The Aging and Long-Term Services Department (ALTSD) is the State of New Mexico’s designated agency for the administration of programs and services designed to meet the needs of older adults and adults living with disabilities. The Department has developed a coordinated system of services for older adults and adults with disabilities. The ALTSD is authorized, by the Older Americans Act, hereinafter OAA (Public Law 114-144 – Apr. 19, 2016) to implement a state plan for delivering services to New Mexico's older adults and adults with disabilities. New Mexico’s federal OAA funding, and state funding, supports a comprehensive array of services and the administrative infrastructure to deliver those services. New Mexico is divided into six planning and service areas administered by four area agencies on aging. Designated area agencies enter into contracts with private and public entities for the provision of a variety of senior services.

**Tax Bond Funding Priorities**

Tax Bonds are a source of funding that allows the state to borrow money to finance capital improvement projects including senior centers. Severance tax bonds are issued against revenue from severance taxes, taxes based on the value of oil, gas, or other natural resources “severed” from the ground. General obligation bond capacity is equal to 1 % of statewide assessed property value from the prior year less the outstanding bond debt. Bonds must be approved by voters during a general election, the Legislature considers authorizing the issuance of the bonds only during even numbered years, when the state holds a statewide election in November.

The ALTSD will consider only critical and high need project applications which address an urgent need or high need situations that immediately endanger occupants of the premises or create a serious threat to the health and/or safety of citizens including:

* Situations in which immediate action is necessary;
* The situation would disrupt a senior center from operating or failure is imminent if not corrected in a timely manner;
* The threat can be supported by a subject matter expert;
* The situation was not a direct cause of poor maintenance or neglect and steps were taken to prevent, alleviate and/or correct the situation; and
* The resources required to correct the situation were unavailable.

**Guidance for the Capital Outlay Request Application**

The Capital Outlay Request Application must go through a comprehensive review and be fully vetted to be considered for funding in the ALTSD Capital Outlay Recommendation. The application must be submitted using the ALTSD application database including the required documents such as the Project Evaluation Subject Matter Expert Certification Form for categories; (A-1, A-2, A-5 and A-6). The Infrastructure Capital Improvement Plan (ICIP), cost estimates/quotes for the proposed project(s), code compliance citations (if applicable), the Asset Management Listings, and any other supporting documentation to sufficiently justify the request for funding. Utilize the appropriate attachment button under each category

**The application** must be submitted using the application database to the ALTSD **no later than 5:00 pm on Friday, May 13, 2022**.

The ALTSD Capital Projects Bureau (CPB) is responsible for the administration of the capital outlay projects for senior centers statewide under the statutory authority of the ALTSD. Capital outlay appropriations are made to ALTSD through the legislative process and such projects include those awarded to both local and tribal government providers. CPB staff work closely with the Senior Services Bureau and the Department of Finance and Administration (DFA) to prepare an annual capital outlay request. The CPB is responsible for contracting with the funded governmental entities, and must provide assurances to DFA that the governmental entity complies with NMAC 2.61.6 Bond Disbursement Rule, Executive Order 2013-006 and the DFA State Board of Finance Release of Funds Conditions (Anti-donation Clause of NM Constitution, Art. IX, Sec.14). The CPB also monitors, tracks, and reports project and fiscal status for each appropriation; processes requests for reimbursement of expenditures; ensures timely reversions of expired appropriation balances; and, provides training and technical assistance to grantees with regard to planning, project management and administration of capital project appropriations.

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Make sure that you notify your respective Area Agency on Aging that administers the Planning and Service Area (PSA) that you plan on submitting a capital outlay application. ***Only projects submitted using the database will be considered by ALTSD.***

**PSA 1:**

ABQ/BernCo Area Agency on Aging

P.O. Box 1293, Albuquerque, NM 87103

505-768-2745

**PSA’s 2, 3, 4:**

NCNMEDD Non-Metro Area Agency on Aging

3700 Paseo del Sol, Santa Fe, NM 87507

505-395-2668

**PSA 5:**

Navajo Area Agency on Aging

P.O. Box 1390, Window Rock, AZ 86515

928-871-6536

**PSA 6:**

Indian Area Agency on Aging

P.O. Box 27118

Santa Fe, NM 87502-7118

505-670-5306

 **General Instructions**

Read the instructions carefully before entering information into the database. The ALTSD capital outlay request application priorities are: 1) code compliance projects; 2) renovation projects; 3) purchase of commercial grade meals equipment or other equipment; 4) purchase and equipping vehicles; 5) construction and major addition projects; and for 6) planning and design projects. The lists of allowable items are incorporated in theEligible Categories section of this Guidance on page 3.

