representative of the Department for Grant Agreement number [insert] entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following third party obligation executed, in writing, by the third party's authorized representative:

Vendor or Contractor: _____

Third Party Obligation Amount: _____

(Obligation amount can be greater than grant agreement amount.)

Termination Date: _____

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount minus AIPP (if applicable): _____

The Amount of this Notice of Obligation: _____

The Total Amount of all Previously Issued Notices of Obligation: _____

Available Balance as of this Date: _____

Department Representative: _____

Title: _____

Signature: _____

Date: _____

Capital Projects Monitoring System (CPMS)



- CPMS is a web-based system used for reporting and monitoring of capital outlay appropriations
 - will be used by the Legislative Finance Committee (LFC)
 - agency needs to begin reporting once funding is appropriated
 - local entity needs to begin reporting once a grant agreement has been executed
- CPMS can be accessed from the DFA-COB website or through the following link: <http://cpms.dfa.state.nm.us>

Capital Projects Monitoring System (CPMS)



- local entity is required to update appropriation information on monthly basis **by the 30th of each month.** (Article VIII of the IGA)
- state agency is required to update appropriation information a quarterly basis by the **15th of March, June, September and December**
 - at this time, **the agency must also ensure the local entity's reporting in CMPS is current and accurate.** Reimbursements may be held until report is submitted.

CPMS Screen Shots

Capital Appropriations Search

[Login](#) [Reports](#)

Welcome to the Department of Finance and Administration's Capital Appropriations Search page. Here you can search for and filter current and past capital appropriations. Simply choose your selection criteria(s) from the selection boxes below and click the submit button. You will be presented with a list of appropriations matching your selection criteria. From there, you can click on an appropriation identifier to see the appropriation information.

Agencies wishing to update appropriation status and other information should click [here](#) to login, or use the Login link at the lower right of the above title bar.

Click [here](#) to see a list of the fiscal agent codes.

Year:

Agency:

City:

County:

Appropriation Title:

Keywords:

AppriD:

Capital Appropriations

[Home](#) [Reports](#)

Login for capital monitoring information:

[State Agency](#)

[Local Entity](#)

Login for bond project questionnaires:

[State Agency](#)

[Local Entity](#)

[BOF Staff](#)

[BOF Bond Counsel](#)

[BOF Board Counsel](#)

[BOF Admin](#)

Capital Appropriations

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Please enter your username and password below. You will be given access to change the status and information of your agency's appropriations.

Unauthorized access is strictly prohibited.

Login

Username:

Password:

Admin Agency	Fiscal Agent	Approp ID	Appropriation Title	Fund Code	State Amount	Balance (SHARE)	Balance (BOF)	Reversion Date	Printable Format
624	33003	14-1111	ACOMA PUEBLO SENIOR CENTER-IMPROVE CODE	GOB	\$17,000	\$17,000	\$17,000	6/30/2018	14-1111
624	33003	14-1112	ACOMA PUEBLO SENIOR CENTER-MEALS EQUIP	GOB	\$52,000	\$52,000	\$52,000	6/30/2018	14-1112
667	33003	14-1605	ACOMA PUEBLO WASTEWATER SYSTEM IMPROVE/EXTEND	STB	\$218,000	\$91,500	\$196,200	6/30/2018	14-1605
609	33003	15-0575	ACOMA PUEBLO DEPT OF ED VEHICLE	STB	\$80,000	\$37,584	\$37,584	6/30/2018	15-0575
667	33003	A2247	ACOMA PUEBLO WASTEWATER TREATMENT FCLTY	STB	\$235,000	\$235,000	\$235,000	6/30/2020	A2247
609	33003	17TIF04	Natural Gas Distribution Project Phase I	STB	\$780,000	\$780,000	\$780,000	***	17TIF04
609	33003	C2314	ACOMA PUEBLO BASEBALL FIELDS CONSTRUCT	STB	\$175,000	\$175,000	\$175,000	6/30/2022	C2314

CPMS Screen Shots

14-1111 - Admin Agency: 624 - Fiscal Agent: Acoma Pueblo - Dept Code: A14-1111 - Class Code: 41111

