

*Report on the*

**Golden State Financial Marketplace  
(GS \$Mart) Loans for Fiscal Year 2023-24**

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

**State of California**  
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**Government Operations Agency**  
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*Prepared by the*

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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 \$8 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, 2023, the total outstanding loan balance in the GS \$Mart Program from previous years and the 2023-24 fiscal year is approximately \$203.1 million. This includes a total of approximately \$97.7 million in new loans from fiscal year 2023-24. Please see Attachment 1 for the report.

**Attachment 1 to the Golden State Financial Marketplace (GS \$Mart) Loans for the Fiscal Year 2023-24 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>
Department of Justice (DOJ)	4949 Broadway Sacramento, CA 95820	NWN Corporation	ePlus Group, inc.	\$3,720,102.40	3 annual payments	0.99%	Cisco SmartNet
California Department of Technology (CDT)	3101 Gold Camp Drive, Rancho Cordova, CA 95670 & 1020 Vaquero Circle, Vacaville, CA 95688	iBridge Cloud Technologies, Inc.	Banc of America Public Capital Corp (BAPCC)	\$2,529,067.00	28 monthly payments	4.5864%	Storage as a service (StaaS) hardware and software
DOJ	4949 Broadway Sacramento, CA 95820	Savant Solutions, Inc.	TD Equipment Finance, Inc. (TD Bank)	\$4,488,873.00	3 annual payments	5.97%	Palo Alto Networks firewall

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California Department of Corrections and Rehabilitation (CDCR)	31625 Highway 101 Soledad, CA 93960	R.M. Waite Co., LLC	U.S. Bancorp Government Leasing & Finance, Inc. (US Bank)	\$198,095.00	5 annual payments	5.99%	Scullery dishwasher
California Department of Transportation (Caltrans)	300 R Street, Sacramento, CA 95816	Municipal Maintenance Equipment, Inc.	BAPCC	\$16,219,670.00	4 annual payments	4.4717%	Sweepers
California Department of Motor Vehicles	2415 First Avenue Sacramento, CA 95818	NWN Solutions Corporation (NWN)	BAPCC	\$4,468,715.98	5 annual payments	4.5783%	Palo Alto software and support

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CDT	3101 Gold Camp Drive, Rancho Cordova, CA 95670 & 1020 Vaquero Circle, Vacaville, CA 95688	Direct Systems Support (DSS)	BAPCC	\$3,906,761.09	60 monthly payments	3.7861%	International Business Machines mainframe storage
Department of General Services (DGS)	707 3 <sup>rd</sup> Street West Sacramento, CA 95605	NWN	Webster Bank	\$3,615,561.85	3 annual payments	4.15%	Palo Alto Networks Enterprise License Agreement
Caltrans	2001 Evergreen Street Sacramento, CA 95815	Presidio Networked Solutions Group, LLC. (Presidio)	US Bank	\$25,458,866.46	5 annual payments	5.21%	Cisco SmartNet and Cisco equipment

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California Environmental Protection Agency (CalEPA)	1001 I Street Sacramento, CA 95814	Presidio	ePlus Group, Inc.	\$4,471,689.94	5 annual payments	0.00%	Cisco refresh (support, warranty, and maintenance)
CDT	1020 Vaquero Circle, Vacaville, CA 95688	DSS	BAPCC	\$1,109,263.50	56 monthly payments	3.743%	International Business Machines AIX refresh
DGS	9646 Butterfield Way Sacramento, CA 95827	Pacific Gas and Electric Company	BAPCC	\$24,290,671.00	18 annual payments	4.654%	Energy savings project
CDCR	16756 Chino-Corona Road Corona, CA 92880	A & H Refrigeration, Inc.	BAPCC	\$250,000.00	7 annual payments	4.9759%	Outdoor walk-in freezer

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CalEPA	1001 I Street Sacramento, CA 95814	Optm West	TD Bank	\$2,924,367.77	5 annual payments	5.55%	Palo Alto subscrip- tion renewal

**Total Financed**

**\$97,681,704.99**

**3.8175%**