

**NEW MEXICO**  
GENERAL SERVICES DEPARTMENT

# FY23 Appropriation Request Presentation

John Garcia, Cabinet Secretary Designate

November 16, 2021

*“Our Services Support Your Success”*

# HIGHLIGHTS OF ACCOMPLISHMENTS

## PROGRAM SUPPORT

- Established social media presence (now more than 500 followers)
- Created news section on GSD website to host releases, op-eds, other communications
- Extensive online, other marketing of State Buildings Green Energy Project (ESCO), purchase of electric vehicles, installation of charging stations, and other climate change initiatives
- Co-lead Climate Action Team on State Leadership
- Creation of IPRA policy for GSD employees
- FMD financial staff consolidation
- Implemented SHARE Asset Management Module to manage over \$800 million in State government assets

## STATE PURCHASING

- Launched paperless file system for submission of bids and proposals
- Video conference for all bid openings
- E-Signature Launch
- Contracts Review Bureau (CRB) migration from DFA
- Procurement 101 and CPO training online
- Collections of fees for compliance (\$2.2 million)
- Local internships with Santa Fe Community College

# HIGHLIGHTS OF ACCOMPLISHMENTS

## STATE PRINTING

- Transferred Interagency Mail Services from ASD
- Implemented PrintSmith and Digital Store Front system
- Purchased bindery equipment and Ricoh Digital Press for efficiency
- Assisted with large projects (elections, the Census and Legislature)

## TRANSPORTATION SERVICES

- Acquired 35 plug-in vehicles, in addition to hybrid SUVs and pickups
- Opened 30 electric vehicle charging stations at several state building locations in Santa Fe
- Installed short-term rental kiosk at the PERA building
- Implementing GPS tracking for all vehicles in fleet operations
- Began using [www.GovDeals.com](http://www.GovDeals.com) to sell and acquire items for government agencies
- Flew students to and from NM School for Blind & Visually Impaired on a regular basis
- Continued flights for Children's Medical Services for the NMDOH

# HIGHLIGHTS OF ACCOMPLISHMENTS

## RISK MANAGEMENT DIVISION

*(Alternative Dispute Resolution, Employee Benefits, Loss Prevention & Control, Property & Casualty, Workers Compensation, Legal, Finance)*

- Published Mediator Handbook for the ADR volunteers and increased number of training events & attendees
- Implemented value-based health care purchasing agreements through multiple health plan partners
- Began offering supplemental coverages such as whole life and catastrophic illness protections
- Provide legal training/education credits to nearly 300 state and contract attorneys
- Conducted initial Higher Education Symposium focusing on risk needs of colleges and universities
- Appraised the inventory of all public buildings insured by RMD; buildings valued at over \$8 billion
- Provided process training to mitigate unemployment losses
- Successful unqualified audits for past five years for the Property and Casualty team
- Analyzed risk patterns to reduce claim and settlement costs
- Implemented a new Risk Management Information System

# HIGHLIGHTS OF ACCOMPLISHMENTS

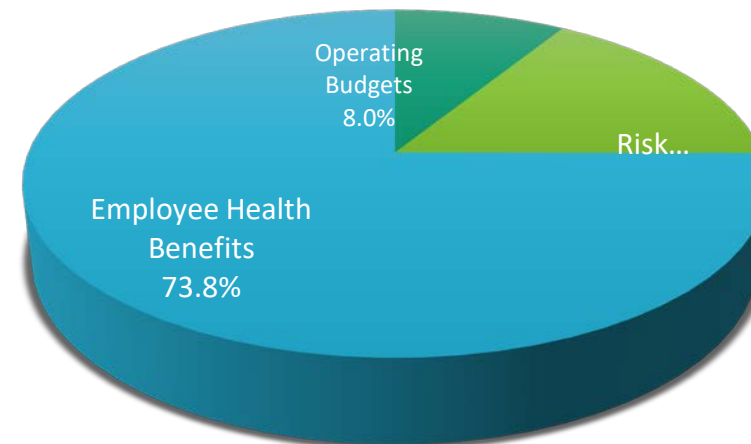
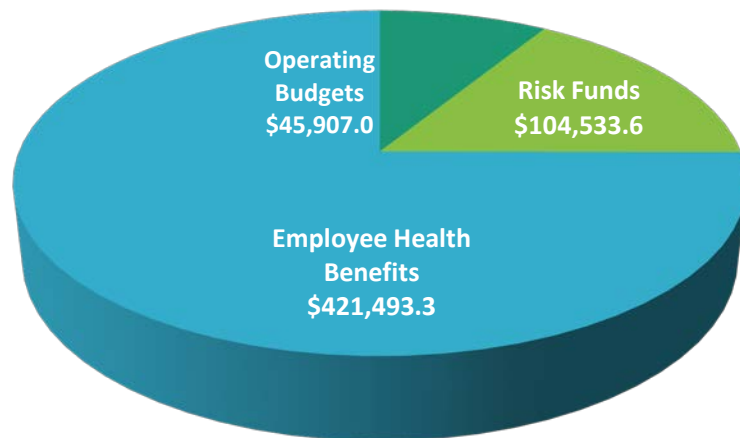
## FACILITIES MANAGEMENT DIVISION

