

GENERAL SERVICES DEPARTMENT FY17 APPROPRIATION REQUEST

Edwynn Burckle, Cabinet Secretary

GSD Budget Bureau

December 7, 2015



"THE HEART AND SOUL OF STATE GOVERNMENT"

NEW MEXICO
GENERAL SERVICES DEPARTMENT

GSD

Vision

To be a national leader in strategic public sector support services.

Mission

To deliver innovative, responsive, cost-effective, trusted services and solutions to exceed the diverse needs of state agencies

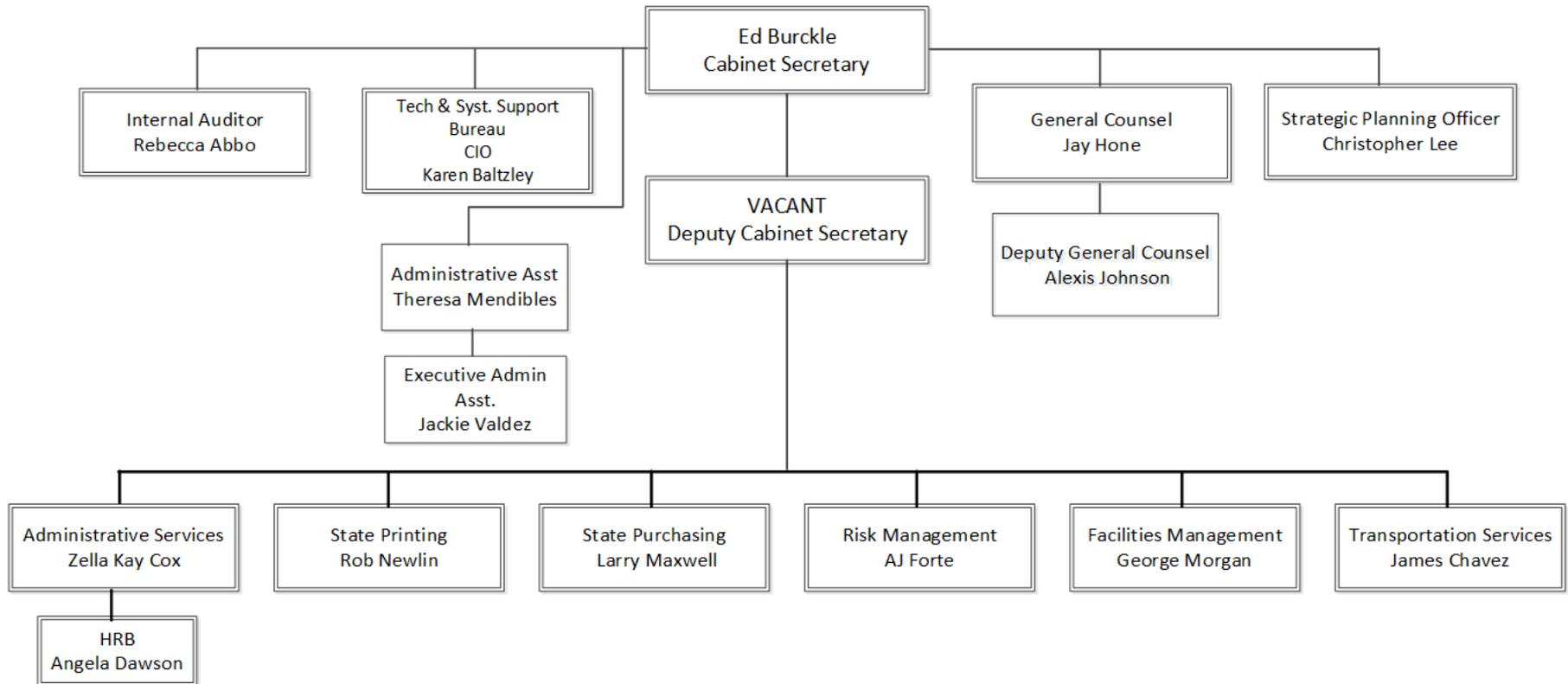
Strategy Statement

To continuously improve public sector services by providing: right people, right place, right time, doing the right things.

Motto

“The heart and soul of state government”

GSD Organizational Structure



"THE HEART AND SOUL OF STATE GOVERNMENT"

