

Capital Outlay Bureau 2023 Spring Budget Workshop



Staff



- ◎ Amanda M. Lupardus-Hernandez – Director of Capital Outlay
- ◎ Consuelo Barraza - Financial Coordinator
- ◎ Trish Rudolph – Financial Coordinator

Agenda

- New Legislation
- Important Reminders
- Election Reminders
- Capital Outlay Process
- Budgeting Capital Outlay Funds
- Eligible Expenditures – 27107
- Miscellaneous Items



Purpose:

To Educate School Districts and Charters on:

- New legislation
- Process of accessing capital outlay funds administered by the PED
- Timely submission of RfR's
- Important reminders
- Election changes (SB-9 & HB-33) Timing and planning of future elections



Capital Outlay Bureau Goals



- ◎ Work with LEA's to ensure that all projects are started and drawn timely!!!
- ◎ Approve RfR's within 30 days

Capital Outlay Bureau Goals



- In order to achieve this 30 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, RfR will be disapproved

New Legislation

- ◎ HB- 505 – Capital Outlay Expenditures – New capital outlay projects (COB will send out grant agreements, due back June 2, 2023)
- ◎ \$75 million to the Public School Facilities Authority to make a distribution to each school district in fiscal year 2024 for the maintenance and repair of public school buildings.
- ◎ \$5 million to the Public School Facilities Authority to plan, design, construct, renovate and equip infrastructure improvements and classrooms for pre-kindergarten facilities statewide.

New Legislation

- ◎ SB-309 - Capital Outlay Reauthorizations - change of purpose, extension of time, reauthorized from another agency
- ◎ HB-153 – General Obligation Bond Projects \$6 million for equipment and supplemental library resource acquisitions



New Legislation

- ◎ SB-131 – Allowing the Public School Facilities Authority Budget to be based on a five-year average; eliminating offsets for school districts; reducing the local match by one-third for some school districts; reducing the local match by one-half for certain small school districts; eliminating the impact aid credit; eliminating offsets for charter schools; reducing the local match for Pre-Kindergarten projects by fifty percent; providing technical cleanup.

Important Reminders

(Deadlines)

- ◎ 2023 Direct Legislative Appropriations HB-505 (Fund 31400) Grant Agreements due June 2nd
- ◎ Current year RTOF's due June 2nd
- ◎ BAR's due June 14th
- ◎ RfR's due July 7th
(Journal entry must be completed if an RfR is submitted into OBMS after May 1, 2023)



Important Reminders

End of FY Journal Entries

An RfR is submitted into OBMS after May 1, 2023:

FY 23 Journal Entry:

1. RfR submitted in current year but reimbursement received in the following fiscal year
2. Record a journal entry to recognize receivable and revenue
 - Dr. Accounts Receivable
 - Cr. Revenue

FY 24 Journal Entry:

3. Reimbursement received in the following fiscal year, only cash and accounts receivable will be affected
 - Dr. Cash
 - Cr. Accounts Receivable

Important Reminders

(Deadlines)

- ◎ Adjustment RfR window August 1st thru August 12th
(does not include projects expiring June 30, 2023)
- ◎ All 31700 balances need to be drawn down (31703 will not be budgeted in FY23 until 31700 balances are drawn down)



Important Reminders

(Deadlines)

- ◎ 18-5077 GOB Library allocation and will be reverting this fiscal year
- ◎ Review 31400 reverting projects
- ◎ 27414 Autism Allocation will be reverting
- ◎ Pending RTOF's - submit requested documents or void the RTOF
- ◎ Monthly CPMS reporting requirements (Fund 31400)



Election Reminders

SB-9 and HB-33



- ◎ PED must be notified of all future SB-9 and HB-33 elections due to recent election changes
- ◎ Will district be having a special election or including in the school board elections that occur every odd year in November
- ◎ Districts should end mill levies on odd years and begin on even years to be on schedule with school board elections

Election Reminders

(SB-9 and HB-33)



PED must certify elections are successful and certify rates by August of each year.