- Provided custodial services to 1.71 million square feet of state-owned buildings in Santa Fe
- Construction of new Vital Records facility completed in September of 2020
- Phase 1 & 2 of the Child Wellness center completed April 2021
- Meadows Phase III completed June 2021 (46,090 sq. ft.)
- ESCO project – kicked off July 2019 encompassing 31 buildings totaling 1.7 million sq. ft. Already realizing over \$200k in energy savings; substantial completion projected this year
- New crime lab (44,000 sq. ft.) started and scheduled completion September 2022
- DPS Secure Storage started and scheduled completion for November 2021
- Alamogordo Apartments for Commission for the Blind
- Angel Fire Veterans Cemetery – completed July 2020
- Developed a standard specification to ensure any remodel or new construction complies with specifications for water savings
- Contracted to perform a Security Master Plan to do an evaluation of our Santa Fe buildings

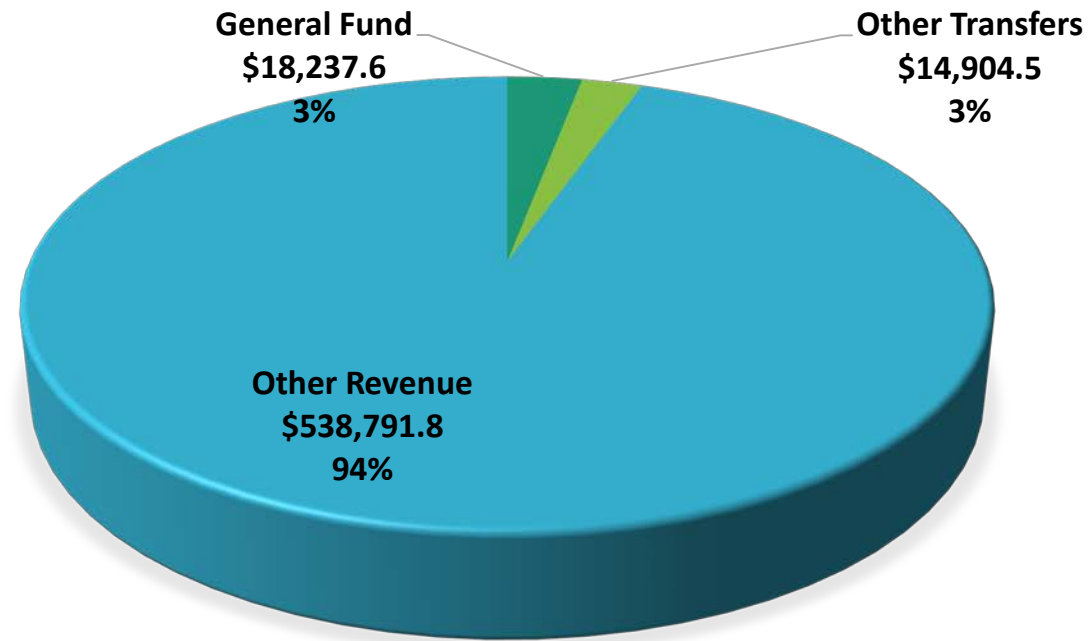
# FY23 Request High Level Breakdown

- GSD Appropriation Request consists of three budget components:

1. Program Operating Budgets	\$ 45.9 million
2. Risk Funds	\$ 104.5 million
3. Employee Health Benefits	\$ <u>421.5</u> million
Total FY23 GSD Request	\$571.9 million



