

Report on the

Golden State Financial Marketplace (GS \$Mart) Loans for Fiscal Year 2020-21

Report to the Joint Legislative Budget Committee
as required by Government Code, Section 14934 (d)

State of California

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OVERVIEW

Pursuant to Government Code Section 14934 (d), this annual report is to update the Joint Legislative Budget Committee, the State Treasurer's Office, and the Department of Finance on the following information for each loan entered into during the preceding fiscal year:

- Each agency that entered into a Golden State Financial Marketplace (GS \$Mart) loan.
- Physical address of the asset(s) being financed.
- The name of the supplier.
- The name of the selected lender.
- The amount financed by each loan.
- The term of the loan.
- The interest rate of the loan.
- A description of the assets, goods or services financed by each loan.
- The total amount of outstanding GS \$Mart loans.

ABOUT THE PROCUREMENT DIVISION AND THE GOLDEN STATE FINANCIAL MARKETPLACE

PROCUREMENT DIVISION

The state of California purchases a wide variety of goods and services, including information technology (IT), vehicles, food, protective gear, firearms, asphalt and more, with annual purchases totaling over \$10 billion. The Department of General Services (DGS) Procurement Division (PD) is the central purchasing authority for all state departments, agencies, and institutions. DGS/PD sets state procurement policies and provides purchasing services that help state agencies and departments achieve their missions. DGS/PD is responsible for delegating purchasing authority, training state purchasing professionals, resolving contract disputes, conducting supplier outreach, certifying small and disabled veteran-owned businesses to receive state purchasing preferences, overseeing state agency purchasing processes, environmentally preferable purchasing, and establishing and administering master contracts used by state agencies and local governments.

GS \$SMART

The Golden State Financial Marketplace (GS \$Mart, pronounced "G S Smart") was established by DGS/PD in 1996.

The award-winning GS \$Mart Program is an efficient, open, organized internet-based marketplace for state of California installment purchase agreements. It

enables financing arrangements to be made quickly and conveniently by eliminating much of the workload, lengthy process, and complexity that existed before GS \$Mart was established. The result is lower interest rates and greater administrative efficiency. Current available plans are tailored specifically for state contracts for IT and non-IT goods, many IT services, and energy retrofits.

Each potential lender undergoes a thorough prequalification process to ensure the lender is qualified to do business with the state. This process includes a determination of the lender's financial rating, a review of financial statements, customer references, supplier references, other government agencies' financing experience, and additional evaluations as necessary to determine the lender's qualifications. There are currently 21 lenders prequalified to do business with the state.

The GS \$Mart Program combines prequalified lenders, prenegotiated terms and conditions, and current market rates to provide state agencies with easier and quicker installment purchase agreements.

THE REPORT

As of June 30, 2021, the total outstanding loan balance in the GS \$Mart Program from previous years and the 2020-21 fiscal year is approximately \$191.4 million. This includes a total of \$133,006,113.72 million in new loans from fiscal year 2020-21. Please see Attachment 1 for the report.

Attachment 1 to the Golden State Financial Marketplace (GS \$Mart) Loans for Fiscal Year 2020-21 Report

<u>Department</u>	<u>Physical address of asset</u>	<u>Supplier</u>	<u>Lender</u>	<u>Amount of loan</u>	<u>Term</u>	<u>Interest rate</u>	<u>Asset(s) description</u>
California Department of State Hospitals (DSH)	10333 El Camino Real Atascadero, CA 93422 2100 Napa Vallejo Highway, Napa, CA 94558 3102 East Highland Avenue, Patton, CA 92369 1600 9th Street, Sacramento, CA 95814	Kovarus, Inc.	Dell Financial Services, Inc. (DFS)	\$ 7,715,965.64	3 annual payments	0.00%	VMware
California Department of Transportation (Caltrans)	1415 11th Street, Sacramento, CA 95814	Presidio Networked Solution Group, LLC.	Key Government Finance, Inc. (Key)	\$ 8,197,150.94	4 annual payments	0.00%	Cisco Smartnet
California Department of General Services (DGS)	300 South Spring Street, Los Angeles, CA 90013	Johnson Controls, Inc.	Sterling National Bank	\$ 13,237,448.00	18 annual payments	2.614%	Energy savings project
California Department of Corrections and Rehabilitation	1 Kings Way, Avenal, CA 93204	Restaurant Equipment Specialists	US Bancorp Government Leasing and Finance, Inc. (USBGLF)	\$ 160,040.01	3 annual payments	1.390%	Blast chiller equipment
Department of Water Resources (DWR)	10815 Gold Center Drive, Cordova, CA 95670	Enterprise Networking Solutions, Inc.	TD Equipment Finance, Inc. (TDEF)	\$ 6,465,656.75	5 annual payments	0.98%	Palo Alto Networks hardware, software, and support