A $10,000 minimum has been established for projects funded with State bond funding. Larger projects are more cost effective to state and local governments, reduce future year operating expenditures, provide for completion of projects in a timely manner, and streamline state and local administrative efforts.

It is highly recommended that applicants work with their respective Area Agency on Aging, advisory board, Council of Governments, local or tribal government to assist with the review of the application. This collaboration will assure that the narrative sections are well written, clear and concise. In addition, the applicants must consult with their AAA to assure that adequate program dollars are available for operations and maintenance of the facility. *If the AAA has conducted an assessment of the senior center facility and identified the deficiency, be sure to note the AAA findings in the project summary and background narrative section.*

* Fillable application forms, the Guidance and other application attachments are available electronically on the ALTSD website at <https://capitalapplication.altsd.state.nm.us/>
* **The application must be submitted using the ALTSD application database** no later than **Friday, May 13, 2022 by 5:00 p.m.**
* All relevant sections marked with an \* must be completed, All attachments and required information must accompany the submission. If the application is not completed in its entirety, it may be deemed ineligible, and may not be considered for funding.
* All questions must be answered in detail. Attach only the items requested, for each category.
* Review your request from last year and do not duplicate the same request unless there is justification (i.e. the requested project from the previous year was not funded).
* Applications are site specific – do not combine projects for multiple sites. Use the drop down box to select your facility.
* A local government must submit an application on behalf of a non-profit or private entity in support of the project. An Operating and Use Agreement from an eligible political subdivision is required to document that they will own the capital asset and are willing and able to enter into agreement to comply with the Anti-Donation Clause of the New Mexico Constitution.
* All applications must include the completed Asset Management Listings for Meals Equipment/Other Equipment Vehicle(s) and, Facility/Fixtures. These listings are required even if funding is not requested in one or more of these categories.
* **If the program does not intend to submit a Capital Outlay Request Application for their facility, please submit page 3 of the application, check the box in the space provided, and obtain the appropriate signature in the Certification section.**

**Eligible Categories for the ALTSD Capital Outlay Request Application**

**A-1 Code Compliance Request Form:**

**Code Compliance:** Projects that protect property values and the environment; complying with regulations such as land use and zoning ordinances, health and housing codes, uniform building and fire codes; and complying with the Americans with Disabilities Act. (Compliance with the Americans with Disabilities Act (ADA) in developing the request is required. All facilities must have full accessibility.)

* Code compliance renovation and improvements must be detailed and fully identify the specific issue(s) being addressed. Describe how the issue was identified and how the renovation will address the issue. The request must include documentation in support of the request, such as letters from State Fire Marshall’s Office, Environment Department, Department of Health, Office of Environmental Health, or other relevant oversight entities.

**A-2 Renovation Request Form:**

**Renovation –** Projects that restore a building to an earlier condition by repairing or remodeling.

* Enlarging a facility or completing construction of a center, estimated at less than $200,000, must be documented on the A-2 Form.
* Renovation of privately owned facilities is prohibited by the New Mexico Constitution. Privately owned is defined as facilities owned by private individuals, corporations or other organizations, including non-profit organizations and religious entities.
* Do not include items related to operation and maintenance of a facility, such as painting, doorstops, and the like.

**A-3 Meals Equipment/Other Equipment Request Form:** To purchase and install machinery, apparatus, components and any other articles for use in preparing, cooking and serving food; and/or any other articles to make an action, operation, or activity easier or to serve a particular purpose. **Equipment must have a useful life of at least 7-10 years and be valued at $10,000 or more.** Do not include consumable supplies or other non-capital items, such as pots, pans, utensils, or trays.

**A-4 Vehicle Request Form:** To purchase and equip vehicle(s) for transporting people or goods (such as home-delivered meals).

* At least 50% of vehicles in a fleet must be accessible for persons with disabilities. (excluding meal delivery vehicles)
* All applications must identify any requested vehicle(s) that replace an existing vehicle(s) on the Asset Management Form for Vehicle Inventory Listing, which includes a Vehicle Condition Inspection Check List. **Vehicles must have over 100,000 miles and be more than 7-10 years old** or provide documented proof that the vehicle requires extensive repairs or no longer meets the needs of the center.
* Vehicles whose designated use is specifically for “administrative” purposes will not be considered.

