

MINUTES

MEETING OF THE BOARD OF EXAMINERS

April 12, 2011

The Board of Examiners met on April 12, 2011, in the Annex on the second floor of the Capitol Building, 101 N. Carson St., Carson City, Nevada, at 10:00 a.m. Present were:

Members:

Governor Brian Sandoval
Attorney General Catherine Cortez Masto
Secretary of State Ross Miller
Clerk Andrew K. Clinger

Others Present:

Carol Sweeney, Department of Information Technology
Laura Smolyansky, Department of Information Technology
Carolyn Misumi, Department of Taxation
Kathy Yonkers, Department of Employment, Training and Rehabilitation
Tammy Moffitt, Department of Employment, Training and Rehabilitation
Mechelle Merrill, Department of Employment, Training and Rehabilitation
Mike Torvinen, Department of Health and Human Services
Pete Anderson, Department of Conservation and Natural Resources, Forestry
Tamara Nash, Department of Employment, Training and Rehabilitation
Brenda Ford, Department of Employment, Training and Rehabilitation
Bill Anderson, Department of Employment, Training and Rehabilitation
Pat Sheehan, Department of Information Technology
Danette Kluever, Department of Health and Human Services, Child and Family Services
Mary Keating, Office of the Controller
Patrick Cates, Department of Wildlife
Evan Dale, Department of Administration, Administrative Services
Cody Phinney, Department of Health and Human Services, Mental Health and Developmental Services
Julie Chapman, Department of Public Safety, Parole and Probation
Deborah Braun, Department of Health and Human Services, Welfare and Supportive Services
Jason Holm, Department of Health and Human Services, Welfare and Supportive Services
Romaine Gilliland, Department of Health and Human Services, Welfare and Supportive Services
David Gustofson, Department of Information Technology
Brody Leiser, Department of Taxation
Rosalyne Reynolds, Department of Health and Human Services, Northern Nevada Adult Mental Health Services
Greg Cox, Department of Corrections
Chris Apple, Department of Information Technology
Dave Jones, Department of Administration, Purchasing Division
Keith Wells, Department of Administration, Motor Pool Division
Katie Armstrong, Office of the Attorney General
Clark Leslie, Office of the Attorney General
Kimberlee Tarter, Department of Administration, Purchasing Division

Lucas Foletta, Office of the Governor
Johannes Lampracht, Office of the Military
Jeff Mohlenkamp, Department of Corrections
Ronald Bratsch, American Federation of State, County and Municipal Employees (AFSCME)
Jennifer Bauer, Department of Public Safety
Sheri Brueggeman, Department of Public Safety
Richard Wiggins, Department of Public Safety, Highway Patrol
Kevin Ranft, American Federation of State, County and Municipal Employees (AFSCME)
Donna Lopez, Public Employees Benefits Program
Jim Wells, Public Employees Benefits Program
Greg Weyland, Department of Education
Carol Crothers, Department of Education

PRESS

Cy Ryan, Las Vegas Sun

***1. APPROVAL OF THE MARCH 1, 2011 SPECIAL BOARD OF EXAMINERS' MEETING MINUTES**

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: Good Morning ladies and gentleman. Welcome to the meeting of the Board of Examiners. Before we get into the agenda, I am not sure if you noticed that when you walked into the room the etched glass above the doorway? It now reads the Guinn Room. This room will now be called the Guinn Room and you will see a very nice plaque that is dedicated to Governor Guinn's memory because he was the one responsible for building this Annex. There will also be a beautiful portrait of Governor Guinn in this room and I think it is just a small token and a memorial to realize him and show the respect that I personally had for Governor Guinn and for the people of the State. So on your way out look up, it is very impressive and I had the opportunity to show the former first lady the plaque that will be on the wall. So with that we will begin this meeting and move to agenda item one which is the approval of the March 1, 2011 Special Board of Examiners' meeting minutes. Have the members had the opportunity to review the minutes?

Secretary of State: Move for approval.

Attorney General: Second the motion.

Governor: We have a motion from the Secretary of State and a second by the Attorney General to approve the minutes. Is there any discussion on the motion? Hearing none all those in favor signify by saying aye. The motion passes unanimously.

***2. APPROVAL OF THE MARCH 8, 2011 BOARD OF EXAMINERS' MEETING MINUTES**

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: Agenda item two is the approval of the March 8, 2011 Board of Examiners' meeting minutes. Have the members had a chance to review the minutes and are there any changes?

Secretary of State: I'll move for approval.