- ⦿ Signed Minutes
- ⦿ Resolution
- ⦿ Signed Certification of Canvass

(Documents due immediately after election)

HB-43

- ◎ HB-43 – Charter School Facility Improvements –
 - A school district that has one or more charter schools located within the school district boundaries shall collaborate with the charter schools to establish a process for charter schools submit necessary information to the school district for inclusion in the resolution (SB-9 & HB-33). The process shall include:
 1. Identification how the proceeds will be used
 2. Deadline for Information to be submitted by June 1st
 3. District point of contact where the information shall be submitted



Capital Outlay Process



- ◎ PED COB administers the following funds:
 - 27107 – GOB Library
 - 31200 – Lease Assistance (BAR's only)
 - 31400 – Direct Appropriations
 - 31700 – SB-9 (RTOF not required)
 - 31701 – SB-9 Local funds (Budgets and BAR's only)
 - 31703 – SB-9 State Match (RTOF not required, budget and BAR's only)

Capital Outlay Process

Fund 31400 (Direct Appropriations)

Direct Appropriations
31400

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 or state agency must be able to adequately address the problem through a Corrective Action Plan or the district/charter will not qualify for funding.

Department of Finance & Administration Questionnaire

District/charter is requested to certify the need for proceeds through completion of a questionnaire.

Grant Agreements and Award Letters Issued

Once funds are budgeted into the state accounting system (SHARE) COB sends Award Letters and Grant Agreements to district/charter. District/Charter update CPMS.

Capital Outlay Process

Fund 31400 (Direct Appropriations)

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graph TD; A[ ] --> B[Budget]; B --> C[Request to Obligate Funds (RTOF)]; C --> D[Request for Reimbursement (RfR)];
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Budget

Once grant agreements are received by PED, allocations will be included . District/Charter update CPMS.

Request to Obligate Funds (RTOF)

RTOF submitted via OBMS. Upload quotes by vendor.
District/Charter update CPMS.

Request for Reimbursement (RfR)

RfR submitted via OBMS

Capital Outlay Process

Fund 31400 (Direct Appropriations)



Request for Reimbursement (RfR) Structure

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.

Capital Outlay Process

Fund 31700 (SB-9 State Match)

SB-9 State match
31700

Budget

Balances will be included in initial FY24 Budget

Request for Reimbursement (RfR)

RfR submitted via OBMS

Important Reminders

1. All funds in 31700 must be expended. Cash in fund 31703 will not be approved until Fund 31700 is fully expended.

Fund 31700 (SB-9 State Match)

RfR Structure

Request for Reimbursement (RfR) Structure

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.

Capital Outlay Process

Fund 31703 (SB-9 State Match)

SB-9 State match
31703

Award Letters Issued

PED will send award letters after allocations are calculated
*(might be done through a planning award)

Budget Adjustment Request (BAR)

Once award letters are received districts and charters must submit a BAR
*(might be done through a planning award and included in budget process)

Cash Disbursement

Once all BAR's are submitted and approved PED will disburse cash

Capital Outlay Process

Fund 31703 (SB-9 State Match)

- Refer to: 22-25-2 NMSA 1978 for definitions and allowable expenditures
- Alert your auditors of the State Board of Finance's spending requirements and the limited purposes for expenditures of the bond proceeds to ensure regular tracking and accountability
- ***Expenditures shall not be made from this fund until all previous 31700 allocations have been drawn down***

Capital Outlay Process

Fund 27107 (G.O.B. Library)

