

**NEW MEXICO OFFICE OF RECOVERY AND REINVESTMENT
Cash Management Plan**

Agency	New Mexico Environment Department (NMED)
Award #, Name, Amount	2W96689201 Clean Water State Revolving Fund \$19,239,100 (funding to provide low-cost financing for wastewater or storm water drainage projects) 2D96690201 Diesel Emissions Retrofit \$1,730,000 (funding to help reduce diesel emissions through vehicle replacement and installation of vehicle emission reduction equipment) 2L96689001 Leaking Underground Storage Tank Trust Fund \$1,590,000 (funding to remediate leaky underground storage tank sites)

The purpose of this Cash Management Plan for ARRA funds is to minimize the impact on State General Fund (GF) due to ARRA.

Overview of Cash Flow:

Program employees are paid through bi-weekly payroll. Contractors, sub-recipients and vendors receive reimbursement by warrant or automated clearing house (ACH). Drawdown request for all program expenditures for the period is processed within five business days after payroll has posted. Federal reimbursement is received within two business day.

	Question	Response
1	Who receives payments and how are payments received from GF for services of this ARRA grant?	<i>Who: Employees through bi-weekly payroll and contractors, sub-recipients, and vendors for other program expenses. How: Payments to employees via bi-weekly payroll; contractors, sub-recipients, and vendors via payment by warrant or ACH.</i>
2	Explain at what point GF is out the money paid to recipients of this ARRA grant?	<i>GF is out the money every two weeks when payroll posts and when a warrant or ACH is issued for other program expenses.</i>
3	How long after GF is out the money is the ARRA drawdown request processed?	<i>The GF may be out of the funds for 12-17 days. Drawdown is submitted to the federal agency 8-9 days after payroll processes. If journal entries are required, drawdown may take up to 14 days to process.</i>
4	What documentation is used for calculating the amount of the ARRA drawdown?	<i>SHARE reports, such as a Budget Transaction Detail Query and Ledger Balance Query, are run to support expenditures. An excel spreadsheet is prepared to capture the indirect costs.</i>
5	What documentation of the drawdown request is required for reimbursement from Feds?	<i>Detailed transactional documentation must exist to support expenditures; however, the drawdown request is submitted through an automated system with no supporting documentation required.</i>

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6	What is the total approximate time from when GF has paid the money to when GF is reimbursed?	<i>12-17 business days – Day 1 payroll is processed; day2-8 payroll costs and vendor payments for same period posted to and retrieved from general ledger; day 9-10 drawdown request is processed; day 11-12 federal reimbursement received. Add 5 days if journal entries are required for payroll.</i>
7	How does NMED obtain agreement from the Feds for the ARRA drawdown request?	<i>The grant award is the agreement to draw funds via an automated system (ASAP or PMS). The supporting documentation is retained by NMED.</i>
8	How does NMED know that the drawdown request has been approved?	<i>NMED knows of an approval when the funds are received at the State Treasurer’s Office.</i>
9	How does NMED know that reimbursement has been received from the Feds for the drawdown request?	<i>NMED staff searches SHARE transactions daily for incoming receipts/reimbursements.</i>
10	How is the reimbursement from the Feds matched to ARRA drawdown request?	<i>Upon locating the receipt in SHARE, the deposit is entered and posted same day. After the deposit is entered into SHARE, it is reviewed and reconciled to the drawdown request.</i>

Cash Management Plan noted above is approved as follows:

Agency Agreement in the Above Plan

Print Name	Signature	Position	Date
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NMORR Approval of Above Plan

Print Name	Signature	Position	Date
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