Attorney General: I will second the motion.

Governor: We have a motion from the Secretary of State and a second by the Attorney General to approve the minutes. Is there any discussion on the motion? Hearing none all those in favor signify by saying aye. The motion passes unanimously.

***3. REQUEST TO WRITE OFF BAD DEBT**

NRS 353C.220 allows agencies, with approval of the Board of Examiners, to write off bad debts deemed uncollectible.

A. Public Employees’ Benefits Program – \$506.27

Public Employees’ Benefits Program is requesting authority to write-off debt that totals \$506.27. The reported debt is specifically related to participant health insurance premiums. One account represents a deceased participant and three accounts represent debts incurred prior to March 2007, past PEBP’s four year statute of limitations for collections pursuant to NRS 353C.140.

Clerk’s Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will move agenda item three which is a request to write off bad debt, Mr. Clinger.

Clerk: Thank you Governor. Item three before the Board this morning is a request from the Public Employees Benefits Program to write-off \$506.27. These accounts all relate to participant health insurance premiums. One account represents a deceased participant and the other three accounts are past the statute of limitations for collections.

Governor: Thank you Mr. Clinger. Do any of the Board members have any questions on this agenda item?

Secretary of State: Move for approval.

Attorney General: Second the motion.

Governor: We have a motion from the Secretary of State and a second by the Attorney General to write off bad debt as described by Mr. Clinger. Is there any discussion on the motion? Hearing none all those in favor signify by saying aye. The motion passes unanimously.

***4. STATE ADMINISTRATIVE MANUAL REVISIONS**

The State Administrative Manual (SAM) is being submitted to the Board of Examiners’ for approval of additions and revisions in the following Chapter: **Chapter 1300 – State Vehicles**

Clerk’s Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will move to agenda item four; State Administrative Manual (SAM) revisions.

Clerk: Thank you Governor. Agenda item number four is a request to revise the SAM. In your packet under item four is a summary of the changes that are being requested to update the SAM. 1303 is a new section that outlines authorized operators of State vehicles. 1305 is a new section

as well that outlines the insurance coverage and points of contact for questions. 1306 is a revision to the home storage of state vehicles and the key changes now requires the department heads or their designee to grant the approval of home storage of vehicles, requiring department heads to develop internal policies and procedures for the approval process and also requiring the departments to document that the approval meets Internal Revenue Service (IRS) guidelines in reference to home storage. 1310 this is a revision for the labeling requirement for State vehicles. 1312 is also a revision for unmarked vehicles to remove the current language in SAM and grants the department heads the authority to approve vehicles that will be used in law enforcement activities to be unmarked. An agency is not in law enforcement would have to come to BOE for approval.

Governor: Mr. Clinger I have a question with regards to section 1306 which requires department heads to develop internal policies and procedures for the approval process. Would the adoption of this provision allow for inconsistency or would it be preferable to have one standard policy for all state agencies?

Clerk: Governor, the way that this is written it would let the department heads develop their own policies and procedures in which could lead to different policies and procedures in different departments. There is some criteria outlined in SAM 1306. But certainly another approach to this would be to develop more stringent statewide criteria that would be followed by all State agencies.

Governor: Are there any questions from any members of the Board?

Attorney General: Governor, I have a question for Andrew. On section 1305 I am assuming that the blue is new language that has been added to SAM, is that correct?

Clerk: That is correct.

Attorney General: So I guess number three is of concern to me directing insurance questions to my office; not quite sure why they would be directed to my office. We only come into play after the fact when we are dealing with any motor vehicle accident. So I don't want people to get under the impression that we manage the insurance and we are able to answer questions with respect to insurance coverage for them. So I was just curious as to why that was put in there?

Clerk: I am not too sure why that specific language was included. We can certainly strike out the Attorney General's Office portion of that and have the agencies go to Risk Management first and then if it was necessary after the fact then they could contact the Attorney General's Office.

Attorney General: I would appreciate that, thank you Andrew.

Keith Wells: Governor, 1306 home storage we put language in there requiring agencies to reference the Internal Revenue Service (IRS) guidelines because the IRS guidelines are very specific.

Governor: And that is the clarification that I needed. I would just like one policy so that there are not agencies saying we did it this way and why did they do it that way. So you are representing because of that IRS regulation there will be consistency throughout?

Keith Wells: Yes, and my other thought that needs to happen with this to go along with one of your concerns is if we just bring awareness to this topic of home storage that they need to pay attention to then there will be compliance. There is not a lot of home storage of state vehicles but we need to make agencies aware that they have to follow IRS guidelines.