**A-5 New Construction/Major Addition:** Building a new structure, increasing the size of a structure by more than 35 percent of its footprint, demolishing or reconstructing more than 35 percent of the exterior walls or structural members of a building. New construction or major addition requests must include estimated costs for equipment and furnishings. Equipment and furnishings cannot be separated and requested on other forms.

* Projects for enlarging a facility or completing construction of a center, estimated at $200,000 or more, must be documented as “new construction/major addition”.
* Parking lots and landscaping must be included in the plans for new construction/major addition projects.

**A-6 Plan and Design Form** – a plan, blueprint or drawing made to scale to show the look and function or workings of a building or other object before it’s made, and all other steps incident to creating a plan for a final product.

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| --- | --- |
| **Date** |  **Capital Outlay Request Application – Timeline** |
| February 2021 | Application available on-line at <http://www.nmaging.state.nm.us/capital-outlay.aspx>  |
| **05/13/2022** | **Deadline to submit Capital Outlay Application to ALTSD using the application database** |
| 05/13/202206/30/2022 | Project Review Team review and score proposed project applications |
| 6/30/2022 | ALTSD deadline for final recommendation to NM Department of Finance & Administration for inclusion in the State Agency Infrastructure Capital Improvement Plan |

**Definitions**

**Agreement (Operating and Use)** — a binding contract between the local government and the non-profit providers that ensures fair market value for exchange of services (Anti-donation Clause of NM Constitution, Art. IX, Sec.14). If services are provided in lieu of rent, the agreement shall establish services provided, credit generated per service, and reporting method.

**Appropriation** — a statutory authorization enacted by the legislature to make expenditures and incur obligations for specific purposes.

**Asset Management Listings**—Forms required with the application; a systematic process of maintaining, upgrading and operating physical assets effectively. Combining sound business practices and economic theory, it provides tools to facilitate an organized, logical approach to decision making. It ensures the most value from each asset with a plan to rehabilitate and/or replace each when necessary. An accurate and up-to-date asset management plan helps communities comply with Government Accounting Standards Board Statement #34 (GASB 34), an accounting standard for publicly owned assets.

**Audit** — an official inspection of an individuals or organizations accounts typically by an independent qualified accounting specialist, to determine adequacy and compliance with established fiscal procedures and accounting principles; includes a systematic and independent examination of data, statements, records, operations and financial performance.

**Capital Outlay** — State financing for the purchase of fixed assets, such as existing buildings, construction, renovation and improvement of facilities to extend its useful life, retrofitting for energy conservation or ADA compliance, and equipment, vehicles and other large tangible goods.

**CDBG (Community Development Block Grant) -** The Community Development Block Grant (CDBG), the U.S. Department of Housing and Urban Development program that provides communities with resources to address a wide range of unique community development needs.

**Certification of Application**—states that the governing body of a local or tribal government applicant has authorized the submittal of an ALTSD capital outlay application for assistance from the State of New Mexico, and states that a governmental entity will serve as fiscal agent for the project.

**Construct** –used interchangeably with “build”; to build a structure or space, including fixtures and other built-ins, but not including furnishings or moveable equipment; may include demolition, design and planning , but does not include acquisition of underlying land.

**Cost Estimate/Quotes** – An approximation of how much money is needed to complete a project. The cost estimate/quote is the product of the cost estimating process.

**Criticality of Need** – proposed project addresses specific health, safety, welfare, risk or hazard issues as documented by a subject expert. The project must eliminate a risk or hazard to public health and/or address safety issue(s) that immediately endangers occupants of the premises. Corrective action must be urgent and unavoidable.

**Emergency Repairs** —to alleviate, safety, or health concerns. Examples of emergency repairs are — (1) vandalism, (2) accidents, (3) flood, lightening or wind damage, (3) fire damage. Emergency Repair does not apply to real property that has worn out or reached the end of its normal life expectancy.

**Energy Efficiency** - using less energy to provide the same service.

**Equipment** - items that become a permanent or part of a project paid for with Severance Tax Bond or General Obligation Bond proceeds. Items of a depleatable nature, or those that can be used for another project, defined as “assets”, and are not an allowable expense.

**Executive Order 2013-006** — requires state agencies to determine whether a grantee has adequate accounting methods and procedures to expend and account for state grant funds in accordance with applicable law and to safeguard assets acquired by grant funds.

**Feasibility of Project** – an analysis of the ability to complete a project successfully, taking into account legal, economic, technological, scheduling, and other factors.

**Fiscal Agent** — an entity that is responsible for administration of the grant, including compliance with procurement, monitoring the project progress, reporting expenditures and repayment of the funds.