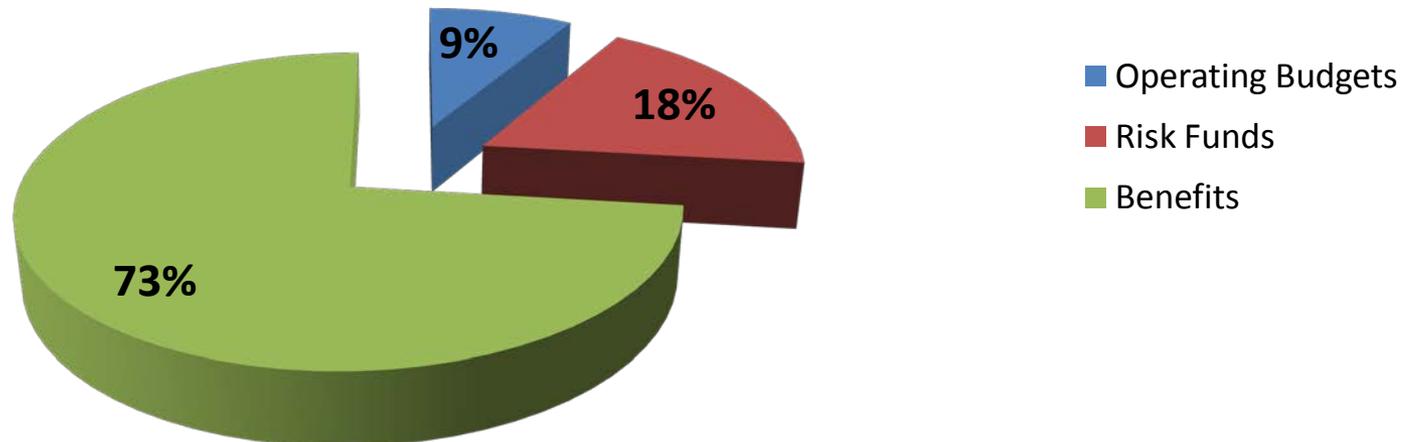


GSD FY17 Request High Level Breakdown

- GSD Appropriation Request consists of three budget components:

1. Program Operating Budgets	\$ 43.7 million (9 percent)
2. Risk & Liability Funding	\$ 94.2 million (18 percent)
3. Funding for Health Benefits	<u>\$ 375.5 million</u> (73 percent)
Total Request	\$513.4 million (100 percent)

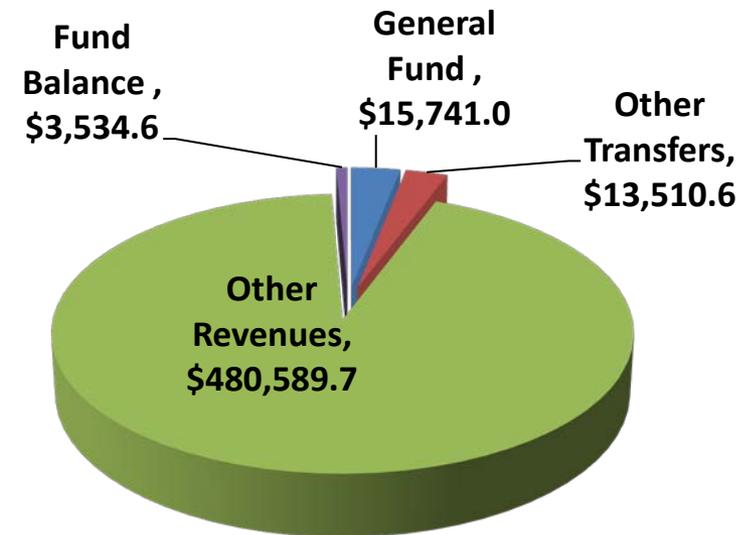
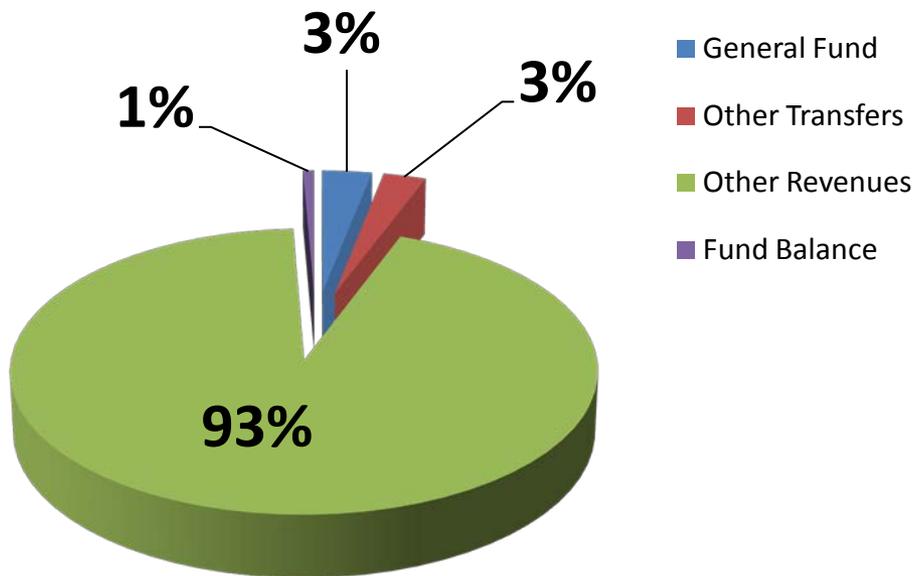
Request by percentage