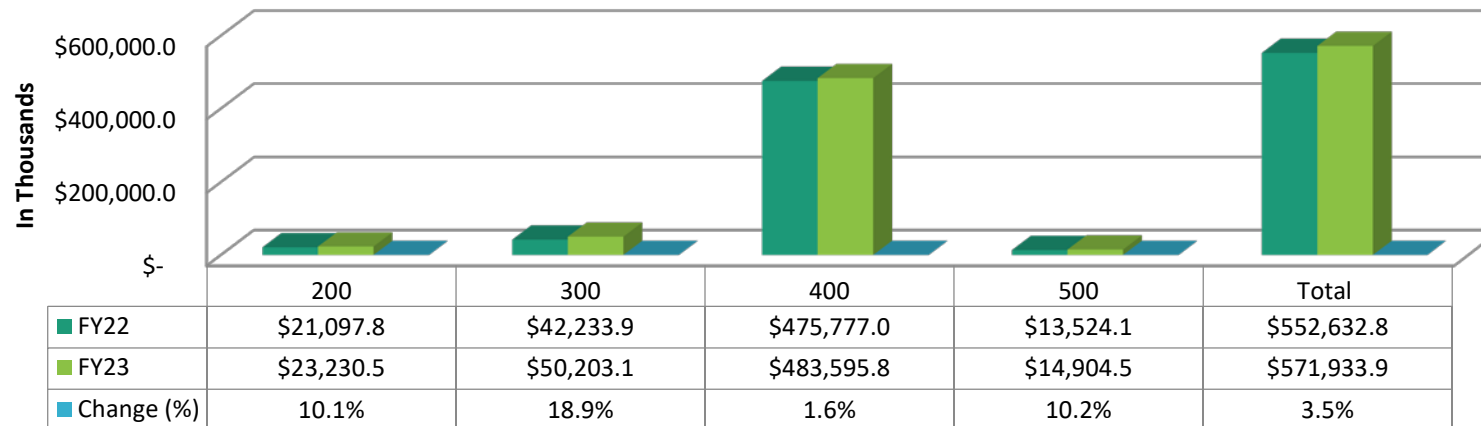
# FY23 Funding Sources by Amount & Percentage



1. General Fund accounts for 3% or \$18.2 million of the request,
2. Other Revenue accounts for 94% or \$538.8 million of the FY23 GSD request, (Health Benefits \$ 421.5, Risk Funds \$104.5 and Enterprise Funds \$12.8),
3. Other Transfers (RMD Operating & Program Support) accounts for 3% or \$14.9 million of the FY23 GSD budget request.

# Overall Costs Comparison by Category FY22/FY23

- GSD's total request (all funding sources) is an increase of 3.5%. Operating budgets are increased 7.3%, Risk funds are increased 7.8% and Health Benefits are increased 2.1%.
- In the 200s, 10.1% increase is necessary to fully fund underfunded and unfunded positions that are deemed critical for department operations. The request aligns the budget with current operational requirements. Administrative and labor costs have not grown at the same pace as the Department's programmatic responsibilities. This includes a program expansion for FMD to address critical issues impacting the delivery of effective and efficient state government service and mitigate the State's exposure.
- In the 300s, the 18.9% increase is predominantly to address contractual obligations in Health Benefits to cover fee increases and need for additional liability insurance for state agencies and local public bodies. This is to help mitigate information technology risk.
- In the 400s, the 1.6% increase is in the Health Benefits and Risk funds programs. The request for this year allows sufficient budget authority for RMD to prepare for unpredictable increases in claim costs and prepare for increases due to the COVID-19 pandemic. These are based on the actuarial estimates of claims costs.