Governor: What was the genesis of doing these amendments in the first place?

Keith Wells: Because we started a fleet committee at the request of the Legislature they wanted us to review the entire section of 1300 in SAM, general housekeeping and that is just part of this process.

Governor: Are there any current problems or issues at this time?

Keith Wells: Internal Audits did an audit on what was released last year on home storage and they were concerned that home storage wasn't as monitored as it should be. So that is one reason why the committee looked at those policies.

Governor: In your mind, this amendment to 1306 will be responsive to the Internal Audit mission?

Keith Wells: Yes.

Governor: And do you have any comment with regards to the Attorney General's question on 1305 subsection 3?

Keith Wells: Yes, that was just put in there at the request of members of the committee. They wanted to have a place that directed the agencies on how the state insurance system works. The Attorney General's Office provides the liability insurance and Risk Management provides Comp. and Collision. So they just wanted to clarify that for the agencies, but we can definitely remove that.

Governor: Do either of the Board members have any questions for Mr. Wells? Thank you, Mr. Wells. Members of the Board would you consider a motion to or what's the action Mr. Clinger? Do we move to approve the language with the deletion of the Attorney General's Office in reference to chapter 1305 subsection 3?

Clerk: Yes, Governor.

Secretary of State: I'll move for approval of agenda item four with the opposed revisions to the State Administrative Manual striking chapter 1305 subsection 3.

Attorney General: I'll second the motion.

Governor: Before we accept a second, Mr. Secretary of State you said strike all of 3 or just the language referring to the Attorney General's Office?

Secretary of State: I guess I am not clear as to what we are removing from the subsection.

Attorney General: Just to the Attorney General. So it should read “Insurance questions should be directed to the Risk Management Division.

Secretary of State: I will make a motion to approve the Attorney General’s suggestion.

Governor: Thank you, Mr. Secretary. There is a motion to approve agenda item number 4 as recommended with the exception of Chapter 1305 subsection 3 to read “Insurance questions should be directed to the Risk Management Division. Is there a second?

Attorney General: I’ll second the motion.

Governor: Is there any discussion on the motion? Hearing none, all those in favor of the motion please say aye. Motion passes unanimously.

***5. APPROVAL TO ACCEPT A DONATION OF LAND ON BEHALF OF THE DIVISION OF FORESTRY**

A. Department of Conservation and Natural Resources – Division of State Lands

Pursuant to NRS 322.001, the Nevada Division of State Lands (NDSL) is requesting approval, on behalf of the Division of Forestry to accept a donation of a parcel of land from Henry B. Sprenger II. The current land owner has offered to donate the property to the state for preservation of the Steamboat buckwheat habitat. This acquisition will afford the state the ability to preserve a rare, federally protected plant species. This parcel contains the only known location of Steamboat Buckwheat and is located in South Reno adjacent to Hwy 395 prior to the junction with Hwy 341 (Mount Rose Hwy) coming out of the Washoe Valley. The NDSL has no estimate of value, because it is a donation of land and the Nevada Revised Statutes do not require a value. The Nevada Division of Forestry currently administers the critically endangered flora program and there would be no additional administrative costs or need for increased staffing as a result of this acquisition. The landowner will convey clear title to the state by deed as a gift of land in accordance with NRS 353.335.

Clerk’s Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will move on to agenda item number 5, which is the approval to accept a donation of land on behalf of the Division of Forestry. I would like to make note that there is a reference to NRS 322.001 and that should read 321.001 is that correct?

Clerk: That is correct, Governor. This is a request by the Division of State Lands on behalf of the Division of Forestry to accept a donation of a parcel of land. This acquisition will afford the state the ability to preserve a rare, federally protected plant species. This parcel contains the only known location of Steamboat Buckwheat.

Governor: Is there someone here from the Division of State Lands?

Charlie Donahue: Good Morning.

Governor: Good Morning, I have no problem with this I just wanted to get clarification, is this the only place on the planet where you can find Steamboat Buckwheat?

Charlie Donahue: It is generally in that location but I would have to defer to Pete Anderson with the Division of Forestry.

Pete Anderson: Yes, Governor that is the only known location for Steamboat Buckwheat.

Governor: That is pretty amazing. Do any of the Board members have any questions with regards to agenda item number 5?

Secretary of State: I'll move for approval.

Attorney General: Second the motion.

Governor: We have a motion to approve agenda item number 5 which is the approval to accept a donation of land on behalf of the Division of Forestry and a second. Is there any discussion on the motion? Hearing none all those in favor signify by saying aye. The motion passes unanimously. Thank you, Gentleman.