Funding Sources by Percentage and Amount

Other Revenues account for 93% or \$481 million of GSD Budget Request

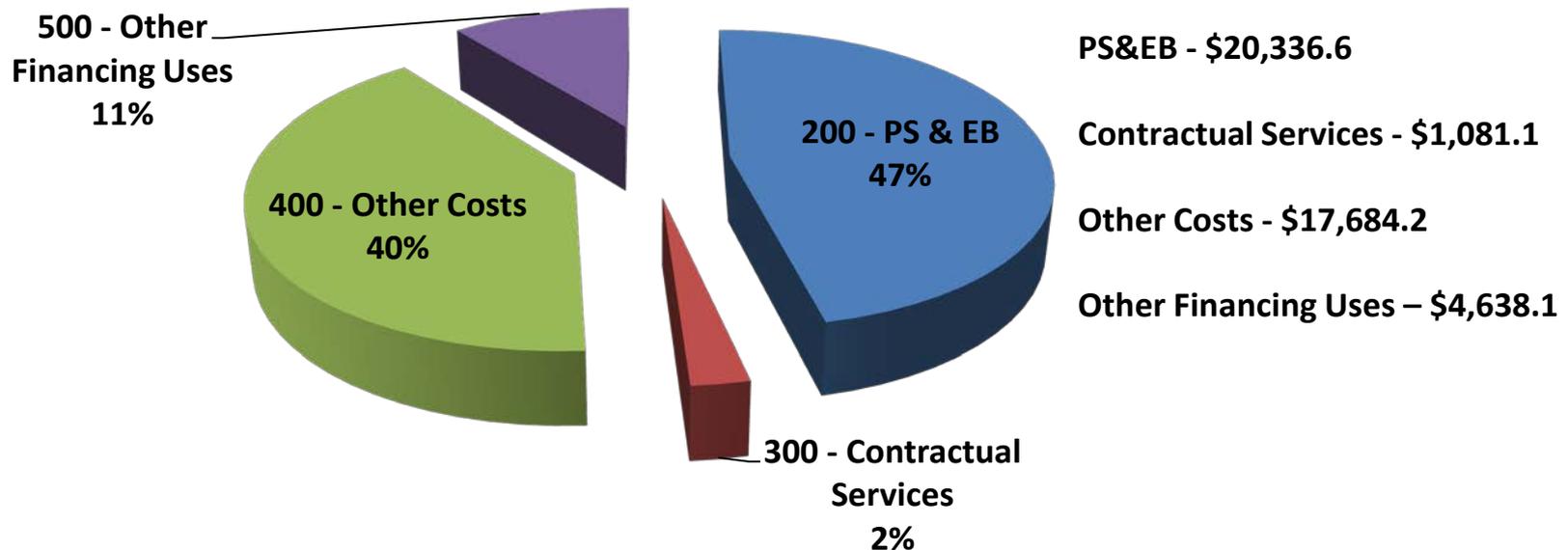
Funding Distribution of entire GSD Budget



GSD Operating Costs by Category

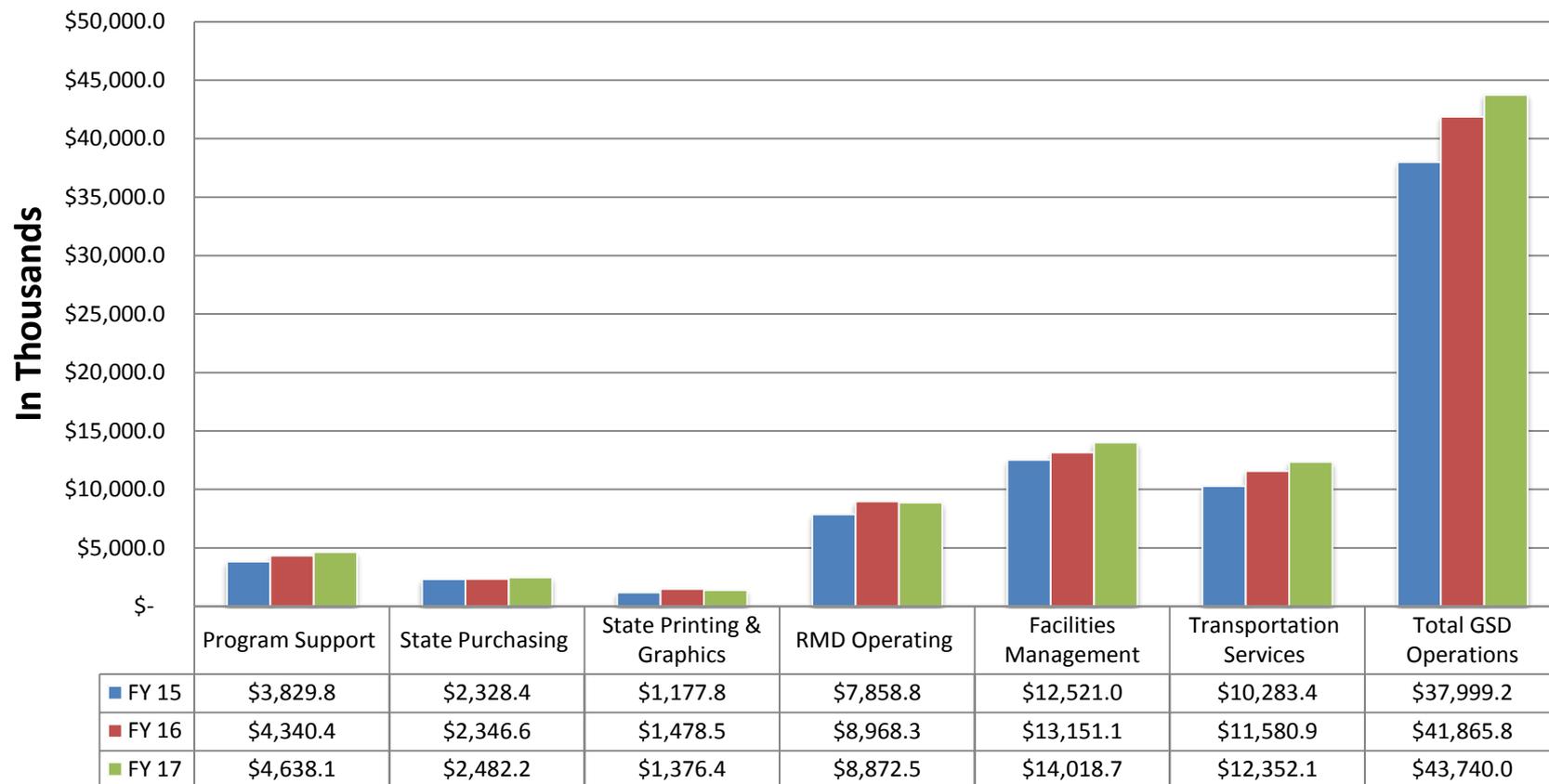
- **Request includes funding to adequately staff PS&EB in the following programs:**
 - Program Support, State Purchasing, Risk Management, Facilities Management, and Transportation Services
- **Increases in Other Costs category:**
 - Program Support, Risk Management, Facilities Management, and Transportation Services.

