



STATE OF NEW MEXICO CAPITAL OUTLAY PROGRAM
BERNALILLO COUNTY – GRANT RECIPIENT OF CAPITAL OUTLAY FUNDS FOR USE BY
NON-PROFIT AGENCIES

FAQ SHEET – PRIOR TO REQUEST FOR STATE OF NM CAPITAL OUTLAY FUNDS

Bernalillo County will review requests from Non-Profit and Non-Governmental Organizations (NPO) for the County to administer, manage and own any capital purchases to be requested by the NPO at the 2017 New Mexico State 2017 Legislative Session.

The County has created a FAQ sheet to assist NPOs in navigating the County's request and approval process. Please note, for those agencies that have a history of lobbying the State of New Mexico for Capital Outlay funds, there are significant changes which impact the granting and use of capital outlay funds.

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- **PER THE STATE** Department of Finance (DFA), all legislative capital outlay requests must be identified on a County's Infrastructure Capital Improvement Program (ICIP);
 - **The County** approves the ICIP no later than the last BCC Administrative Meeting in August each year. The NPO request must be listed on the ICIP at this meeting.
 - **The State** requires the County to submit the ICIP by September of each year. Per State regulations, no additional projects can be added to the ICIP after September 2nd.
 - **The State** may not accept an NPO capital appropriation request during a legislative session if the NPO has not worked with the County prior to September.
 - **PER THE STATE**, any capital asset purchased using Capital Outlay Bond funds **must be owned** by the state or a political subdivision of the state (Bernalillo County is a political subdivision of the state), and **cannot be owned** by the NPO;
 - **PER THE STATE**, Capital Outlay Funds **cannot** be directly appropriated to a private, non-governmental or non-profit organization; there is **no** "passing" of state funds **through the** County to the NPO; and the County is **no longer** considered a "fiscal agent," but instead is considered by the State as the grant recipient.
 - **PER THE STATE**, Severance Tax Bond (STB) funds are the source of appropriation from the State and are sold only two times per year - June and December;
 - If the County does not have advance knowledge of the NPO's legislative appropriation, the County may not be able to approve the sale of bonds until the NPO provides State required information to the County.
 - Currently, the DFA approval for notice of appropriation approval is averaging six (6) to twelve (12) months after the sale of the bonds.
 - Most capital outlay grant projects must be completed (spent) within a two or four-year period.



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- Example: Appropriation in March, 2016 has a deadline of June 30, 2020.
- **PER THE STATE**, the DFA does not reimburse project expenditures that were made prior to the County's receipt of the DFA's Official Notice of Obligation letter. (If the NPO purchases a service or equipment directly, the NPO will be responsible for payment in full.) The County will not purchase or begin a project prior to receiving the DFA's Official Notice of Obligation Letter;
- **PER THE COUNTY**, all purchases and/or requests for services must be procured by the Purchasing Department to ensure compliance with County procurement procedures and all applicable federal, state and county laws;
- **PER THE COUNTY**, NPO requests may not be accepted due to the rising costs to the County to administer the State's increased regulations to expend capital outlay funds.
- **PER THE COUNTY**, NPO requests may not be accepted due to the State's requirement of reimbursing the County for purchases; which requires the County to budget and fund capital outlay requests prior to being approved by the State for reimbursement.
- **PER THE COUNTY**, NPO requests may not be accepted based on the type of purchase request. If the capital outlay is for highly depreciable equipment, such as vehicles and information technology equipment; or purchase of a facility, or a specialized item that many citizens would not use, the County may not choose to burden taxpayer's with the on-going costs to maintain and/or dispose of the purchase.

PLEASE NOTE

The State of New Mexico reserves the right to change or modify procedures and requirements. Bernalillo County pledges to provide customer support to the best of its ability in navigating the State's capital outlay appropriation process. This FAQ sheet may be altered at any time due to the State's changes in requirements, or County policy decisions. Please ensure you are using the latest FAQ version as noted by the date created in the footer.