

Department of Finance & Administration
Presentation before the Legislative Finance Committee

July 15, 2020



1. Vetoes

- Secretary of State and Office of the State Engineer would have a direct impact on operations
- Assumptions that federal funds can be “swapped”
 - ECECD
 - Public School Support
- LEDA & JTIP
- Opportunity Scholarship
- SB 5 veto \$4m from the Rural Infrastructure Revolving Loan Fund

2. Allocation of Stimulus Funds to Local Governments & Tribes and Pueblos

- **COVID Related**

- Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19)
- Expenses were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government
- Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020
- Does not cover payroll or benefits of employees not substantially dedicated to Covid-19
- Does not cover workforce bonuses other than hazard pay or overtime
- **Cannot be used for revenue replacement or to match other Federal programs**

- **Allowable expenses include:**

- Enforcement and Public Health Support (Corona Relief Funds (CRF) can be used to pay all public safety and health personnel costs if directly related to the virus)
- Housing Assistance (avoid displacement/homelessness)
- Use to match 25% FEMA grant
- Mitigate spread (PPE, sanitizing, social distancing, media)
- Public education (signage, social media, etc.)
- Contingency plans/guidelines for mass exposure (i.e., sheltering, displacement, homeless population)
- PPE procurement/distribution

Allocation of Stimulus Funds to Local Governments & Tribes and Pueblos

Considered Sub-recipients—payments on reimbursement basis

- **Tribal guidance and application distributed Friday, July 10th**
 - Application period July 10th through July 24th
 - Simplified Application
 - Simplified Agreement
 - Simplified Request for Reimbursement
- **Local Government guidance and application planned for distribution Friday, July 18th**
 - Simplified Application
 - Simplified Agreement
 - Simplified Request for Reimbursement

3. Prospect for “Flexibility” in Regulation or Federal Legislation

- No additional information
- Challenges
 - Corona Relief Funds (CRF)
 - Nothing left for distribution
 - Housing
 - Restaurant Assistance
 - Staffing to Manage Federal Funds
 - Managing/Tracking/Accounting for Federal Grants

Corona Relief Funds (CRF)	Description	Amounts
	Distribution to NM (less Alb/Bern County)	\$1,068,000.0
	Disbursements:	
	DOH	\$40,000.0
	DHSEM	\$900.0
	DOIT	\$11,000.0
	DFA	\$1,000.0
	HB1	\$750,000.0
	Local/Tribal	\$178,000.0
	FY 20 Expenses	\$87,100.0

Accenture – Pro Bono **Waiting on information from SBD**

- Number of federal funds
- Number of agencies receiving federal fund
- Purposes
- Federal requirements / reporting
- Categorizing expenses
- Estimated expenditures to date



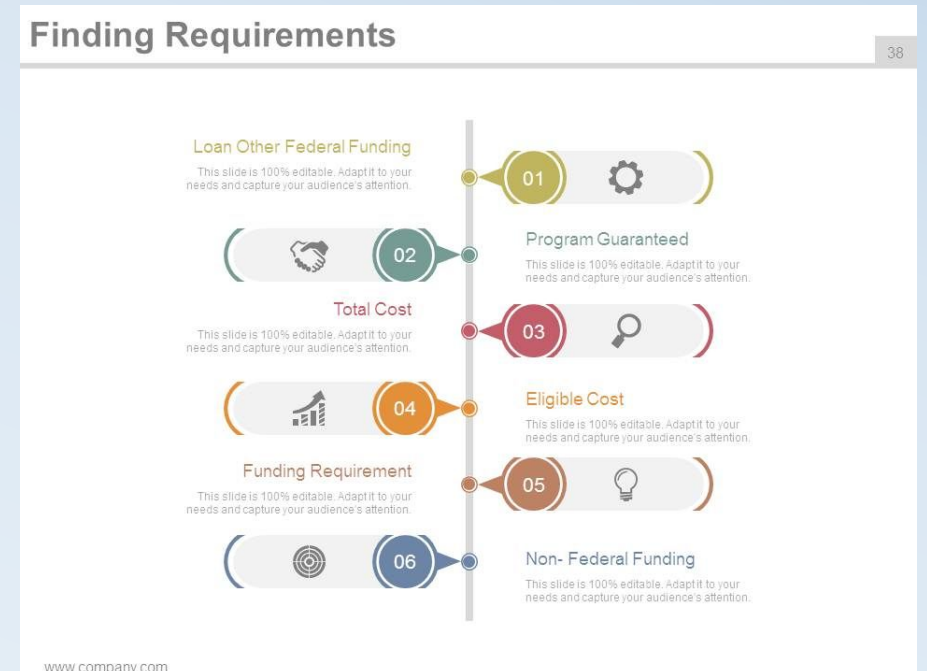
Accenture Agreement

- **Accomplished**

- Compiled a list of all COVID-19-related federal funding
- Developed a rational and systematic process to make decisions on which funding sources to pursue, including priorities, intended results, or other complexities
- Developed tools and methods to apply, track, receive, expend, account, and report for all funding sources
- Set up system to track and manage progress – applications made, receipts, distributions, etc.
- Develop dashboard