FY17 Planned Operating Expenditures



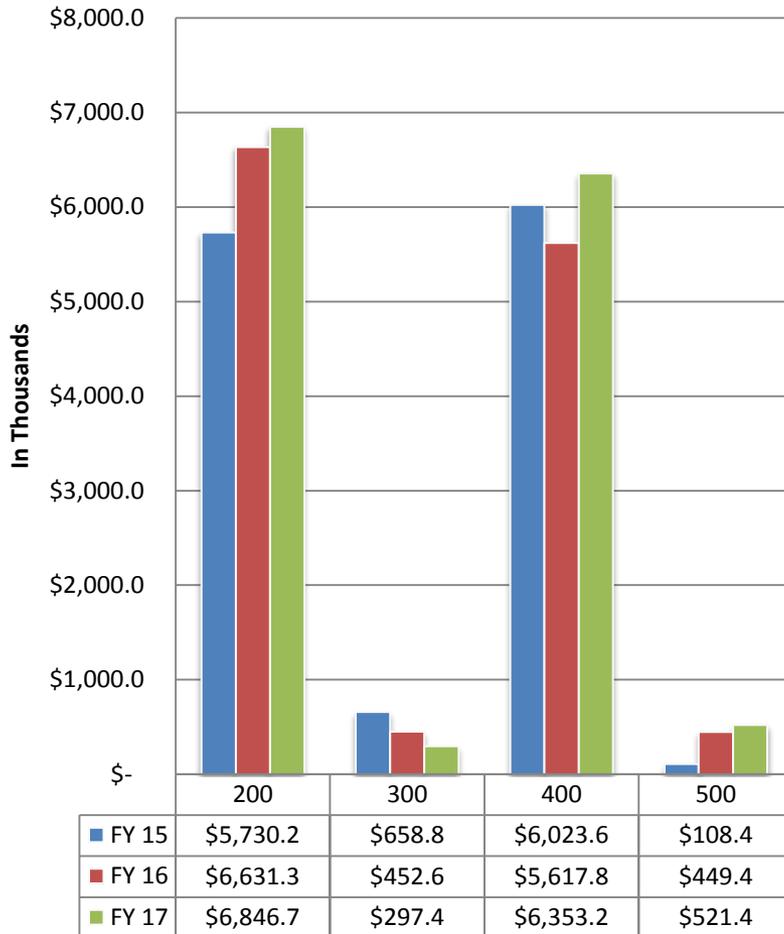
Operating Costs Comparison FY15/FY16/FY17

Comparison of FY15 Actuals to FY16 Budget to FY17 Request by Program



P608 - Facilities Management

Facilities Management Uses

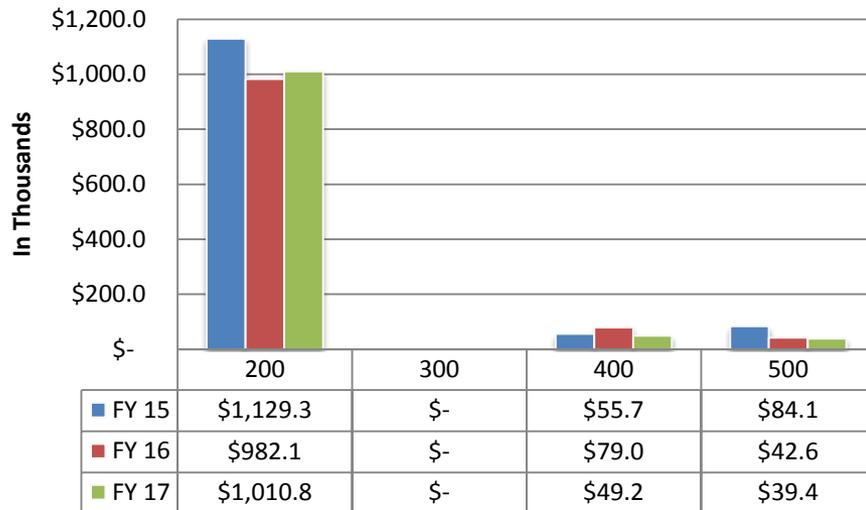


- Lower FY15 actuals in PS&EB compared to FY17 request due to continuous turnover and high vacancy rate of key positions .
- Because of staff augmentations to fill key positions and high turnover in custodial services, actual costs in Contractual Services increased substantially from FY15 appropriation.
- Increases in the Other category for FY17 will cover costs in which sufficient budget was not appropriated to cover FY15 costs and thus category BARs were processed to address deficiencies.
- Program Support assessment based on business process reengineering recommendation.

P604 - State Purchasing

- FY17 increases in PS&EB are offset by reductions in other categories.
- Increase in Fees Fund 28600 of \$300.6 from FY15 actuals in all categories needed to:
 - Increase funding for Contractual Services to assist in establishing a pilot program for e-signature, the development of statewide commodity codes and developing contract management policies and procedures.
 - Support enhanced procurement practices and outcomes.