GOB Library
27107

Executive Order 2013-006

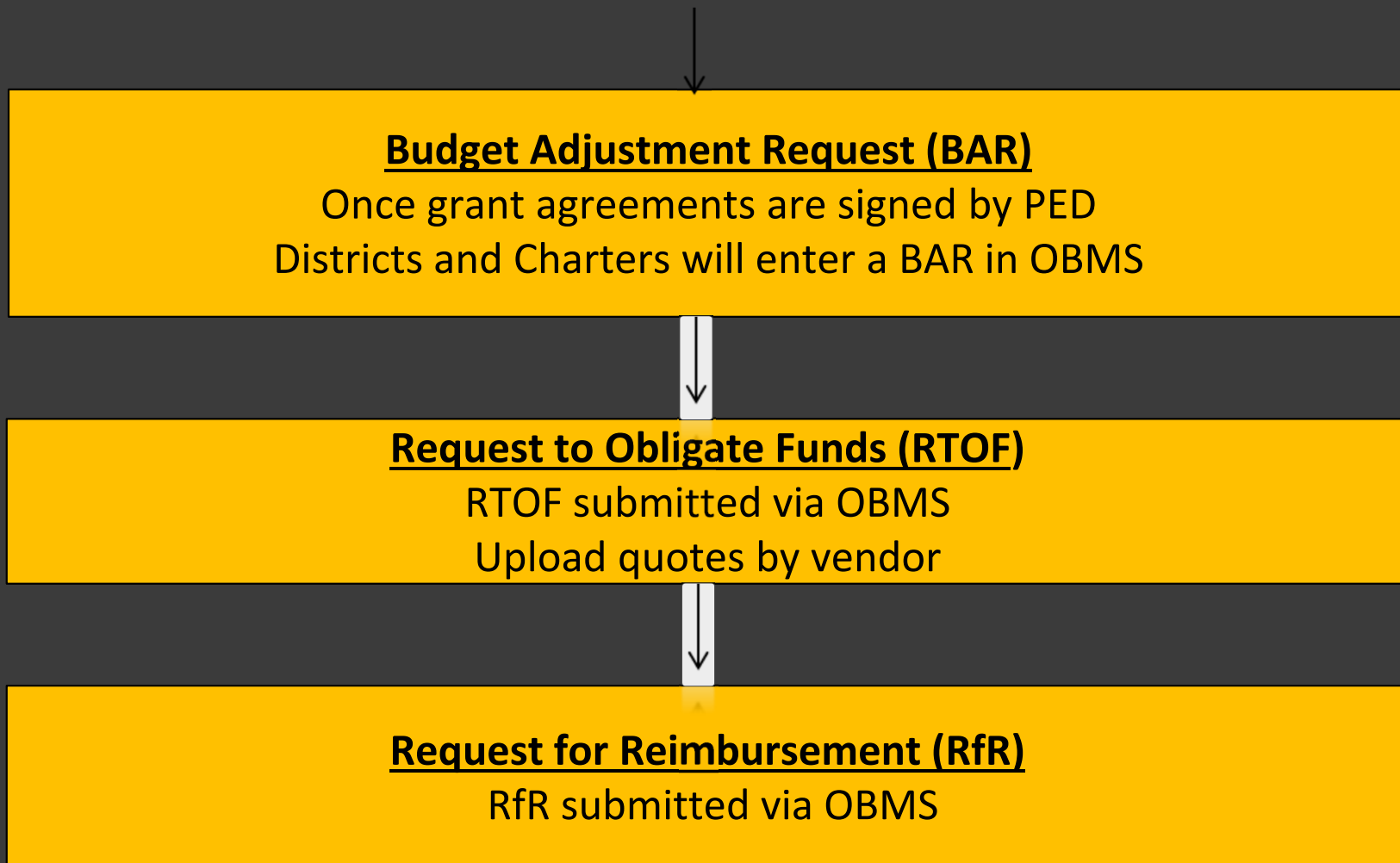
The Executive Order states that a current audit must be submitted by each district/charter. If an unmodified audit is received with material weaknesses and/or significant deficiencies grantee must have remedied the problem through a Corrective Action Plan or the district/charter will not qualify for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

Capital Outlay Process

Fund 27107 (G.O.B. Library)



Capital Outlay Process

Fund 27107 (G.O.B. Library)

Request for Reimbursement (RfR) Structure

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.