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DSH	24511 West Jayne Avenue, Coalinga, CA 93210	Pacific Gas and Electric Company	All American Investment Group, LLC. (AAIG)	\$ 13,155,637.00	15 annual payments	2.047%	Energy savings project
DWR	10815 Gold Center Drive Rancho Cordova, CA 95670	Castro International Consulting, Inc.	Key	\$ 5,040,376.06	6 annual payments	0.28%	Juniper hardware, software, and support
Department of Justice (DOJ)	4949 Broadway, Sacramento, CA 95677	ePlus Technology, Inc.	Key	\$ 3,529,148.15	3 annual payments	0.00%	Cisco Smartnet
DWR	10815 Gold Center Drive, Rancho Cordova, CA 95670	NWN Corporation	TDEF	\$ 2,279,616.15	6 annual payments	1.00%	Hewlett Packard Enterprise hardware, software, and support
DOJ	4949 Broadway, Sacramento, CA 95677	Enterprise Networking Solutions, Inc.	JP Morgan Chase Bank, N.A. (JPM)	\$ 2,284,545.60	3 annual payments	0.746%	Palo Alto software license and support
DWR	10815 Gold Center Drive, Rancho Cordova, CA 95670	Enterprise Networking Solutions, Inc.	Banc of America Public Capital Corp (BAPCC)	\$ 1,933,986.00	6 annual payments	0.9731%	Lenovo server rack hardware and software
DSH	2100 Napa Vallejo Highway, Napa, CA 94558	CEG Solutions, LLC.	AAIG	\$ 15,531,536.00	13 annual payments	1.895%	Energy savings project

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Department of Finance (DOF)	915 L Street Sacramento, CA 95814	PC Specialist, Inc.	US Bancorp Government Leasing and Finance, Inc. (USBGLF)	\$ 246,421.65	3 annual payments	1.41%	Computer Refresh
Department of Motor Vehicles (DMV)	2570 24th Street, Sacramento, CA 95816	Pacific Gas and Electric Company	BAPCC	\$ 390,920.00	16 annual payments	2.479%	Energy savings project
Franchise Tax Board	9646 Butterfield Way, Sacramento, CA 95827	Direct Systems Support	International Business Machine Global Financing (IBMGF)	\$ 4,235,602.00	3 annual payments	0.40%	IBM mainframe refresh
DWR	10815 Gold Center Drive, Rancho Cordova, CA 95670	NWN Corporation	BAPCC	\$ 702,427.51	6 annual payments	0.9949%	HPE laptops, desktops, and printers
DGS	1515 Clay Street, Oakland, CA 94621	Willdan Energy Solutions	AAIG	\$ 1,221,000.00	15 annual payments	2.097%	Energy savings project

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California Department of Technology (CDT)	3101 Gold Camp Drive, Rancho Cordova, CA 95670 1020 Vaquero Circle, Vacaville, CA 95688	IBM Corporation	IBMGF	\$ 6,499,336.00	36 monthly payments	0.59%	IBM mainframe refresh
CDT	3101 Gold Camp Drive, Rancho Cordova, CA 95670 1020 Vaquero Circle, Vacaville, CA 95688	DSS	IBMGF	\$ 5,000,437.00	48 monthly payments	0.72%	Mainframe storage
California Department of Public Health	1616 Capital Avenue, Sacramento, CA 95814	NWN Corporation	Key	\$ 12,019,312.77	5 annual payments	0.00%	Cisco systems equipment
California Department of Parks and Recreation (DPR)	10815 Gold Center Drive Rancho Cordova, CA 95670	Technology Integration Group & Enterprise Networking Solutions, Inc.	BAPCC	\$ 706,636.52	5 annual payments	0.874%	Network switches, firewalls, servers, and storage

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DGS	1500 Capitol Avenue, Sacramento, CA 95814 1501 Capitol Avenue, Sacramento, CA 95814 1615 Capitol Avenue, Sacramento, CA 95814 1616 Capitol Avenue Sacramento, CA 95814 1430 N Street, Sacramento, CA 95814	CEG Solutions, LLC.	JPM	\$ 11,207,799.00	15 annual payments	2.479%	Energy savings project
DGS	625 Q Street, Sacramento, CA 95811	Kovarus, Inc.	DFS	\$ 1,175,419.36	3 annual payments	0.00%	VxRail server and Isilon storage
DWR	10815 Gold Center Drive, Rancho Cordova, CA 95670	Enterprise Networking Solutions, Inc.	BAPCC	\$ 1,339,282.68	5 annual payments	0.7899%	Lenovo server rack hardware and software
DOJ	4949 Broadway Sacramento, CA 95677	Enterprise Networking Solutions, Inc.	TDEF	\$ 4,932,037.70	3 annual payments	0.53%	VMware