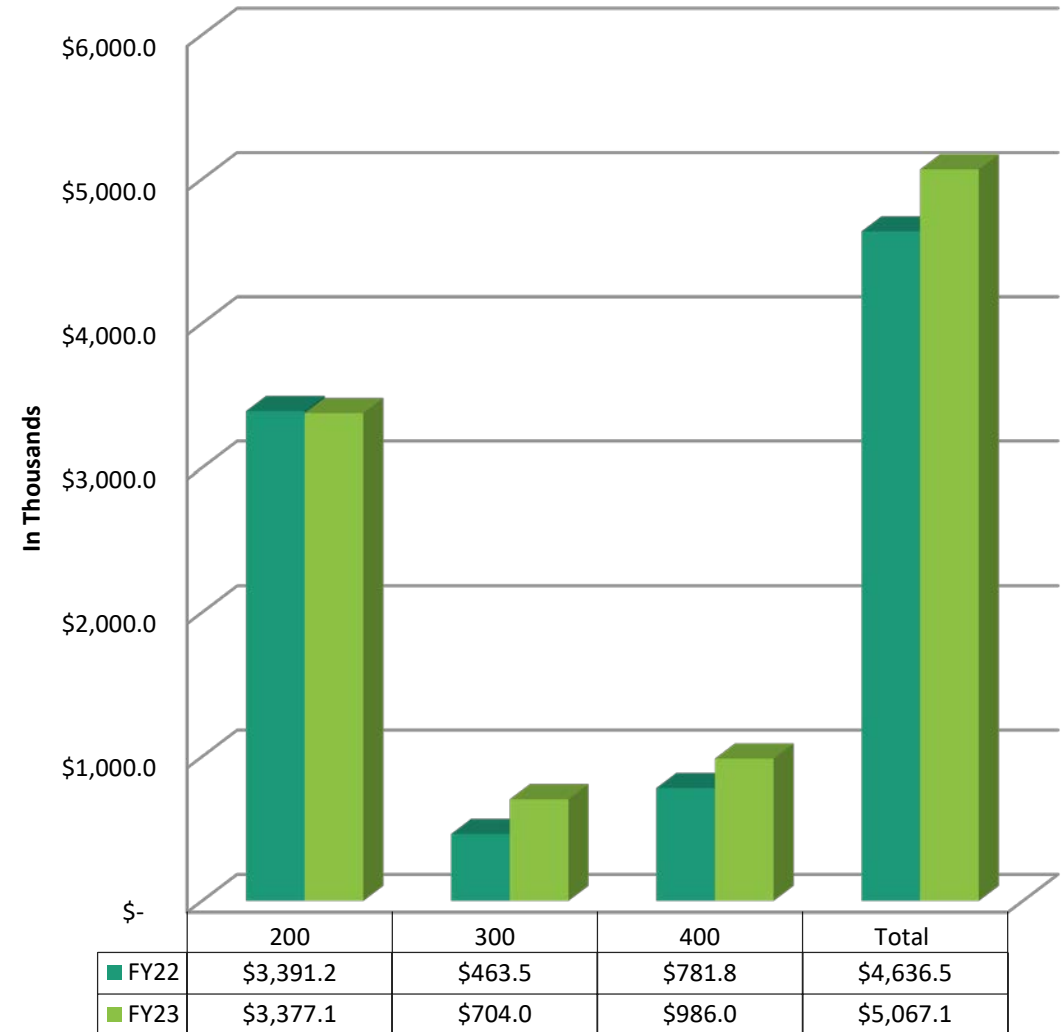




# P598 Program Support

## Initiatives for FY23

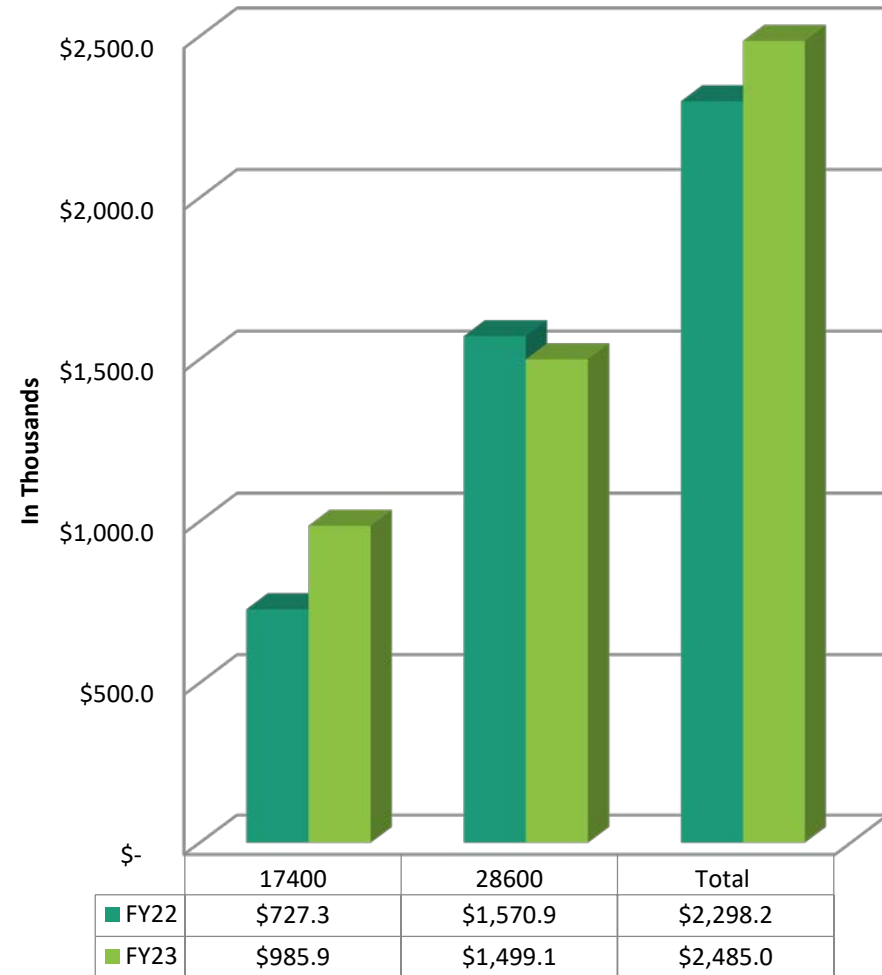
- Increase number of news media interactions through releases, op-eds, other efforts
- Extend social media reach
- Improve transparency by posting often-requested documents on website
- Consistency and transparency in all GSD transactions