Budgeting Capital Outlay Funds



Budgeting Capital Outlay Funds

Fund 27107 (G.O.B. Library)

ESTIMATED REVENUES	PROJECTED REVENUES
<p><u>State Flow-through Grants , Revenue Code 43202:</u> Budget nothing at this time</p> <p><u>Prior Year Balances, Revenue Code 43204:</u> Enter prior year balances from prior year awards. (Should equal the amount in your current budget for 18-5077 and 20-5299)</p>	<p><u>State Flow-through Grants , Revenue Code 43202:</u> Budget nothing at this time. New 2024 G.O.B. awards will be budgeted through a BAR once allocated</p> <p><u>Prior Year Balances, Revenue Code 43204:</u> Enter prior year balances from prior year award (20-5299). Shall not exceed the amount on the Project Allocation Report in OBMS</p> <p>Note: After all prior year RfR's are processed, OBMS will calculate carryover, which is the difference between the total approved budgeted and actual unreimbursed balance. If there is a difference, an automatic BAR will be generated to reflect the accurate balance</p>
ESTIMATED EXPENDITURES	PROJECTED EXPENDITURES
<p>This will equal amount estimated to be expended and amount that will be reverted for 18-5077 if not expending the full amount</p>	<p>Enter <u>Proposed</u> Expenditures.–Expenditures should equal total revenue</p>

Budgeting Capital Outlay Funds

Fund 31400 (Direct Appropriations)

ESTIMATED REVENUES	PROJECTED REVENUES
<p><u>Unrestricted Cash, Revenue Code 11111:</u> Do not budget a cash balance. If you have a cash balance, contact PED Capital Outlay Bureau.</p> <p><u>State Flow-through Grants , Revenue Code 43202:</u> Budget all 2022 projects</p> <p><u>Prior Year Balances, Revenue Code 43204:</u> Enter prior year balances from prior year awards. This amount should equal current budgeted amount.</p>	<p><u>Unrestricted Cash, Revenue Code 11111:</u> Do not budget a cash balance. If you have a cash balance, contact PED Capital Outlay Bureau.</p> <p><u>State Flow-through Grants , Revenue Code 43202:</u> Enter all 2023 direct legislative appropriations allocated to your school district or charter school.</p> <p><u>Prior Year Balances, Revenue Code 43204:</u> Enter prior year balances from prior year awards.</p>

ESTIMATE EXPENDITURES	PROJECTED EXPENDITURES
<p>This will equal the estimated amount to be expended, also to include the amount expiring if not expending the full balance</p>	<p>Enter <u>Proposed</u> Expenditures. Expenditures should equal total revenue</p>

Budgeting Capital Outlay Funds

Fund 31400 (Direct Appropriations)

- Note: After all prior year RfR's are processed, OBMS will calculate carryover, which is the difference between the total approved budgeted and actual unreimbursed balance. If there is a difference, an automatic BAR will be generated to reflect the accurate balance.

Budgeting Capital Outlay Funds

Fund 27107 & 31400

OPERATING BUDGET MANAGEMENT SYSTEM

Logged In: amandalupardus

OBMS BUDGET HOME

Budget | BAR | Actuals | Rfi | Reports | Maintenance

Project Allocation Report

Budget | BAR | Actuals | RfR | Home

SELECT REPORT

Capital Outlay Reports ▾ Project Allocation Expense Report ▾

PROJECT ALLOCATION EXPENSE REPORT

District/Parent: <ALL> ▾

Fund: <ALL> ▾

Project: <ALL> ▾

School/Child: <ALL> ▾

Project Year
(leave blank for <ALL>):

View Report

Budgeting Capital Outlay Funds

Fund 31700 (SB-9 State Match)

