

Capital Outlay Bureau

2017 Fall Conference



Presenters



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Capital Outlay Bureau Goals



- Use OBMS to streamline processes and workflows
- Ensure the Bureau's processes are consistent
- Complete projects in a timely manner
- Motivate Districts/Charters to **SPEND MONEY & SUBMIT RfR's TIMELY!!!**
- Approve RfR's within 45-60 days

Capital Outlay Bureau Goals



- In order to achieve this 45-60 day goal, these steps will be taken:
 - Request for information – respond within 2 days
 - If no response, PED will follow up with an email or phone.
 - Once follow up has been made, only 1 additional day will be granted.
 - If no response by these deadlines, RrR will be disapproved.

Purpose:

To educate districts/charters pertaining to:



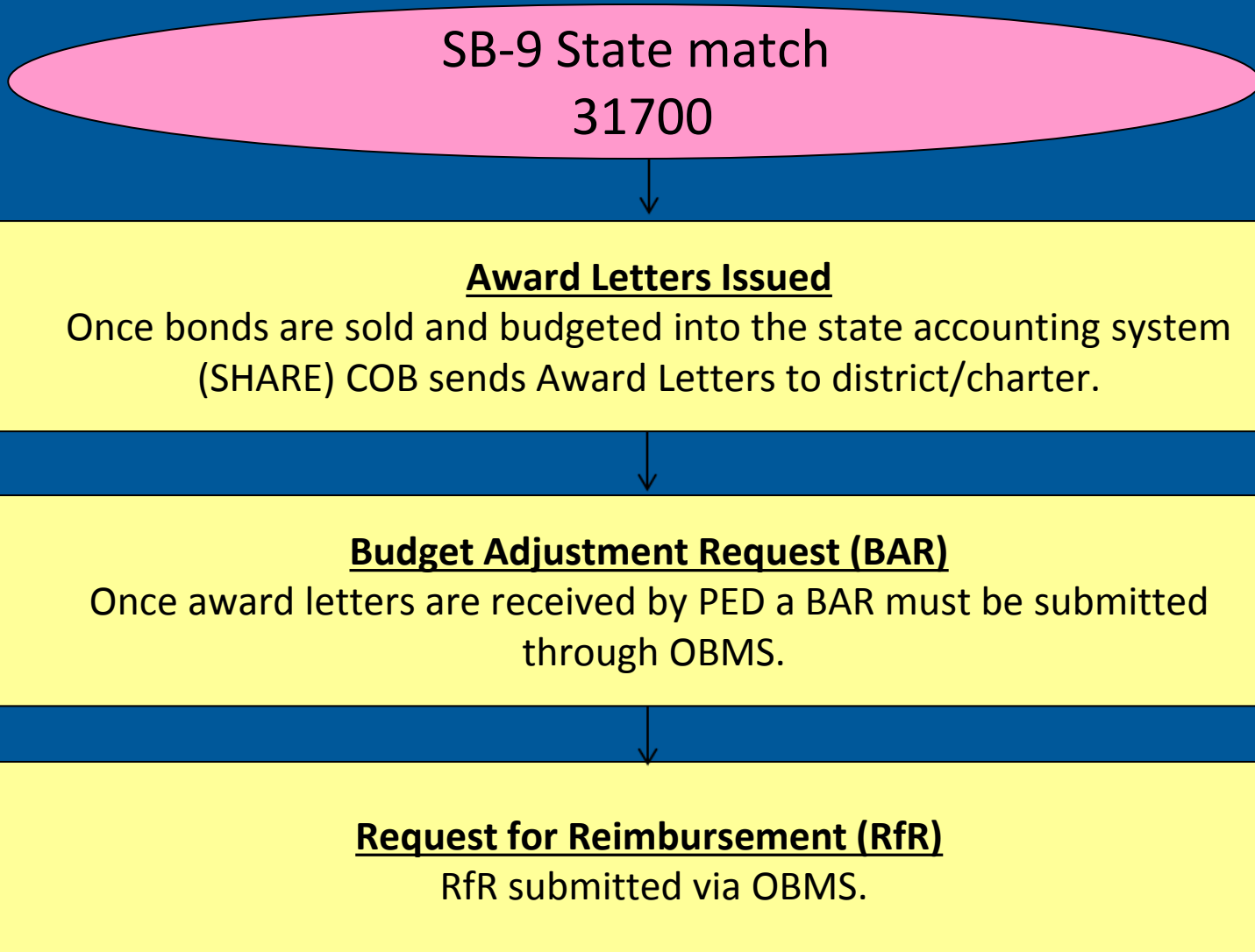
1. Allowable SB-9 and G.O.B. Library expenditures
2. Proper way to structure an RfR
3. Timely submission of RfR's
4. Reminders

Fund 31700 vs. 31701

Facts

- Why two separate funds?
- Expenditures cannot be made in 31700 until PED has issued an award letter and BAR has been approved in OBMS.
- PED is working with the Public School Capital Outlay Task Force to endorse legislation to use prior year data to calculate the SB-9 state match allocations.