SPD 174 Operating Fund



SPD 286 Fees Fund



P609 Transportation Services – Motor Pool / Surplus

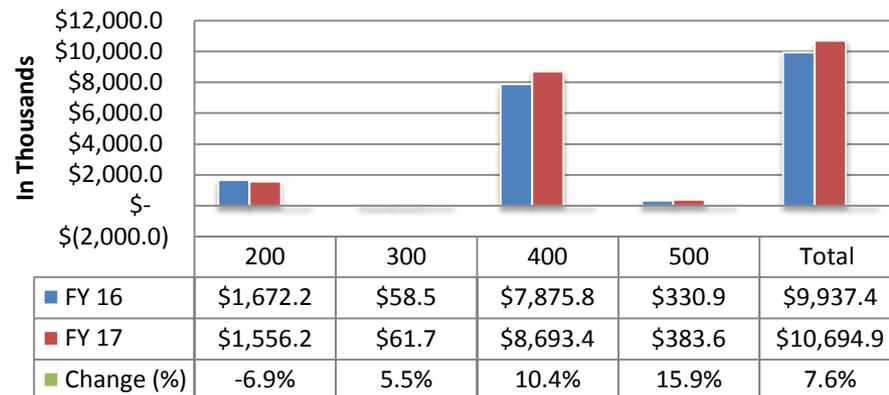
MOTOR POOL

- FY17 request continues fleet replacement program; \$3,000.0 in Other category to purchase 150 new vehicles @ \$20.0 pv.
- \$552.0- Installation GPS monitoring system on all fleet vehicles.
- \$26.5 - Increase in Auto Physical Damage premium.
- \$275.3 - increase for 3rd party commercial lease vehicles.

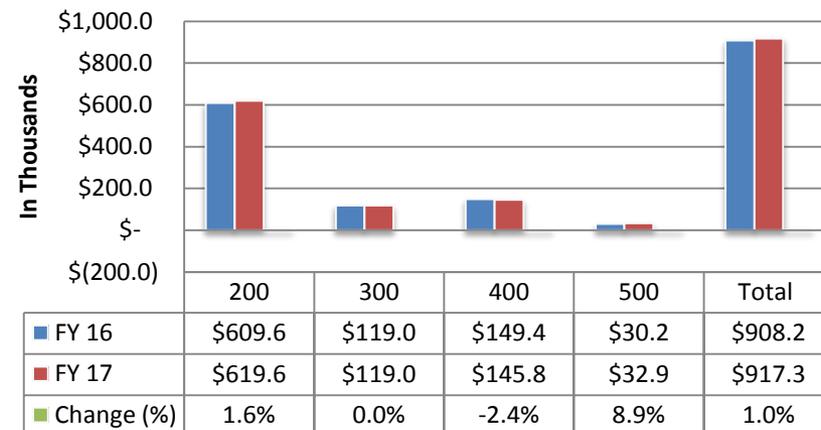
SURPLUS PROPERTY

- Request represents an overall increase of \$9.1.
- Increase in 200 category is due to 4% increase in Health Benefits.

Motor Pool



Surplus Property



P609 Transportation Services – Aviation

- Budget has decreased 54 percent from \$1,600.0 in FY11 to \$ 739.9 in FY17.
 - Reduction due to sale of three aircraft and their associated maintenance costs.
- Decrease to \$117.0 in enterprise activities due to decrease of price and amount of airplane fuel purchased (see graphs to the right).
- Reduction of overall cost of flights for customer agencies.
- Allows optimum use of state asset
- Provides greater outreach for key stakeholders