ESTIMATED REVENUES	PROJECTED REVENUES
<p><u>State Flowthrough Grants (State Match), Revenue Code 43202:</u> Do not budget any funds. New awards will be budgeted in fund 31703</p> <p><u>Prior Year Balances, Revenue Code 43204:</u> Enter prior year balances from prior year awards. This amount should equal current budgeted amount</p>	<p><u>State Flowthrough Grants (State Match), Revenue Code 43202:</u> Do not budget any funds. New awards will be budgeted in fund 31703</p> <p><u>Prior Year Balances, Revenue Code 43204:</u> Budget all prior year unused balances. Use balances from the “Grant Year Expenditure Summary Report” minus anticipated RfR’s.</p>
ESTIMATE EXPENDITURES	PROJECTED EXPENDITURES
<p>Enter the <u>Actual</u> Expenditures for July through March and <u>Estimate</u> Expenditures for April through June of the current year including anticipated obligations.</p>	<p>Enter <u>Proposed</u> Expenditures. Expenditures should equal total revenue.</p>

Budgeting Capital Outlay Funds

Fund 31700 (SB-9 State Match)



NEW MEXICO
Public Education Department



OPERATING BUDGET MANAGEMENT SYSTEM

Logged In: amandalupardus

REPORTS

[Budget](#) | [BAR](#) | [Actuals](#) | [RfR](#) | [Home](#)

SELECT REPORT

[Grants Reports](#) ▾ [Grant Year Expenditure Statewide Summary Report](#) ▾



GRANT YEAR EXPENDITURE STATEWIDE SUMMARY REPORT

Select Budget Year: [2019-2020](#) ▾

Select Grant: [31700 Capital Improvements SB-9](#) ▾

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Budgeting Capital Outlay Funds

Fund 31700 (SB-9 State Match)

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SELECT REPORT

Grants Reports ▾ Grant Year Expenditure Statewide Summary Report ▾

GRANT YEAR EXPENDITURE STATEWIDE SUMMARY REPORT

Select Budget Year: 2019-2020 ▾

Select Grant: 31700 Capital Improvements SB-9 ▾

View Report

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State of New Mexico

Public School Operating Budget

Grant Year Expenditure Statewide Summary Report

Budget Year: 2019-2020 Fund: 31700

Entity Name	Grant Year	Grant Year Allocation	Reimbursements Requested through Current Year	Remaining Balance	Percent Remaining	Last RFR Submission Date
Jemez Valley	NO EXP 16-17	\$9,865.00	\$9,864.21	\$0.79	0.00 %	7/1/2019
	NO EXP 17-18	\$9,491.00	\$9,491.00	\$0.00	0.00 %	7/1/2019
	NO Exp 18-19	\$10,036.00	\$0.00	\$10,036.00	100.00 %	

Budgeting Capital Outlay Funds

Fund 31703 (SB-9 State Match)

ESTIMATED REVENUES	PROJECTED REVENUES
<p><u>Unrestricted Cash, Revenue Code 11111:</u> Audited cash balance as of June 30, 2022</p> <p><u>State Flowthrough Grants (State Match), Revenue Code 43202:</u> Budget prior year awards for 31703</p>	<p><u>Unrestricted Cash, Revenue Code 11111:</u> Estimated revenues minus estimated expenditures will equal estimated cash. Budget should be adjusted through a BAR after 2023 cash balance has been audited.</p> <p><u>State Flowthrough Grants (State Match), Revenue Code 43202:</u> Do not budget anything at this time. A BAR will be submitted after award letters are sent out for 31703 (*planning award may be used)</p>
ESTIMATE EXPENDITURES	PROJECTED EXPENDITURES
<p>Enter the <u>Actual</u> Expenditures from award date and anticipated expenditures through June 30, 2023</p>	<p>Enter <u>Proposed</u> Expenditures. Expenditures should equal total revenue.</p>