***6. STATE VEHICLE PURCHASE**

Pursuant to NRS 334.010, no automobile may be purchased by any department, office, bureau, officer or employee of the State without prior written consent of the State Board of Examiners.

AGENCY NAME	# OF VEHICLES	NOT TO EXCEED:
Department of Conservation and Natural Resources – Division of State Parks	1	\$3,750.00
Department of Public Safety – Highway Patrol	8	\$233,175.00
Department of Wildlife – Administration	1	\$41,801.25
Total:		\$278,726.25

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will move on to agenda item 6; State Vehicle Purchase, Mr. Clinger.

Clerk: Thank you, Governor. This is a request made pursuant to NRS 334.010. The first request is made by the Department of Conservation and Natural Resources, Division of State Parks who is replacing a bucket truck. The Department of Public Safety, Highway Patrol Division is requesting the replacement of three SUV's and five Sedans. The Department of Wildlife, Administration Division is requesting a new fish truck.

Governor: Do any of the Board members have any questions with regards to agenda item number six?

Secretary of State: I'll move for approval.

Attorney General: Second the motion.

Governor: There is a motion by the Secretary of State to approve agenda item number 6 State Vehicle Purchase and second by the Attorney General. Is there a discussion on the motion? Hearing none, all those in favor of the motion please say aye. The motion passes unanimously.

***7. STATUS OF FURLOUGHS**

Pursuant to Senate Bill 433, Section 5.2 (a) of the 2009 Legislative Session, the State Board of Examiners shall determine positions within the Executive Branch of State Government that cannot be subject to furlough leave. Section 8 provides \$4 million in General Fund over the biennium to cover furlough leave exceptions statewide.

A. Department of Corrections

The Department was granted an exception for FY 2010 which expired June 30, 2010 and included all Correctional Officer and Senior Correctional Officer positions. The department had put forth a plan to close Nevada State Prison and open Units 7A & 7B at High Desert State Prison, to the Board of Prison Commissioners (Board) which was denied at its June 23, 2010 meeting. It was then suggested at the July 13, 2010 meeting of the board that the department submit a biennial plan to implement Senate Bill 433 to the August 2010 BOE. A biennial plan to implement Senate Bill 433 was presented to the board at its August 11th 2009 meeting.

Subsequently, the department submitted a request for exceptions to the board at its November 9, 2010 meeting and was approved \$625,174 for the months of November and December 2010.

The Department of Corrections requested exceptions for the months of January 2011 through March 31, 2011, for multiple positions necessary for public safety at a cost of approximately \$938,069 (the unobligated balance in the furlough account is \$1,018,755). This request includes all Correctional Officer and Senior Correctional Officer positions. The Board of Examiners at its January 11, 2011 meeting approved furlough exemptions for the month of January 2011 based on testimony provided by the new Acting Director, Greg Cox, who indicated that the department could implement furloughs beginning in February 2011; the estimated cost of this exemption is \$323,113, leaving an unobligated balance of \$695,643 in the furlough account.

Clerk's Recommendation: I recommend approval.

Motion By:

Seconded By:

Vote:

Comments:

Governor: Agenda item 7 is the status of furloughs. I see Mr. Cox is here.

Clerk: And Governor if I may before Mr. Cox starts, I would like to give the Board members an update just on where we are from the 2009 Legislative Session. In your packet under item 7 page 3 of that item there is a schedule of Board of Examiners actions as well as how much is left

in the account. The 2009 Legislature appropriated four million dollars and you can see the actions taken through FY 2009 and the amounts that the Board allocated at that time which left a balance of \$179,432. The Department of Corrections actual funds transferred to them was \$2,355,531. The Board in November approved exceptions for November and December which totaled \$625,714. The Board in January approved furlough exceptions for the month of January which totaled \$323,113. The remaining funds that were allocated from the 2009 Legislative Session is \$695,643.

Governor: Good Morning, Mr. Cox. Do you have any questions for Mr. Clinger?

Greg Cox: Good Morning. I still recommend the implementation of furloughs for all staff for our department. Our top priority and focus is maintaining the safety and security of all staff, inmates and the public. We continue to look at data in regards to the outrage. We focus on different parts of that and how we can reduce the risk to staff. We will continue to review the data regarding staff's furlough and the impact it has on our inmates and we will monitor that carefully as we move forward.