Aviation



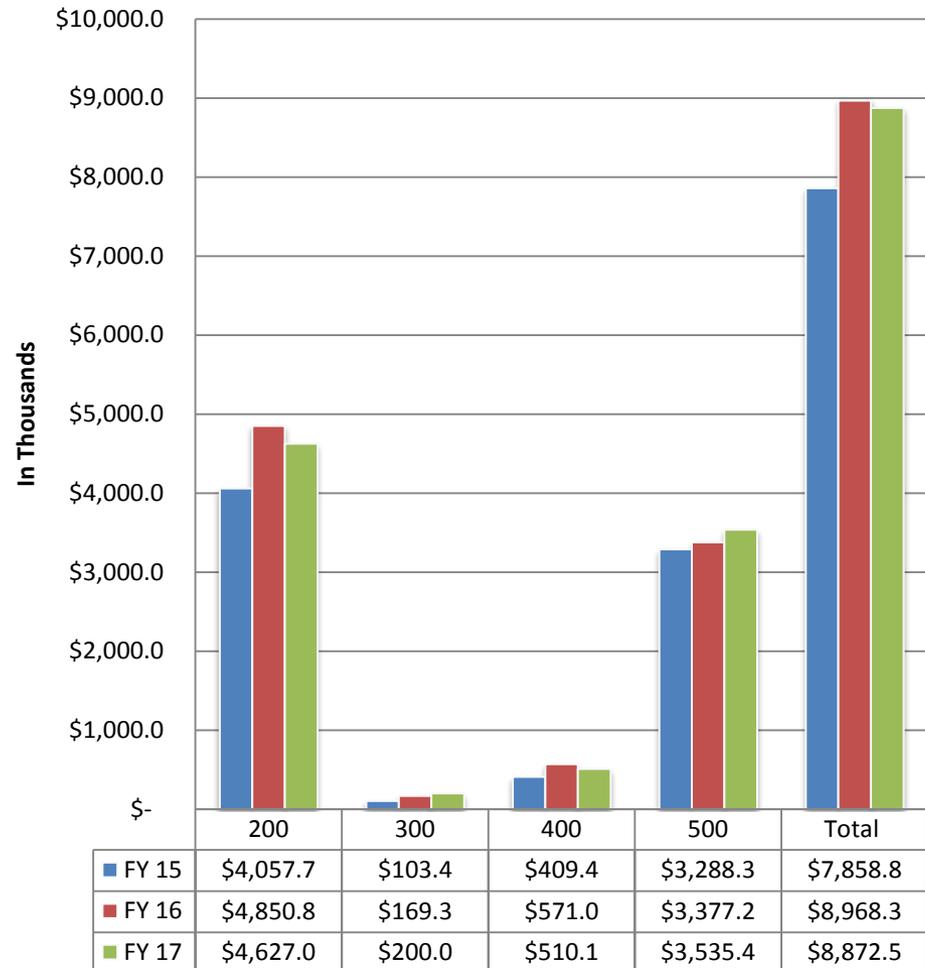
Aviation Funding Source Comparison



P606 Risk Management - Operating

- Twenty percent vacancy rate main factor for low actual costs in PS&EB in FY15. Amount requested considers filling all vacancies.
- FY17 Request transfers one exempt FTE to Program Support Office of the Secretary.
 - Change is to promote efficient and effective distribution of agency resources.
- Contracting with a Data Operations consultant for RMIS accounts for the \$100.0 increase in the Contractual Services category.
- Increases in the request within the Other category is to continue focus on providing training in ADR, CPR, OSHA, Active Shooter Awareness and Loss Prevention and Control.

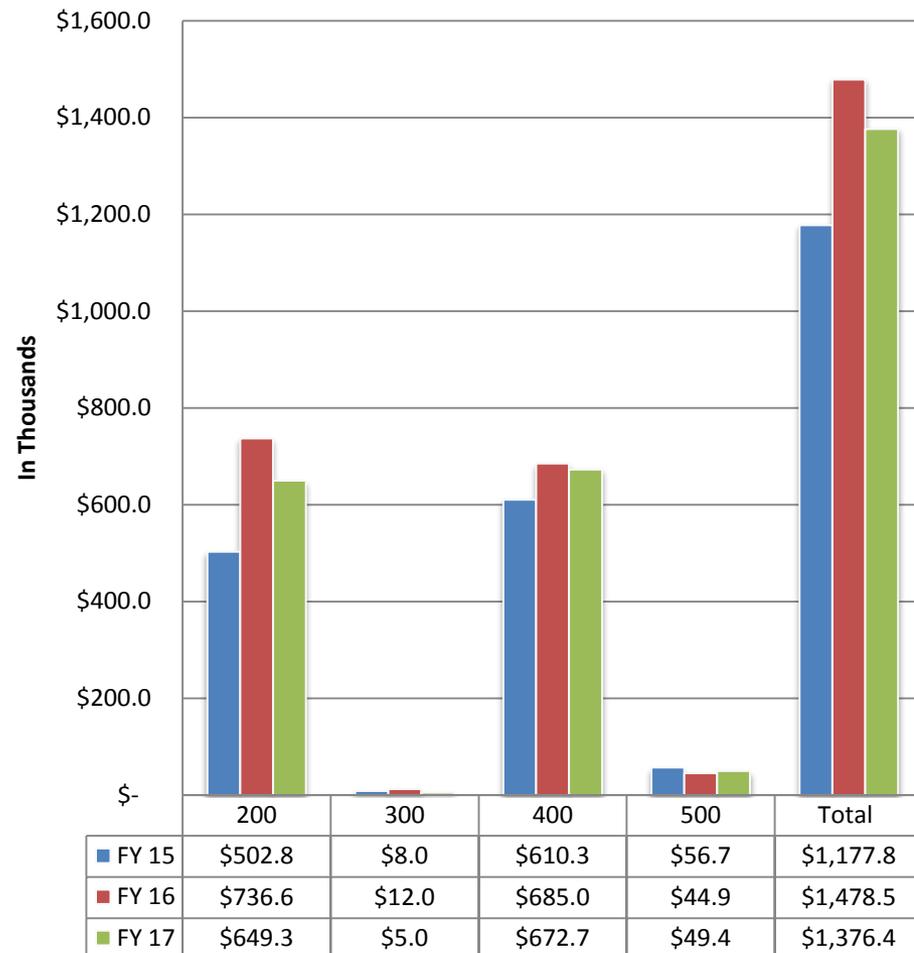
RMD Operating



P605 State Printing & Graphics - Operating

- Operating with minimal staff to reduce cost per FTE. Budget for 14 FTE requested for FY17 but will be filled on an “as needed basis”.
- Sales per employee in FY15 was \$165.0. Industry average is \$123.0.
- Development of Budget request based on revenue projection of \$1,376.4 by Budget Bureau.
- Application of a 20% vacancy rate to achieve proposed budget and reduction of overall operating costs.