**Fully Functional Phase** – examples include: 1) a usable phase where the plan/design is sufficient enough to prepare construction documents and proceed to bidding process; 2) a constructed phase that can be utilized or inhabited for its intended use upon completion of the project; or 3) upon completion of the equipment/vehicle purchase, it can be put into use for its intended purpose.

**Funds Committed** – these funds may be local government contributions to the project, other grant sources, and/or in-kind services. (Projects with a high percentage of matching funds or leveraged funds, in relation to the amount of the funding requested for the proposed project, are given increased consideration for funding.)

**Infrastructure Capital Improvement Plan**– the State of New Mexico’s infrastructure plan that establishes priorities for anticipated capital projects. The state-coordinated ICIP process encourages entities to plan for the development of capital improvements so that they do not find themselves in emergencies, but plan for, fund, and develop infrastructure at a pace that sustains their activities.

**NMDOT 5310 Program** – a USDOT Federal Transit Administration program that enhances mobility for seniors and persons with disabilities by providing funds to organizations to serve transit-dependent populations beyond traditional public transportation services. A 20/80 percent match is required.

**NMFA (New Mexico Finance Authority)** – a program created by the New Mexico State Legislature in 1992 to finance infrastructure projects for the state’s counties and cities by providing low cost financing programs.

**Older Americans Act** – provides funds for critical services like meals, job training, senior centers, caregiver support, transportation, and health promotion to individuals who are age 60 and older.

**Project Evaluation Subject Matter Expert Certification –** a document signed by a licensed qualified expert in the field who has evaluated the proposed project, documented the criticality of need for the proposed project and provided an accurate cost estimate to remediate the issue. The subject matter expert may be public works staff, a vendor or contractor serving in a particular skilled trade such as an architect, engineer, plumber, roofer, etc.

**Project Oversight and Timeline** – built in management oversight mechanisms that will ensure timely construction and completion of the project, on budget. The application must provide details about the project oversight plan and the responsible staff person to who will complete tasks, such as: securing price quotes; purchase order issuance; oversight of deliverable dates; request for Notice of Obligation; submission of monthly paper report to and entry of project status in CPMS; submission of request for payment timely or within the quarter that the expenditure was made, etc. If a third party contractor will be providing the project oversight, please note it in the application budget.

**Readiness to Proceed** – extent to which the project is technically and economically feasible and ready to be implemented; must indicate the anticipated proposed project start, performance and completion dates; identify executable tasks to be completed within given periods of the project.

**Renovations**—used interchangeably with “improvements”; includes repair or replacement of something in existence such as windows, doors, roofs, walls, flooring, parking lots, electrical, plumbing, gutters, and HVAC systems; renovation to comply with ADA; installation of security fencing/lighting; and landscaping.

**TIF (Tribal Infrastructure Fund)** – a program created by the New Mexico Legislature in 2005 to provide grants for NM tribal communities that lack basic infrastructure such as water and wastewater systems, roads, electric power lines and community facilities. TIF also provides grants for plan and design projects.

**Urgent Need** —community development needs that have a particular urgency, require immediate action or attention. Written documentation from the relevant tribal or local government verifying the need must be provided. Urgent needs will be considered only if an applicant certifies: 1) that the funding will alleviate an existing condition(s) which poses a serious and immediate threat to the health and welfare of the community served; 2) that the condition(s) to be alleviated developed or became critical within 12 months or less preceding the request; and 3) the local government is unable to finance the activity on its own and other sources of funding are unavailable.

**Useful Life** – period during which an asset or property is expected to be usable for the purpose it was acquired. For the purposes of New Mexico Capital assets, the useful life is reached at seven (7) to ten (10) years, or vehicles with 100,000 miles or more.

**Capital Outlay Project Prioritization Process**

The Project Review Team (PRT) will be comprised of staff from the ALTSD Capital Projects Bureau (CPB), Senior Services Bureau (SSB) and staff designated from other State agencies. The PRT will utilize an established Project Prioritization System to score, rank and prioritize each project. The PRT will review applications according to project eligibility, the applicant’s ability to complete a fully functional phase of the project and capacity to meet the ALTSD capital outlay mandate for senior centers. Applications found to be non-compliant, incomplete, ineligible, or applications deemed impractical, will not be considered for funding. The project prioritization system utilizes project specific criteria and there are a possible 120 points possible for each proposed project.