Governor: Mr. Cox I saw some error in your report with regards to two incidents that happened. Is there a relationship between those incidences and the furloughs?

Greg Cox: Governor, I have looked at both of those instances and there is no correlation with those instances and furloughs.

Governor: How would you characterize the impact the furloughs have had on the department compared to when you weren't taking any furloughs?

Greg Cox: On page 5 of your packet under agenda item 7, there is a table which shows furloughs not taken there were 442 total instances. Once the furloughs were in place we see a smaller number 420. So this is not a correlation between furloughs being taken and those instances. Basically, our inmates get very problematic at times, but we continue to look at how and why the instance occurred.

Governor: Do you feel confident that this is the correct approach?

Greg Cox: Yes I do Governor. And I will continue to monitor and I will come back at update you on the status of the furlough impact.

Governor: Do any of the Board members have any questions for Mr. Cox? I believe that this is just a status report and no action needs to be taken by the board?

Clerk: That is correct Governor, unless the Board wanted to grant additional exceptions to furloughs.

Governor: You are not seeking any action on behalf of the Board are you?

Greg Cox: No, Governor.

Governor: Ok, Thank you.

***8. VICTIMS OF CRIME PROGRAM (VOCP) APPEAL**

Pursuant to NRS 217.117 Section 3, the Board may review the case and either render a decision within 15 days of the Board meeting; or, if they would like to hear the case with the appellant present, they can schedule the case to be heard at their next meeting.

A. Juan Moore

Juan Moore appeals the denial of his application for VOCP assistance. Mr. Moore submitted his application to the VOCP on October 27, 2010 because his car had been burglarized and vandalized while he was away from home. His application was denied because this type of crime is not covered under NRS 217. Additionally, the police report was filed nearly a month after Mr. Moore discovered the break in. During the appeal hearing, Mr. Moore indicated this is related to harassment by the FBI that he has suffered for the past 43 years. Appeals Officer Geraldine Schwartzer upheld the Compensation Officer's decision, finding that the situation Mr. Moore has described does not satisfy the requirements of the program.

Clerk's Recommendation: It is recommended that Mr. Moore's appeal be denied.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will move to the next item on the agenda which is the Victims of Crime Program Appeal.

Clerk: Thank you, Governor. This is an appeal to the Board of Examiners for the denial of a claim for Mr. Moore. His application was denied because this type of crime is not covered under NRS 217. In addition the police report was filed nearly a month after Mr. Moore discovered the break in to his vehicle. We do have Rebecca Salazar down in Las Vegas as well.

Governor: Mrs. Salazar, do you wish to make a presentation with regards to this agenda item?

Rebecca Salazar: No, Governor. I believe my packet is sufficient. I can answer any questions that anyone might have.

Governor: Would you provide a quick summary of your packet that you provided?

Rebecca Salazar: Mr. Moore filed this application for a break-in. He was away from home for a few days, came home and discovered that his car had been broken into and vandalized. That type of crime is not covered under NRS 217 so that was the reason for the denial. The police report was filed after the five days allowed by law so that was the secondary reason. During the appeal Mr. Moore didn't offer any other information. He did indicate that he believes that the break in relates to harassment he has suffered throughout his life by the FBI. The Appeals Hearing Officer found that this type of crime is not covered under NRS 217 and the case remained denied.

Governor: Thank you, Mrs. Salazar. Do any of the other Board members have any questions? Is there a representative for Mr. Moore present?

Rebecca Salazar: He is not present.

Governor: Is there anyone there on his behalf?

Rebecca Salazar: No Sir.

Governor: Is there anyone here in Carson City on behalf of Mr. Moore? Are there any Board member comments or questions? The chair will accept a motion on this matter.

Secretary of State: I will move to deny the appeal and uphold the decision of the Hearings Officer.

Attorney General: I will second the motion.

Governor: It has been motioned by the Secretary of State and second by the Attorney General to uphold the findings of the Hearings Office. Is there any discussion on the motion? Hearing none all those in favor signify by saying aye. The motion passes unanimously.

***9. LEASES**

Five statewide leases were submitted to the Board for review and approval.

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will move to agenda item 9, which are leases.

Clerk: Thank you, Governor. There are five leases on the agenda this morning. I would note that I would like to pull lease number 3 from the agenda. This lease is with the Department of Business and Industry; depending on legislative action we will bring that lease to the next meeting.

Governor: Thank you Mr. Clinger. I noticed that lease number 4 and 5 are renegotiations which will be a savings to the State of approximately \$60,000. Were you able to ascertain if any of the other leases provided savings to the State?