# P604 - State Purchasing

## INITIATIVES FOR FY23

- SHARE E-Procurement enhancements with additional modules for eProcurement
- Track statewide price agreements on an online system
- Update the State Procurement Code
- Additional internships to create interest in state procurement careers
- Coordinate UNM/NMSU Supply Chain Management Program
- Implement a sustainable procurement program



# P605 State Printing & Graphics

## INITIATIVES FOR FY23

- Continue to improve sales
- Increase utilization of Digital Store Front
- Invest in new technology and avoid subcontracting
- Increase customer base to non-state government agencies
- Partner with agencies that have a print shop to reduce costs



# P609 Transportation Services

## INITIATIVES FOR FY23

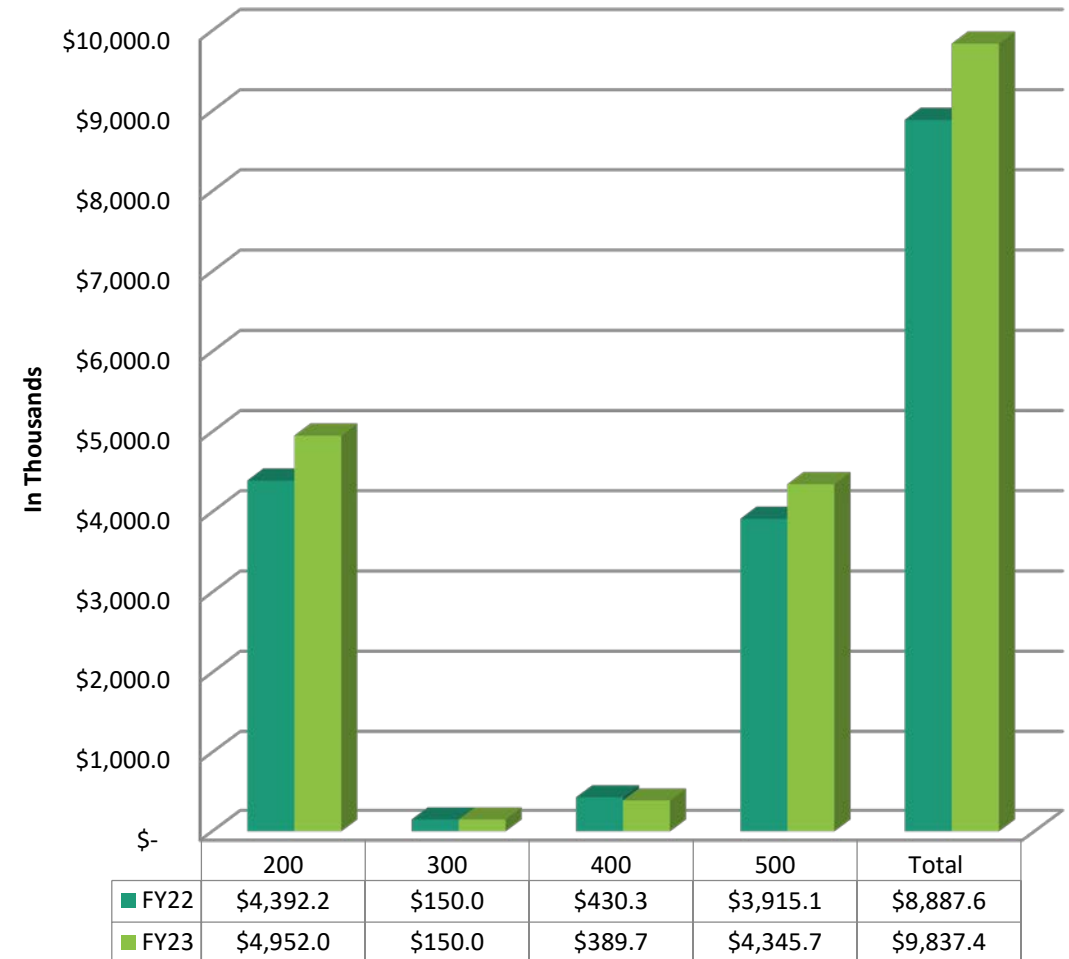
- To install charging stations and short-term leasing locations in Las Cruces, Farmington, and Roswell
- Continue acquiring hybrid and electric vehicles and continue working on reducing the carbon footprint of fleet
- Market to existing customers and agencies and re-open the storefront in a safe manner
- Expand the auction services to other state and federal agencies
- Continue flights for NMSBVI
- Expand flights to additional customers