Budgeting Capital Outlay Funds

Fund 31701 (SB-9 Local Funds)

ESTIMATED REVENUES	PROJECTED REVENUES
<p><u>Unrestricted Cash, Revenue Code 11111:</u> Enter the June 30, 2022 Audited Cash Balance.</p> <p><u>Residential/Non-Residential Taxes, Revenue Code 41110:</u> Reconcile taxes collected with the County Treasurer Reports and enter the <u>Actual</u> receipts at 100% from July through March and <u>Estimate</u> receipts from April through June of the current year.</p> <p><u>Oil & Gas, Revenue Code 41113 and Copper Production, Revenue Code 41114:</u> Enter the <u>Actual</u> receipts from July through March and <u>Estimate</u> receipts from April through June of the current year.</p> <p>Fund 31701 does not apply to all charter schools. It will only apply to those charter schools that have been included in their local district resolutions and are currently receiving local tax revenues.</p>	<p><u>Unrestricted Cash, Revenue Code 11111:</u> Estimated revenues minus estimated expenditures will equal estimated cash. Budget should be adjusted through a BAR after 2023 cash balance has been audited.</p> <p><u>Residential/Non-Residential Taxes, Revenue Code 41110:</u> The Assessed Valuations multiplied by the Tax Levy Rate will be the Proposed Revenue entered into OBMS.</p> <p><u>Oil & Gas, Revenue Code 41113 and Copper Production, Revenue Code 41114:</u> The Assessed Valuations multiplied by the Tax Levy Rate will be the Proposed Revenue entered into OBMS.</p>

Budgeting Capital Outlay Funds

Fund 31701 (SB-9 Local Funds)

ESTIMATE EXPENDITURES	PROJECTED EXPENDITURES
<p>Enter the <u>Actual</u> Expenditures for July through March and <u>Estimate</u> Expenditures for April through June of the current year including anticipated obligations. Expenditures must include county tax collection costs, Function 2300, Object Code 53712. The Proposed county tax collection costs should equal 1% of the total amount calculated for Residential/Non-Residential Taxes</p>	<p>Enter Proposed Expenditures. Expenditures should equal total revenue. Expenditures must include county tax collection costs, Function 2300, Object Code 53712. The Proposed county tax collection costs should equal 1% of the total amount calculated for Residential/Non-Residential Taxes.</p>

Eligible Expenditures

Fund 27107 (G.O.B. Library)

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



Eligible Expenditures

Fund 27107 (G.O.B. Library)

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.

Eligible Expenditures

Fund 27107 (G.O.B. Library)

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

Miscellaneous Items

Disposition of Property

- ◎ Need approval **prior** to disposition
- ◎ Approving entity determined by value and whether property is personal or real
- ◎ Updated Checklist and flowchart on COB Website
- ◎ PED Form 947 and include supporting documentation
- ◎ OSA needs to be notified for all disposition of items less than \$5,000. OSA will not respond back or submit an approval

Miscellaneous Items

Disposition of Property

- ◎ OSA - Main Line (505) 476-3800
- ◎ SBF - WWW.nmdfa.state.nm.us/board-of-finance/monthly-meetings/submission-requirements/
- ◎ PED – Consuelo Barraza (505) 677-6691

Miscellaneous Items

Lease Purchase Process

- Obtain PSFA approval before submitting to PED
- Terms of Proposed Lease Purchase Arrangement
- Compliance with Open Meetings Act
- Resolution of Governing Body
- Source of Funds
- Ownership of Building or Other Real Property
- Pledging of Charter School Revenues or Other Assets
- Submission of Proposed Lease Purchase Arrangement

Summary

- ◎ Understanding how to budget and access your capital funds
- ◎ Understand legislative changes with elections
- ◎ Monthly CPMS reporting requirements (31400)
- ◎ Timely submission of RfR's
- ◎ **SPEND YOUR MONEY TIMELY!!!**



Contact Us

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Survey