Clerk: Governor, the first two leases with the Department of Administration, Appeals Division and Hearings Division those are leases that were renegotiated back in April 2010. The original leases were a \$1.30 a square foot escalating to \$1.47 a square foot after 6 years. The current lease that you see on the agenda today has a rate of \$1.25 a square foot for year one and \$1.29 a square foot for year three and four. So you can see compared to what the lease was prior to the April 2010 reduction it has been reduced approximately 10%. I don't have the annual savings.

Governor: So it is probably about a \$5,500 dollar savings a year?

Clerk: That is fair; it is about \$5,000 a year less than the old lease.

Governor: Do any of the Board members have any questions for Mr. Clinger with regards to agenda item number 9? Hearing none the chair will accept a motion for leases 1, 2, 4 and 5.

Secretary of State: So moved.

Attorney General: Second.

Governor: It was motioned by the Secretary of State and second by the Attorney General. Is there any discussion on the motion? Hearing none all those in favor of the motion please say aye. The motion passes unanimously.

***10. CONTRACTS**

Sixty-Seven independent contracts were submitted to the Board for review and approval.

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We move on to agenda item number 10 which is the contracts, Mr. Clinger.

Clerk: Thank you Governor. There are sixty seven contracts on the agenda this morning for the Board's review and consideration. I would note two changes for the Board. Contract number 17; I would request that the item be withdrawn at this time and would note that contract number 19 has indicated on the agenda that it is a sole source contract, this is actually not a sole source contract.

Governor: Thank you. Do any of the Board members have any questions with regards to agenda item 10, 1-67? I have a few. The first contract is number one for the Energy Office. The next contract I have a question on is number 10, Data Communications Division. My question is a very minor one, under the justification it states "to provide a more economical internet solution at 200 South Virginia, Reno" what does that mean?

Dave Gustafson: This contract is to true up authority for connection.

Governor: "True up authority"?

Dave Gustafson: The original contract actually was insufficient regarding the authority for internet services.

Governor: Thank you. The next contract I have a question is contract number 13 for the Department of Education. My question is are there any issues with regards to the recording of the results and are they returned to Nevada in a timely manner?

Carol Crothers: This particular contractor processes the results after our statewide process of teachers who score the results. So this contractor essentially returns the data back to us within hours of receiving the data. This amendment is an opportunity for us to see if we can decrease the amount of time that it takes us to turn around the results.

Governor: Excellent, thank you. Next I would like to move to contract number 16 and I don't need a representative to come forward I just need to make a declaration. This is a contract between Welfare and Supportive Services and The Children's Cabinet. I need to disclose that my wife is an employee of The Children's Cabinet and that because she is employed with them I will not participate in the move on this matter. The next contract is number 27 for the Department of Corrections. I see that we are essentially doubling the amount of the contract; will this allow the service for more individuals?

Jeff Mohlenkamp: Yes it will, Governor.

Governor: Ok, thank you. The last contract that I have is number 67. Whenever I see a figure of \$247,200,000 I would like to have a little discussion regarding what it is for.

Jim Wells: This contract provides HMO services for all of our 13 Northern Nevada counties. This provides us an alternative to the self funded PPO plan. So this contract has gone through the RFP process and there were three vendors, this company not only had just the best cost proposal but the purchasing plan design of the three that put their bid in. The amount of the contract is based on our projected enrollment.

Governor: So you are saying that Home Town Health had the lowest bid and the highest rating for their services?

Jim Wells: Yes.

Governor: Do any of the Board members have any questions for Mr. Wells? Do any of the Board members have any questions with regards to agenda item 10 contracts 1 through 67? Hearing none the chair will accept a motion to approve all of the contract items with the exception of contract number 17 which has been withdrawn and contract number 16 which I will be abstaining from the vote.

Secretary of State: So moved.

Attorney General: Second.

Governor: There is a motion to approve agenda item 10, 1-67 with the exception of 17 and 16 by the Secretary of State and a second by the Attorney General. Is there any discussion on the motion? All in favor of the motion please say aye. The motion passes unanimously.

Governor: The chair will accept a separate motion on contract number 16.

Secretary of State: I will move for approval of contract number 16.

Attorney General: I will second the motion.

Secretary of State: All those in favor of the motion please say aye. The motion passes.

***11. MASTER SERVICE AGREEMENTS**

Seven master service agreements were submitted to the Board for review and approval.

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will move on to agenda item eleven which is master service agreements.