# P606 Risk Management - Operating

## INITIATIVES FOR FY23

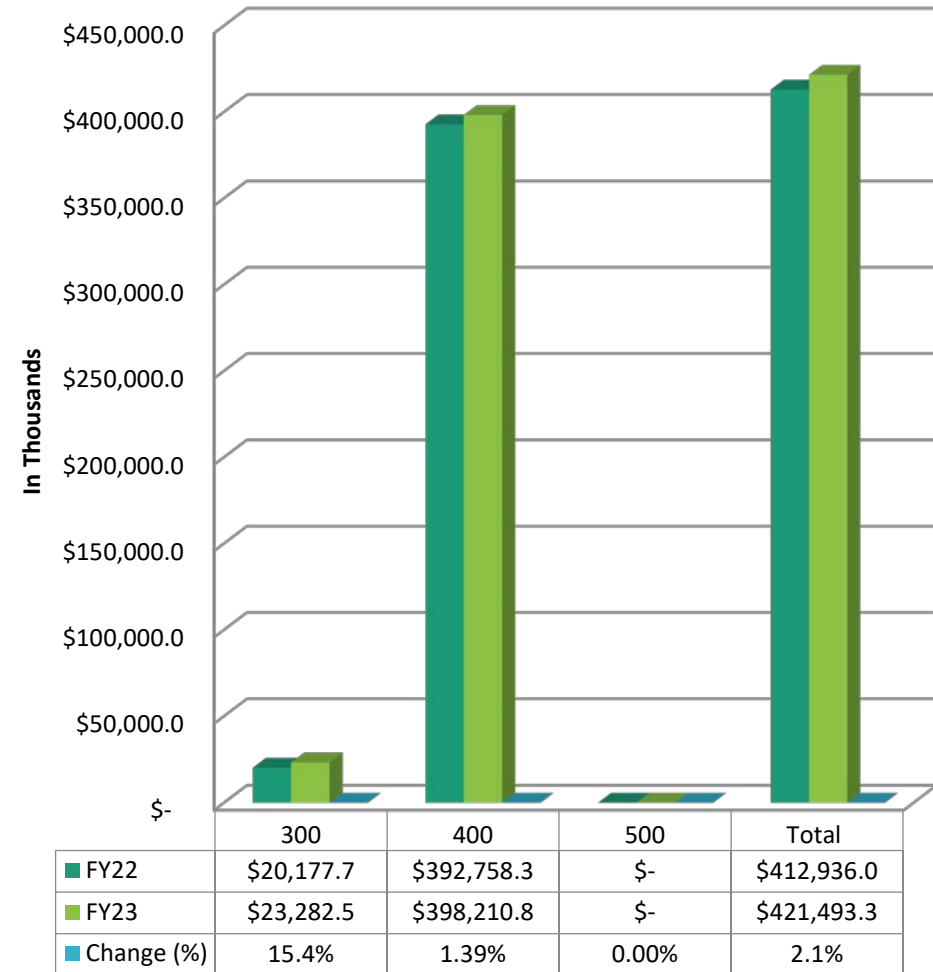
- Evolve legal training/education credit program from one, all-day session to multiple sessions over the year
- Audit agencies with frequent high-dollar losses for targeted mitigation efforts.
- Define process and timeline for applying statewide cybersecurity assessments and coverage
- Maintain unqualified audit