**Project Prioritization System**

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| --- | --- | --- |
| 1. | Application Narrative Summary & Background | 20 points |
| 2. | Criticality of Need | 40 points |
| 3. | Funding | 10 points |
| 4. | Readiness to Proceed | 20 points |
| 5. | Project Oversight | 10 points |
| 6.  | Energy Efficiency |  10 points |
| 7. | Project Management | 20 points |
|  | Total Possible Points | 130 |

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| **Application Requirements** |
| **Application Certification** – The governmental entity serving as the fiscal agent must certify that the application is supported by the governing body of the local or tribal government. Yes No |
| **Executive Order 2013-06** – Entities receiving capital outlay must be compliant with the State Audit Act and EO6.1. Does the applying entity or the fiscal agent acting on behalf of the applying entity for the proposed project have a current published audit? Yes No 2. Does the applying entity or the fiscal agent acting on behalf of the applying entity for the proposed project have its most recent budget submitted and approved by DFA/Local Government Division? Yes No3. Does the applying entity or the fiscal agent acting on behalf of the applying entity for the proposed project have its quarterly reports up to date, submitted and approved by DFA/Local Government Division? Yes No |
| **Operating and Use Agreement** – Does the applicant include the agreement documenting that the local or tribal government will own the capital asset and that they are willing and able to enter into an operating and use agreement to comply with the Anti-Donation Clause of the New Mexico Constitution? The State Board of Finance will not issue bonds until the project demonstrates anti-donation compliance.  N/A Yes No |
| **Infrastructure Capital Improvement Plan for Senior Facilities (ICIP)** – Has the applying entity or the fiscal agent acting on behalf of the applying entity for the proposed project clearly demonstrated that it has adopted a local Infrastructure Capital Improvement Plan (ICIP) which has qualified for publication in the most recent ICIP and has a copy been provided in the application package? Yes No |
| **Asset Management Forms for Meals Equipment, Vehicles, and Facility Inventory Listings** -- Has the applying entity or the fiscal agent acting on behalf of the applying entity for the proposed project provided the up-to-date Asset Management listings in the application package? Yes No |
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|   |   | **Points** |
|  | **Application Narrative Summary & Background** |   |
| a) | Does the applicant provided a clear and concise project summary and narrative background regarding the proposed project?  | 20 |
|   |   | **20** |
| **2** | **Criticality of Need** |   |
| a) | Does the applicant provide a compelling explanation on how the project will eliminate a risk or hazard to public health and/or safety that immediately endangers occupants of a premise such that corrective action is urgent and unavoidable? | 15 |
| b) | The proposed project was evaluated by a subject matter expert who clearly documented the criticality of need (evaluation attached), or the proposed project a code compliance issue which addresses an emergency situation? Alternatively, is the proposed project for equipment or vehicle(s) where it has exceeded its useful life?  | 15 |
| c) | Does the applicant sufficiently document the outcome of not receiving this funding? | 10 |
|   |   | **40** |
| **3** | **Funding** |   |
| a) | Does the applicant provide leverage to the project with local, federal or other sources to fully fund the proposed project? | 5 |
| b) | Does the project budget provide specific information on the sources of funds including the effective date(s) and all activity related costs? | 3 |
| c) | Do the requested funds complete a fully functional phase of the project or complete a project previously funded by a legislative appropriation? | 2 |
|   |   | **10** |
| **4** | **Readiness to Proceed** |   |
| a) | The proposed project realistic and is it substantiated by a qualified subject matter expert evaluation? For vehicles and equipment – appropriate for the service and sufficient space. | 5 |
| b) | Does the applicant provide mandatory quotes/cost estimates for the proposed project?  | 5 |
| c) |  Does the applying entity describe how operating and maintenance costs will be provided for upon completion of the project? | 5 |
| d) | Does the applicant indicate a potential cost savings? | 5 |
|   |   | **20** |
| **5** | **Project Oversight** |   |
| a) | Are there oversight mechanisms built in that would ensure timely construction and completion of the project on budget? | 10 |
|   |   | **10** |
| **6** | **Energy Efficiency** |   |
| a) | Does the applicant demonstrate measures for energy reduction | 5 |
| b) | Does the applicant demonstrate measure for energy sustainability | 5 |
|   |   | 10 |
| **7** | **Grant Management** |   |
| a) | Reporting project status timely into the CPMS? | 5 |
| b) | Submitting requests for payment within the quarter that the expenditure was made? | 5 |
| c) | Adhering to spend down requirements per SBOF Rule (5% encumbered and/or 85% expended). | 10 |
|   |   | **20** |
|   | **Total Possible Score** | **130** |