Clerk: Thank you Governor. Item eleven; there are seven master service agreements for the boards review and approval.

Governor: Do any of the Board members have any questions with regards to agenda item number eleven? If there are no questions the chair will accept a motion.

Secretary of State: Move for approval of the seven master service agreements under agenda item number eleven.

Attorney General: I'll second the motion.

Governor: We have a motion by the Secretary of State on agenda item number eleven master service agreements and second by the Attorney General. Is there any discussion on the motion? Hearing no discussion all those in favor of the motion please say aye. The motion passes unanimously.

***12. APPROVAL OF REVISED AGENCY TRAVEL POLICY**

Pursuant to SAM 0208, in the event an agency adopts a rate of reimbursement less than the amounts specified in NRS 281.160, Board of Examiners approval is required.

A. Office of the State Controller

This request allows the Division to adopt a rate of reimbursement less than the amounts specified by the GSA in NRS 281.160. The Office of the Controller is requesting the following changes:

1. Employees will be provided lodging arranged by the Executive Assistant. Employees, who choose not to avail themselves of the arranged lodging, will not be eligible for lodging reimbursement above the amount arranged by the Executive Assistant.
2. Employees will receive meal reimbursement when they are over 50 miles from their duty station based on the hour limits disclosed in the revised travel policy.

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State Seconded By: Attorney General Vote: 3-0

Comments:

Governor: We will now move to agenda item number twelve. Mr. Clinger.

Clerk: Thank you Governor. Agenda item number 12 is an item requested by the State Controller's Office. The request is a change to the State Controller's travel policy specifically what they are requesting is that employees will be provided lodging arranged by the Executive

Assistant within the Controller's Office. Employee's who choose not to avail themselves of the arranged lodging, will not be eligible for lodging reimbursement above the amount arranged by the Executive Assistant. Number 2 is the employees will receive meal reimbursement when they are over 50 miles from their duty station based on the hour limits disclosed in the revised travel policy. Item number 2 is consistent with the State Administrative Manual. Item number one is a variation from the State Administrative Manual.

Governor: Thank you Mr. Clinger. Is there a representative here from the Controller's Office on this matter? I just wanted to see if you would like to add anything further to this agenda item?

Mary Keating: No sir, I am happy with the way that Mr. Clinger described it.

Governor: Do any of the Board members have any questions for Mr. Clinger or Ms. Keating regarding this agenda item?

Attorney General: Mary Keating, could you just explain how it departs from the existing policy that is set through SAM and the Statute and why you feel that it is necessary to depart from that policy to some extent.

Mary Keating: As I understand correctly the current policy in SAM, several years back the State of Nevada adopted the GSA rate policy and that allows certain hotels amounts depending on where you are going. What we are experiencing in today's market is very adequate hotels through the Purchasing website that the fees are less than what is currently been authorized in GSA rates or the CONUS rates. What we are trying to clarify is we would find hotels on behalf of the employees and we will pay those amounts; however we have had instances where the employees have wanted to be paid equal or beyond that amount. That is beyond what it costs us to do this in today's market and we just can't afford that. In the event that the rate is changed and at some point the hotels will equal the amount that we are finding in the GSA we will pay that rate. But just want to clarify that we are not willing to pay the higher rate when we can find a cheaper rate on Purchasing's website.

Attorney General: So just so that I can clarify, because this doesn't make sense to me. What you are basically saying is that you can find a hotel rate that is cheaper than what is allowed in the GSA even still State Employees will ask for reimbursement for the difference even though they may have received a cheaper rate?

Mary Keating: Yes, madam Attorney General.

Clerk: If I may clarify, there are multiple lodging rates. The GSA does a survey and they publish those surveyed rates. In the areas that they don't survey they have a CONUS rate which is a standard rate that they provide for un-surveyed areas. In the State Administrative Manual if you use a CONUS rate which is the minimum rate for the state there is no receipt that is required. If you use one of the published rates you do have to provide a lodging receipt to get reimbursement. So they should not be exceeding the GSA rate, and I believe what the Controller's Office is trying to do is if they can find rates that are cheaper than what the employees are turning in receipts for but they can not exceed the published rates.

Attorney General: If we are going to be physically prudent why would be paying our State employees more than what there actual expenses are?

Clerk: And we are not, I am saying that they have to supply a receipt. We should not be paying them more than what they spent. The only time that could happen is if they are in an un-surveyed area using a CONUS rate which doesn't require them to submit a receipt for those areas and they could get reimbursed at a higher rate. We certainly could bring back a change to the State Administrative Manual that would require receipts in all cases and that would help fix the situation.