# P607 - Health Benefits

## INITIATIVES FOR FY23

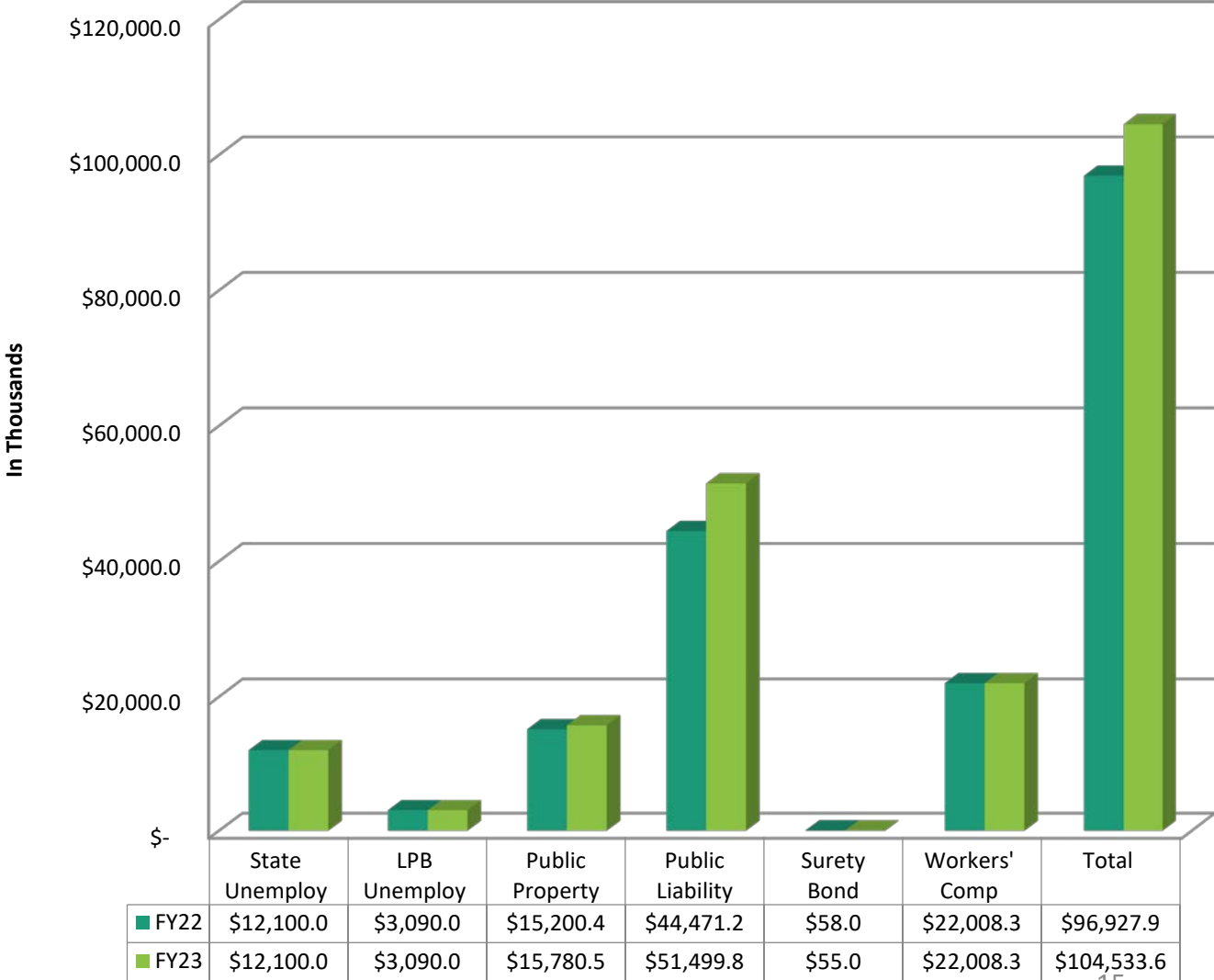
- Assess the feasibility of providing additional on-site health clinics in other areas of the state
- Provide transparency in prescription drug purchasing through joint procurement with other public entities
- Deploy medical claims data warehouse to identify opportunities for targeted clinical interventions
- Combine procurements of Pharmacy Benefits Manager with medical bill review