Year	2014
Appropriation Title: ACOMA PUEBLO SENIOR CENTER	IMPROVE CODE
Description: to make improvements for building code compliance, including purchase and installation of equipment, to the senior center in the Pueblo of Acoma in Cibola county	
Fund Code	GENERAL OBLIGATION BONDS
EO 2013-006 Eligibility	
Bond Sale Date	3/25/2018
Bond Series Number	GOB15
Amount of Bond Sale	\$17,000
Category	Local
Subcategory	Senior Citizens
County	Cibola
State Amount	\$17,000
Chapter/Section	65 / 10/A/ 12
Reversion Date	6/30/2018
SHARE/BOF Data	
Expended Amount (SHARE)	\$0
Appropriation Balance (SHARE)	\$17,000
Expended Amount (BOF)	\$0
AIPP Amount (BOF)	\$0
Reversion Amount (BOF)	\$0
Appropriation Balance (BOF)	\$17,000
Last Update (SHARE/BOF)	5/10/2018
State Agency Data	
Local Fiscal Agent	33003 - Acoma Pueblo
Reauth from Prior Project Amount	\$0
Amount Obligated	\$17,000
Project End Date	---
Expended Amount ?	\$0
AIPP Amount	\$0
Reauth of Balance to New Project	\$0
Reauth to Project #?	
Reversion Amount	\$0
Project Status?	In process of installing walk in unit. Obtaining quotes for cooler/freezer from vendor. Grant fully executed. Bonds sold April 2015. Award letter sent. Grant agreement pending approval of scope of work. Need to discuss and prioritize the code improvements before moving forward.
Goal/Milestone achieved Last Quarter	NOO issued for Banner Sales and Contracting for \$17,000.00 on 01/23/2018. Obtaining revised quotes from vendor for cooler/freezer. Notice of obligation pending. Combined with project A14-1112. Grant fully executed 07/18/2018.
Goal/Milestone for next Quarter	Allow grantee to proceed with installation of equipment. Process reimbursement request timely and close out project.
Project Phase	0200 - Purchase In Process - Ad/Bid
Current Balance	\$17,000
Last Agency Update	5/10/2018
Last Agency Submission Date	3/14/2018
Local Data	
ICIP Project #?	0
ICIP Priority Year/Rank	0 0
Expended Amount (Local Entity) ?	0
Balance (Local Entity) ?	17000
Project Status (Local Entity)?	Acoma Procurement Office issued a contract to Banner Sales Contracting and submitted the NOO.
Project Phase (Local Entity)	0150 - Grant Agreement Issued
Goal/Milestone achieved Last Qtr (Local Entity)	The cooler/freezer RFP was answered and installation and construction will begin immediately.
Goal/Milestone for Next Qtr (Local Entity)	Installation/construction will begin immediately. Get contracted awarded and get NOO authorized.
Valid Contracts in Place (True/False)	<input type="checkbox"/> Check if valid contracts exist for the project.
No activity for month being reported (True/False)	<input type="checkbox"/> Check if there was no activity for the appropriation for month being reported.
Last Submission Date (Local)	10/31/2017 12: <small>Format: mm/dd/yyyy</small>
Last Update (Local)	11/30/2017
Submit	

PROJECT TIMELINE							
	Date Completed, Expected, or N/A	Amount Funded to Date	Future Funding Amounts	Funding Sources	Contractor Name	Contract Amount	Comments
Grant Agreement issued	5/4/2018	0	0			0	



CPMS Trouble Shooting

- Once changes are submitted, the screen will go back to the *“Capital Appropriations”* page and in the yellow header it will display in red **“Appropriation ID: ##-#### successfully updated”**. If you do not receive this statement, the changes were not saved. To avoid this here are some **Data Entry Tips**:
 - If updates are not saved, TAB into and out of fields to delete extra spaces
 - Do NOT enter \$, comma, or decimal when entering amounts
 - In text fields avoid using special characters
- to print a copy of the data for your files, click the **Appr ID** in blue in the *“Printable Format”* column. **Each monthly/quarterly print out must be kept in the project file to maintain reporting history**

Questions?