Attorney General: I would prefer that. Is there some reason why we stopped requiring receipts in all instances when we are reimbursing for travel expenses and isn't that what we are trying to be prudent with our dollars and insure that we are only paying for those expenses that are put out and not additional money that they might not be entitled to?

Clerk: These are travel policies that were approved after the 2007 Legislative Session when we went to the GSA rates prior to that we didn't use the GSA rates. I am not sure why we didn't include receipts for the un-surveyed areas at the time, but it is easy to fix the State Administrative Manual if that is the direction of the Board.

Attorney General: I don't want to get off track here but I would ask that we could bring this item back as a future agenda item that we could look at to see if we are on the right track. Since we just passed it maybe we should take a look at it and see how it is being implemented in practice and whether we need to make changes to that particular policy.

Governor: I agree with you madam Attorney General. My question would be should we say with consideration with this agenda item in light of the possibility of adoption of a new policy that would include the provision of receipts.

Clerk: I don't think so and Ms. Keating can correct me if I am wrong currently in the areas that are surveyed they publish rates for those areas and I think what the Controller's Office is indicating is that they can procure rooms less than the published rate is why they are requiring their staff to go to one executive assistant. The changes that I am talking about would not change that.

Governor: Perhaps madam Attorney General, in the Board Member comments you could request or the Board could request the examination of SAM being consistent with what Mr. Clinger has indicated to ensure that there is a review of all of the receipts and that there is not a reimbursement greater than the cost of the trip.

Secretary of State: I would just like to comment that I remember seeing some concerns from the Department of Wildlife that they sometimes stay in places where they would not obtain a receipt so I think we would just need to check and see who is or would be exempt from turning in those types of receipts.

Clerk: Mr. Secretary your memory is better than mine, but now that you mentioned it that was the issue and we can certainly review the minutes from those meetings and see who would be exempt from the policy.

Governor: The chair will accept a motion to approve the revised agency travel policy.

Secretary of State: So moved.

Attorney General: I will second the motion.

Governor: It has been motioned by the Secretary of State, second by the Attorney General. Is there any discussion on the motion? Hearing none, all those in favor of the motion please say aye. The motion passes unanimously.

13. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS

Comments:

Governor: Are there any Board member comments? Mr. Clinger, I don't want to be redundant but if you would explore a possible limit to SAM's policy as represented by the Attorney General and also to respond to the Secretary of State with regards to those agencies who would be exempt from this policy.

Clerk: Yes I will.

Attorney General: Thank you Governor.

Governor: Are there any other Board member comments? Are there any public comments from any one in Las Vegas or in Carson City?

Kevin Ranft: I am testifying this morning in matters of public concern. I was hoping that I wouldn't have to be here today regarding the impact of the furloughs for the Department of Corrections. However, I have major concerns with agenda item 7. I am told that Nevada is the only state that uses furloughs for their staff for the prison system through the country. There are some alternatives that can be used in place of the furloughs. With all due respect to Director Cox I feel that the furloughs have impacted the safety, and the security of the staff, the officers and all of those involved in the prison system. NDOC with all of its fallen down positions has the lowest officer/inmate ratios in the nation. NDOC used additional holding shut downs to absorb these furloughs. That is not safe and has caused instances like the nurse. We feel that there is a major concern here and had there been two officers on the floor that inmate would have been restrained and taken care of orderly. Two days later the Department of Corrections said that we made a mistake. Again this is a matter of public concern and there are some security concerns here. I respectfully request investigating and a temporary exemption into the Nevada Department of Corrections for their furloughs. Thank you for your time.

Governor: Thank you sir. Is there any other individual that would like to provide public comment? Seeing and hearing none I will close public comment.

***14. ADJOURNMENT**

Clerk's Recommendation: I recommend approval.

Motion By: Secretary of State

Seconded By: Attorney General

Vote: 3-0

Comments:

Governor: We move to agenda item number 14, Is there a motion to adjourn?

Secretary of State: So moved.

Attorney General: Second.

Governor: It has been motioned by the Secretary of State and second by the Attorney General. All those in favor of the motion please say aye. Motion passes and this meeting of the Board of Examiners is adjourned. Thank you.

Respectfully submitted,

ANDREW K. CLINGER, CLERK

APPROVED:

GOVERNOR BRIAN SANDOVAL, CHAIRMAN

ATTORNEY GENERAL CATHERINE CORTEZ MASTO

SECRETARY OF STATE ROSS MILLER