# P799 Risk Funds

## INITIATIVES FOR FY23

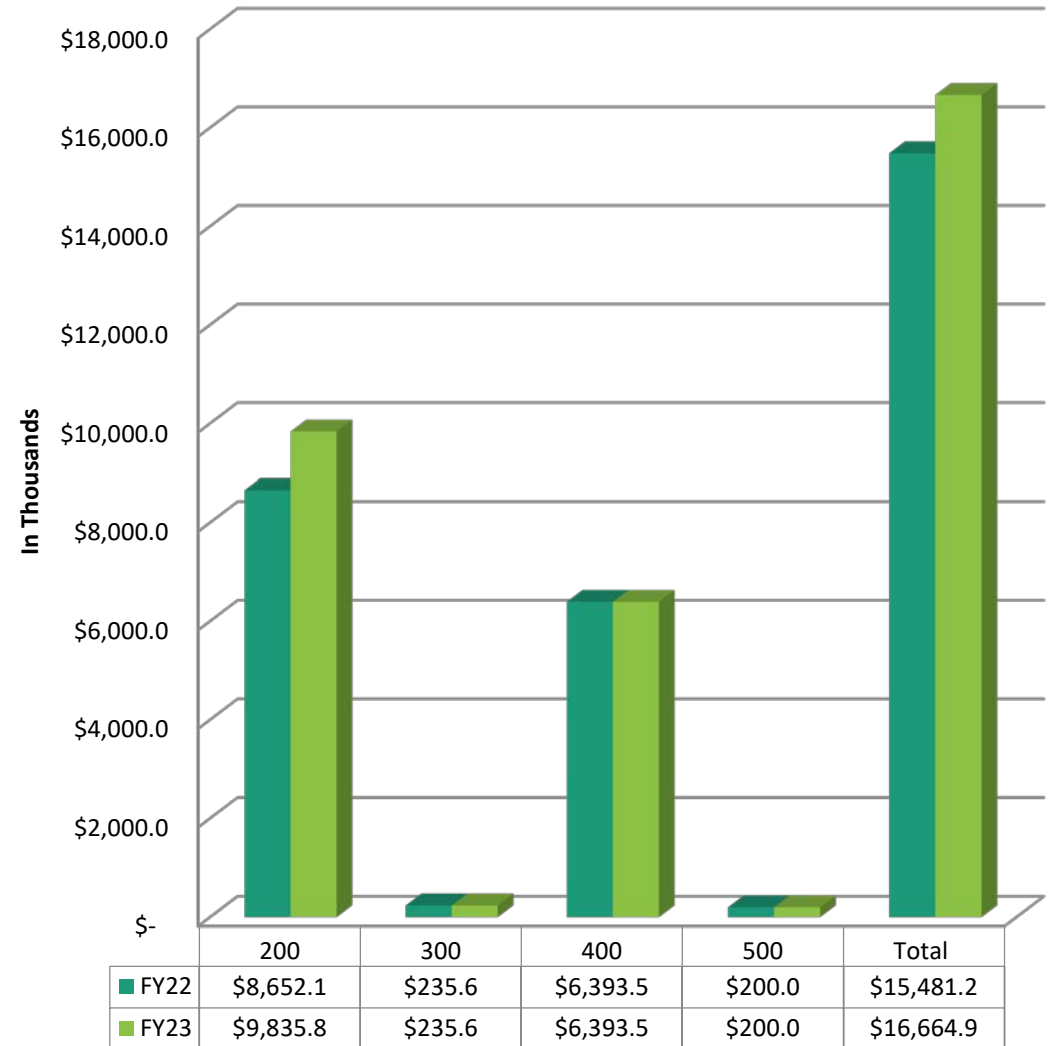
- Reconvene ADR Advisory Council and grow number of active ADR Coordinators within state government
- Reduce losses from litigated claims by at least 10%.
- Provide education to state agencies regarding the NM Civil Rights Act
- Hosting national State Risk and Insurance Management Association (STRIMA) in September, 2022
- Develop in-house legal staff to try cases, reduce costs



# P608 - Facilities Management

## INITIATIVES FOR FY23

- DPS District 1 field office - complete construction by fall of 2022
- Remodel/renovate Building 2 of the Child Wellness Center in Albuquerque
- Develop a new dash board that will allow all customers to see which buildings GSD/FMD owns statewide
- Create and/or adopt an online space needs questionnaire
- Survey and appraise 25% of state facilities each quarter statewide.
- Create positions to include a statewide building inspector and two staff members that will be tasked with overseeing agency maintenance programs
- Dedicate resources to ensure state-owned buildings have ADA compliant parking lots
- Plan and design and secure funding for a new veterans home
- Plan an additional ESCO project for buildings outside of Santa Fe





# QUESTIONS?

## Contact Information

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