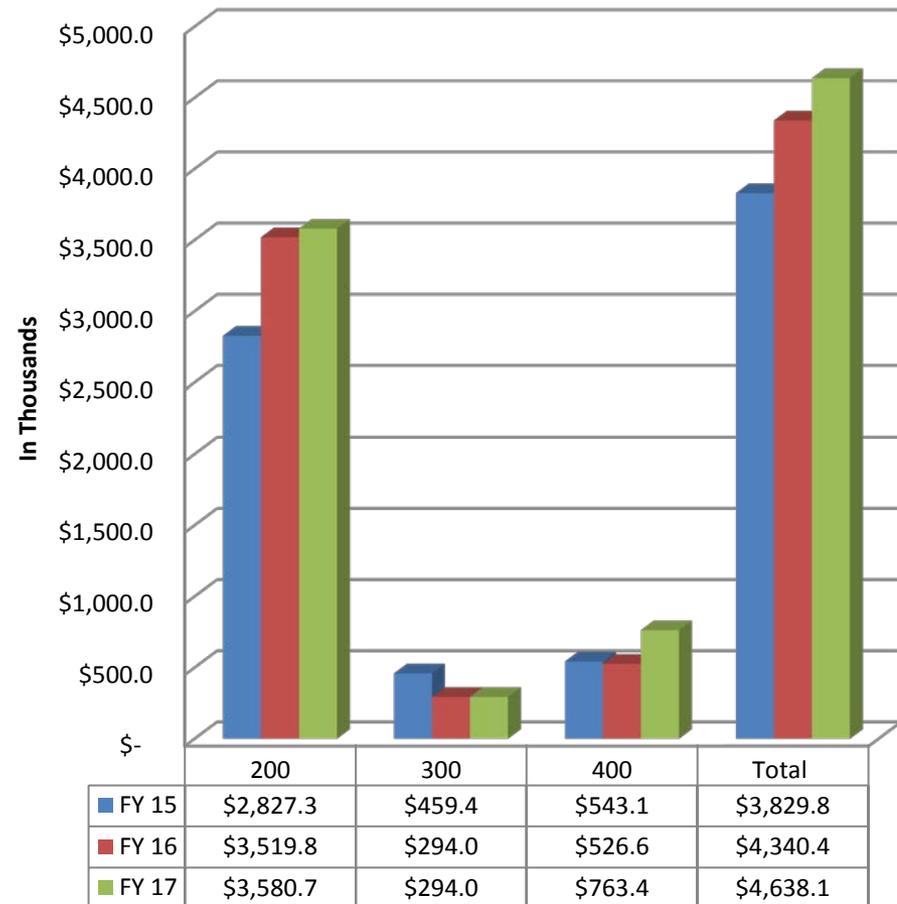
State Printing



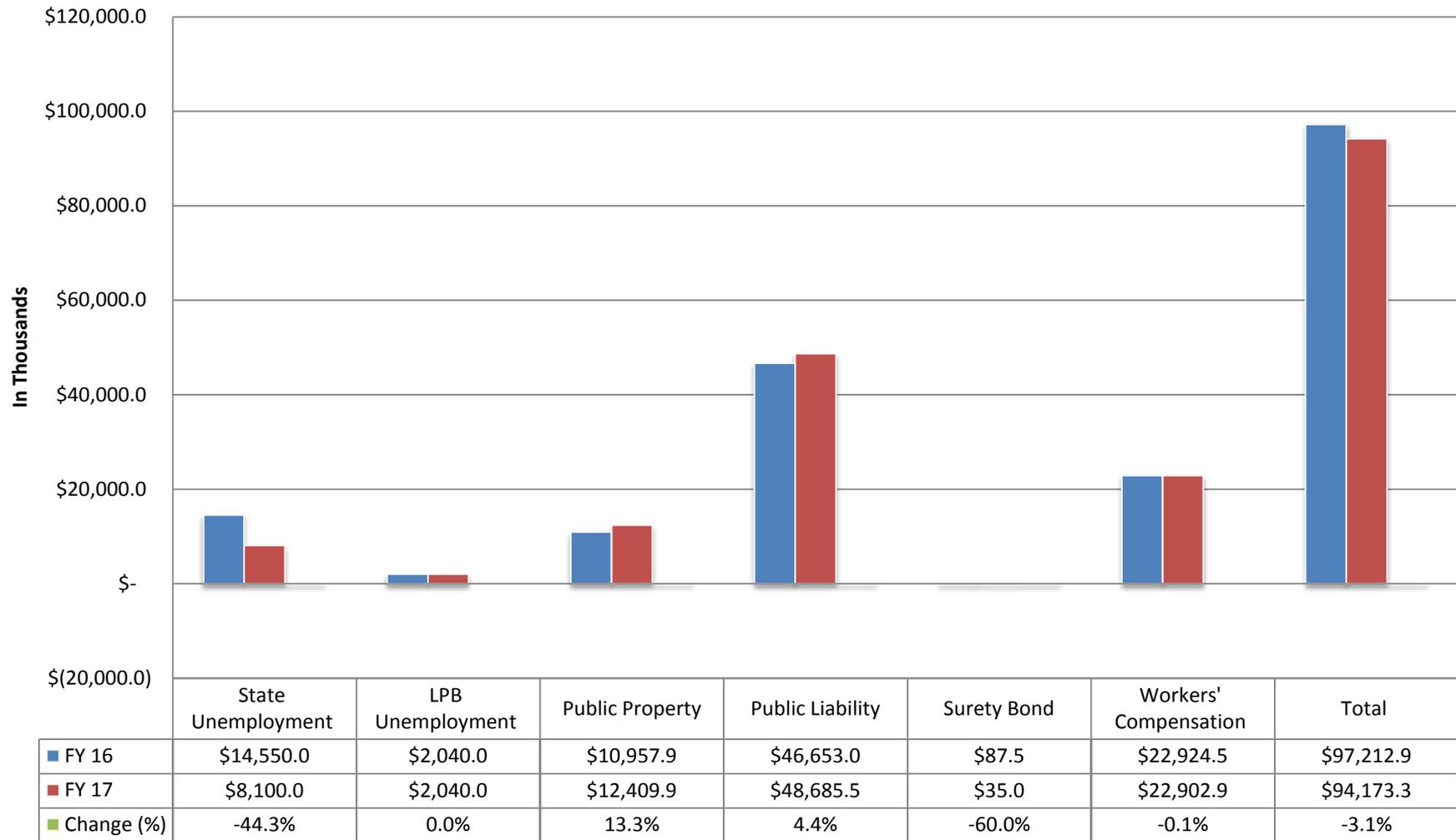
P598 Program Support - Operating

- The reallocation of 1.5 FTE from Risk Management and PIO position accounts for increase in PS&EB from FY16 to FY17.
 - Aligns human capital with the priority requirements of the Agency
 - Reflects actual duties and responsibilities of reallocated staff
