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STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Budget Division

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POLICY DIRECTIVE #D-2013-10

August 16, 2013

TO: All Agencies

FROM: Jeff Mohlenkamp, Director
Department of Administration

A handwritten signature in blue ink, appearing to read "Jeff Mohlenkamp".

SUBJECT: Contract Approval by Clerk of the Board of Examiners

On August 13, 2013, the Board of Examiners (BOE) approved various changes to Section 300 of the State Administrative Manual (SAM), which pertains to contracts.

Pursuant to AB 41 passed during the 2013 Legislative Session, delegation of authority for the Clerk, or designee, to approve contracts less than \$10,000 was increased to less than \$50,000. This includes SAM Section 0310 Approval of Cooperative Agreements, SAM Section 0316 Approval of Interlocal Contracts, and SAM Section 0322 Independent Contract Review. In conjunction with this increase in delegated authority, the board requested contracts approved by the clerk within the new thresholds of greater than \$10,000 but less than \$50,000 be presented on future BOE agendas as an informational item.

Agencies need to be mindful of any appearance of trying to circumvent the increased \$50,000 limitation through the use of multiple agreements as a way to avoid or bypass BOE approval.

The new threshold will take effect as of August 13, 2013 and will apply to all contracts in receipt by the Budget Office to date, including those that were pending future BOE meeting dates (such as September and October).

Agencies can continue to enter contracts into the Contract Entry and Tracking System (CETS) as they currently do today. Any necessary modifications to the system will be communicated to users in the future.

An appeal process was approved by BOE for any contracts denied by the Clerk. Language approved by the board states: *The Clerk's denial of a contract is appealable to the Board of Examiners. The appeal must be made in writing to the Clerk and include a full explanation and justification for the appeal. The appeal will be placed on a subsequent Board of Examiner's Agenda subject to the same deadlines established for all other agenda items.*

If you have any questions or concerns, please consult your assigned analyst in the Budget Division.