- **Work that still needs to be done:**

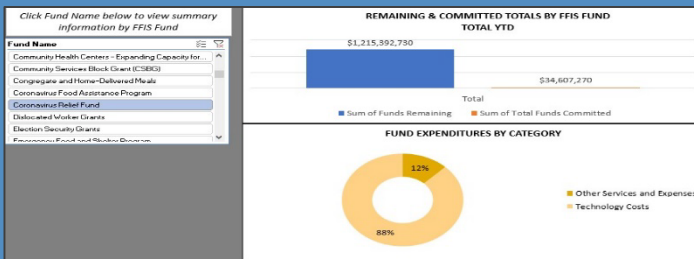
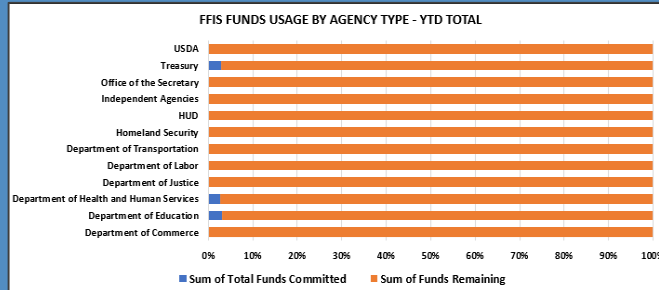
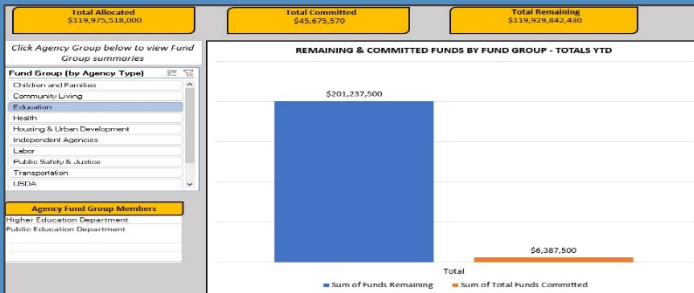
- Prepare guidance for agencies
- Communication plan
- Help design eligibility tests where required
- Track and monitor expenditures
- Ensure compliance with federal requirements
- Reporting to federal government



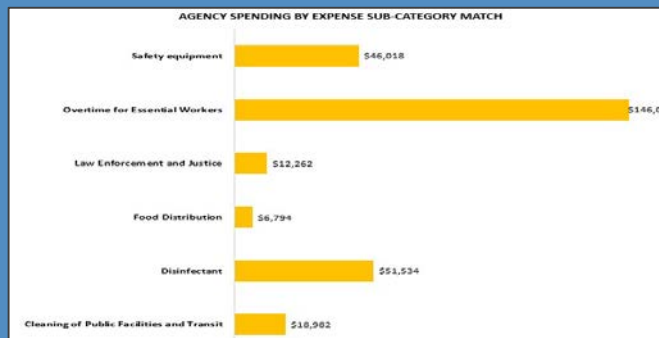
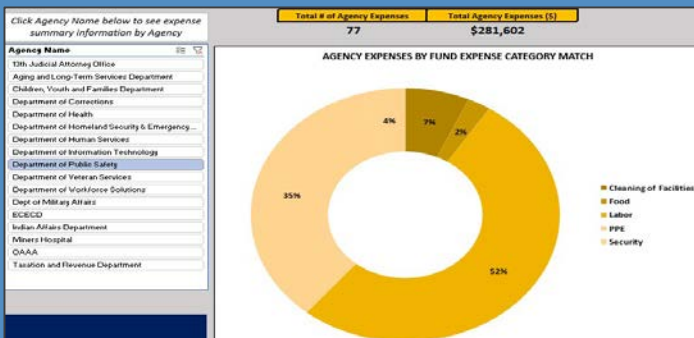
DFA FFIS EXPENSE & FUND DASHBOARD

The COVID-19 Funding PMO has developed a tool to help manage and match COVID-19 agency expenses and federal funds, improving transparency and alignment of expenses to the most appropriate, available funds.

DFA COVID-19 EXPENSE & FUND DASHBOARD



FFIS Funds by Agency	Sum of New Mexico Allocated	Sum of Total Funds Committed	Sum of Funds Remaining	Percent Remaining
Department of Commerce	\$226,000	\$0	\$226,000	100%
Department of Education	\$207,625,000	\$6,387,500	\$201,237,500	97%
Department of Health and Human Services	\$179,745,000	\$4,680,800	\$175,064,200	97%
Department of Justice	\$9,451,000	\$0	\$9,451,000	100%
Department of Labor	\$8,789,000	\$0	\$8,789,000	100%
Department of Transportation	\$158,846,000	\$0	\$158,846,000	100%
Homeland Security	\$2,731,000	\$0	\$2,731,000	100%
HUD	\$41,388,000	\$0	\$41,388,000	100%
Independent Agencies	\$4,946,000	\$0	\$4,946,000	100%
Office of the Secretary	\$384,040,000	\$0	\$384,040,000	100%
Treasury	\$1,250,000,000	\$34,607,270	\$1,215,392,730	97%
USDA	\$117,727,731,000	\$0	\$117,727,731,000	100%



Provides the ability to:

- ✓ View fund totals
- ✓ Track type of expenses at a fund and agency level
- ✓ Evaluate trends and spend patterns
- ✓ Track balances against expiration dates
- ✓ Pre-emptively identify opportunities to allocate and re-allocate funds
- ✓ Easily provide up-to-date information across the state

*Note: This is based on sample data for confidentiality purpose.