- High actual costs in FY15 contractual services due to staff augmentation in TSSB with a database analyst. Goal is to fill vacant Database analyst position in FY16.
- Increase in Other costs due to consolidation of Filenet, Kwikwork, CYA, Sharepoint, Microsoft Software Assurance licenses and to purchase IT server and Switch replacement.

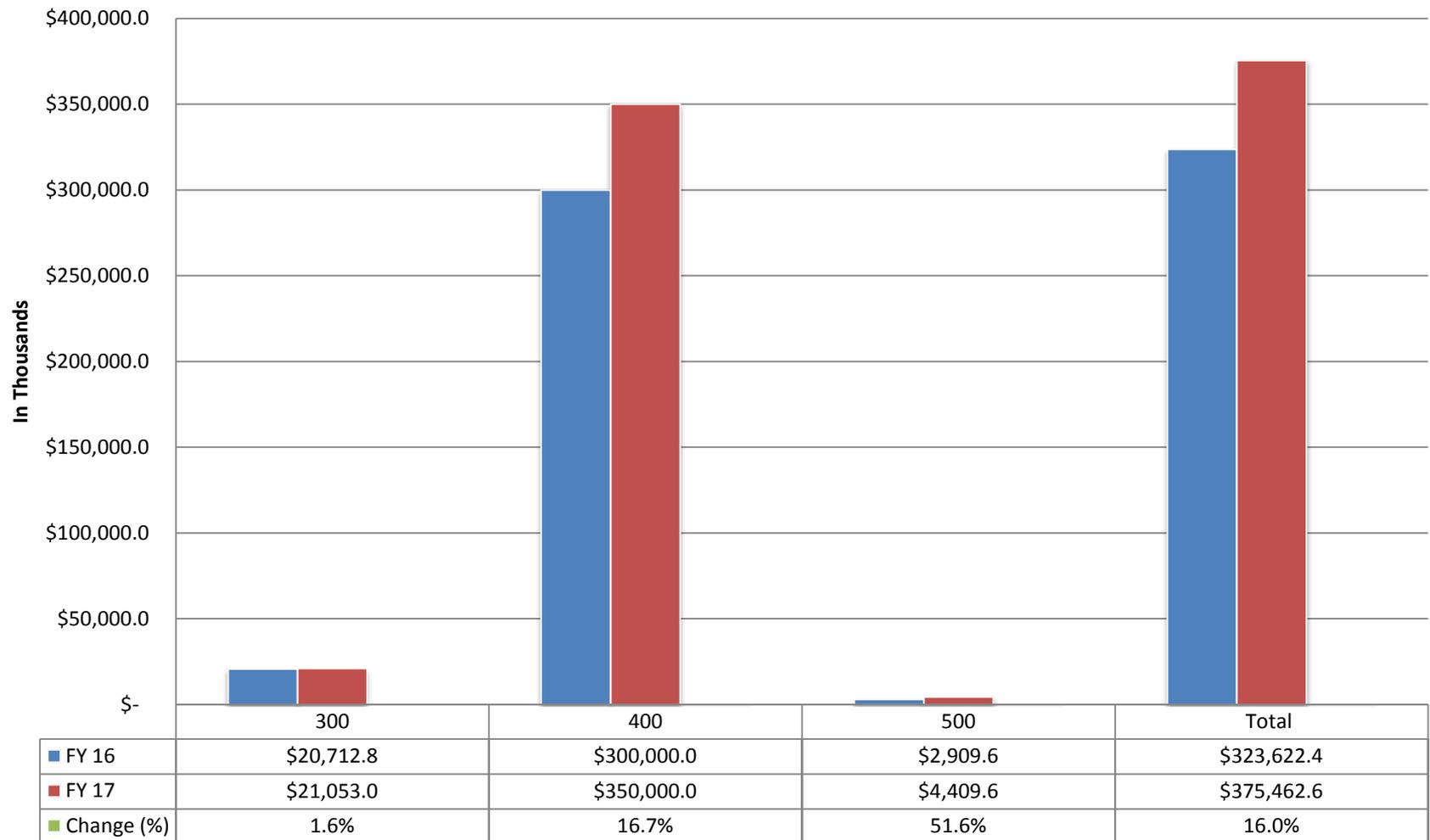
Program Support



P799 - Risk Funds



P607 - Health Benefits



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