Fund 31700 (SB-9 State Match) Process



Fund 31700 & 31701

Eligible Expenditures

- (1) erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings;
- (2) purchasing or improving public school grounds;
- (3) purchasing activity vehicles for transporting students to extracurricular school activities;
- (4) purchasing computer software and hardware for student use in public school classrooms;

Fund 31700 & 31701

Eligible Expenditures

(5) maintenance of public school buildings or public school grounds, including the purchasing or repairing of maintenance equipment, participating in the facility information management system as required by the Public School Capital Outlay Act [Chapter 22, Article 24 NMSA 1978] and including payments under contracts with regional education cooperatives for maintenance support services and expenditures for technical training and certification for maintenance and facilities management personnel, but excluding salary expenses of school district employees;

Fund 31700 vs. 31701

Eligible Expenditures

State Match Funds

- Bonds
- PED and districts must comply with bond disbursement rule
- Bond counsel opinion required for questionable items
- Consumable items are not allowed
- Must be capital in nature
- No expenditures for capital improvements of administration buildings

Fund 31700 vs. 31701

Eligible Expenditures

Local Funds

- Cash
- Districts must follow statutory definitions
- Seek opinion from districts general counsel on questionable items
- Misuse of funds can result in audit finding

Fund 31700 (SB-9 State Match)

RfR Structure

SB-9 State Match
31700



Request for Reimbursement (RfR)

1. Completed RfR Form.
2. Expenditure Report – Claim period date must match claim period date in OBMS. Year to date on report must match RfR amount.
3. Invoices – Expenditures must be allowable and in the same fiscal year. Expenditures must occur after award.
4. Proof of Payment – Copies of checks or bank statements only. No vouchers allowed.

Fund 27107 (G.O.B. Library) Process

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graph TD; A([GOB Library 27107]) --> B[Executive Order 2013-006]; B --> C[Grant Agreements and Award Letters Issued];
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GOB Library
27107

Executive Order 2013-006

The Executive Order states that a current audit must be submitted by each district/charter. If an unmodified audit is received with material weaknesses and/or significant deficiencies grantee must have remedied the problem through a Corrective Action Plan or the district/charter will not qualify for funding.

Grant Agreements and Award Letters Issued

Once bonds are sold and budgeted into the state accounting system (SHARE) COB sends Award Letters and Grant Agreements to district/charter.

Fund 27107 (G.O.B. Library)

Process (Cont.)

Budget Adjustment Request (BAR)

Once grant agreements are signed by PED a BAR must be submitted through OBMS.

Request to Obligate Funds (RTOF)

1. RTOF submitted via OBMS.
2. Upload quotes by vendor.
3. Do not submit RTOF until you are ready to begin purchasing.
4. Only 2 RTOF's are allowed
5. 2014 Allocation must complete before 2016 RTOF will be approved

Request for Reimbursement (RfR)

RfR submitted via OBMS

Fund 27107 (G.O.B. Library)

Eligible Expenditures

- (1) Library books (includes print and non-print);
- (2) Library resources;



Fund 27107 (G.O.B. Library)

Eligible Expenditures

Funding source is General Obligation Bonds

- PED and districts must comply with bond disbursement rule;
- Bond counsel opinion required for questionable items;
- Expenditures must be capital in nature;
- Consumable items are not allowed;
- Supplies are not allowed;
- Expenditures for the classroom not allowed.

Fund 27107 (G.O.B. Library)

Eligible Expenditures

Allowable

- Library books
- Library furniture
- Library shelves
- Library computers
- Library scanners
- Library subscriptions
- Library software

Unallowable

- Tape
- Glue
- Paper
- Staples
- Labels
- Instructional materials
- Multiple copies of the same book

Fund 27107 (G.O.B. Library)

RfR Structure

G.O.B. Library
27107

Request for Reimbursement (RfR)

1. Completed RfR Form - Indicate if any remaining amount is to revert so project can be closed out.
2. Expenditure Report – Claim period date must match claim period date in OBMS. Year to date on report must match RfR amount.
3. Invoices – Expenditures must be allowable and in the same fiscal year. Expenditures must occur after award.
4. Proof of Payment – Copies of checks or bank statements only. No vouchers allowed.

REMINDERS

SB-9 and HB-33

- Charter school needs shall be included in all SB-9 & HB-33 elections
- Charter schools must submit needs to the district timely
- District resolutions are usually approved in November
- Election Status Report ([link](#))



REMINDERS

SB-9 and HB-33 (Charter School's Only)

- Proposed expenditure reports due December 1st of each year
- Report shall include the proposed uses
- Submit to the PED and the chartering authority
- Within 20 days, the PED shall advise if expenditures are consistent with the law
- Report prior year expenses to the PED and the chartering authority by January 31

Summary

- Understanding what are allowable SB-9 & G.O.B. Library expenditures
- Proper Structure of an RfR to speed up reimbursement process
- Timely submission of RfR's
- **SPEND YOUR MONEY!!!**



Questions



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