

# MINUTES

## MEETING OF THE BOARD OF EXAMINERS

May 13, 2014

The Board of Examiners met on Tuesday, May 13, 2014, in the Guinn Room 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  
Julia Teska, Clerk

### **Others Present:**

Bryan Nix, Department of Administration  
Chris Smith, Division of Emergency Management  
Irene Navis, Clark County Office of Emergency Management, Homeland Security  
Mike Torvinen, Department of Administration  
David Gustafson, Department of Administration  
Keith Wells, Department of Administration  
Shelley Hendren, Department of Employment, Training and Rehabilitation  
Gerold Dermid-Gray, University of Nevada Reno, School of Community Health Sciences  
Mike Willden, Department of Health and Human Services  
Rick Gimlin, Department of Taxation  
Troy Dillard, Department of Motor Vehicles  
Linda Anderson, Office of the Attorney General  
Tuhim Verma, Department of Education  
Dennis Perea, Department of Employment, Training and Rehabilitation  
Dave Haws, Department of Employment, Training and Rehabilitation  
Jim Wells, Public Employees Benefits Program  
Steve Fisher, Silver State Health Insurance Exchange  
Deb Saha, Deloitte Consulting  
Kunal Shah, Deloitte Consulting  
Daniel Green, Xerox State Healthcare

**1. PUBLIC COMMENTS**

**Comments:**

**Governor:** Good morning, ladies and gentlemen. I will call the Board of Examiners Meeting to order. Can you hear me loud and clear in Las Vegas?

**Secretary of State:** Yes, Governor.

**Governor:** All right. Then we'll proceed with Agenda Item No. 1, Public Comment. Is there any member of the public here in Carson City that would like to provide comment to the Board? Is there anyone in Las Vegas that would like to provide public comment to the Board?

**Secretary of State:** No, Governor.

**\*2. FOR POSSIBLE ACTION – APPROVAL OF THE APRIL 8, 2014 BOARD OF EXAMINERS’ MEETING MINUTES**

**Clerk’s Recommendation: I recommend approval.**

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

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**Comments:**

**Governor:** We will move to Agenda Item No. 2, Approval of the April 8, 2014 Board of Examiners’ Meeting Minutes. Have the members had an opportunity to review the minutes and are there any changes?

**Secretary of State:** Move for approval.

**Attorney General:** I’ll second the motion.

**Governor:** Secretary of State has moved for approval. The Attorney General has seconded the motion. Any questions or discussion? All in favor say aye. Aye.

**Secretary of State:** Aye.

**Attorney General:** Aye.

**Governor:** Motion passes 3-0.

**\*3. FOR POSSIBLE ACTION – DEPARTMENT OF ADMINISTRATION – VICTIMS OF CRIME POLICIES**

The Board of Examiners (BOE) is the governing authority of the Nevada Victims of Crime Program. NRS 217.130 empowers the BOE to adopt rules and regulations while NRS 217.150

requires the BOE to formulate standards for the payment of compensation to victims of crime. The current policies were last updated and adopted by the Board in August 2009. The current revisions are largely clarification and minor changes to existing policies.

**Clerk's Recommendation: I recommend approval.**

**Motion By: Attorney General**

**Seconded By: Secretary of State**

**Vote: 3-0**

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**Comments:**

**Governor:** We will move to Agenda Item No. 3, Victims of Crime Policies. Ms. Teska.

**Clerk:** Thank you, Governor. This is for the Board of Examiners' consideration today. It's an update of the policies for the Victims of Crime Unit. They were last updated in 2009. And Mr, Nix is here to make a presentation and answer any questions that you may have.

**Governor:** All right.

**Bryan Nix:** Good morning, Governor.

**Governor:** Good morning, sir.

**Bryan Nix:** Good morning Governor and members of the Board. Yes, this is kind of clean up policies for the extensive policies that you adopted in August of 2009. Most of the additions to these policies are cleanup. These policies are a little more than just policies. It's kind of a owner's manual for the Victims of Crime Program, but brings a lot of different resources into this document. I think the maybe three changes that were a little outside of just normal cleanup, we modified our mileage reimbursement policies to eliminate actual mileage, but to provide per diem. We've added a ability to provide sexual assault testing in rural counties. And those counties don't have adequate funding to provide for the testing. That was a legislative bill last year that didn't pass, but we felt we could address it in our policies. And the third additional policy was our ability to pay for HIV treatment for victims of sexual assault. We haven't provided that in the past. It can be an expensive regimen of treatment, but it's something well within our ability to pay and adopt and as a policy. So other than that I think it's mostly clean up, unless you have questions.

**Governor:** And my review is that this is pretty straightforward, but I appreciate your presentation. Members of the Board, do you have any questions for Mr. Nix?

**Attorney General:** Governor, I just have one question. Brian, on Page 8 of your policy, at the very bottom in read you're adding a new provision to Item E. How is that different or why is that needed when you have D above? What's the distinction between D and E with the new red language?

**Bryan Nix:** It's rare, but on occasion we've accepted a claim that shouldn't have been accepted under our policies, but due to information that came later, a decision may need to be reversed on acceptance. And I think this language is intended to address those rare circumstances. If we accept a claim and later discover there was a major issue that we shouldn't have accepted it that

comes to light, we just wanted to clarify the ability that we don't have to continue paying on a claim that was wrongfully accepted.

**Governor:** So is your question, Madam Attorney General, that this is redundant?

**Attorney General:** Yes, that's what it appears to me. That's why I wanted to know was there a distinction between why E is needed when you have D.

**Governor:** So, Mr. Nix, did you understand the question?

**Bryan Nix:** Yeah, I think I do. There may be a little redundancy in here, and we can take a look at that. I mean, there are probably restatements of certain policies throughout here that reinforce some other policy, and it may well be that we have some redundant language in there. I'll take a look at that.

**Attorney General:** Okay.

**Governor:** Well, today's the day though. I mean, so we're looking at adopting this.

**Bryan Nix:** If I could have a few minutes and I'll take this and take a look at it, I might be able to come up with a quick line through that would take care of that.

**Governor:** Is that acceptable?

**Bryan Nix:** It'll take a few minutes.

**Governor:** ...to you, Madam Attorney General, just to give Mr. Nix an opportunity to...

**Attorney General:** Sure, sure. Yep, I'm good with that.

**Bryan Nix:** Unless you have a particular suggestion, I hadn't looked at that and I don't want to strike out the wrong sentence.

**Governor:** No, and I prefer that you give it a second look to make sure that

**Bryan Nix:** Yeah, I'll give it a few minutes. I'll be available.

**Governor:** We'll table this Agenda item unless there are any other questions.

**Secretary of State:** No, Governor.

**Governor:** All right.

**Bryan Nix:** Thank you, Governor.

**Governor:** Mr. Nix, are you ready or do you need a little more time?

**Bryan Nix:** I am ready.

**Governor:** Go ahead.

**Bryan Nix:** Bryan Nix for the record for the Victims of Crime program. Thank you for letting me take a couple of minutes to review the language that you were talking about. And if I understand it, and I think I do, we're looking at the section that talks about what happens to victims in other states. And in Nevada what we're trying to provide here is a provision that if the victim is injured in another state, but that state doesn't offer the level of benefits that we offer, that we could supplement the other state's benefits for Nevada residents. It's not unusual that other states have much lower caps, lesser benefits than we provide here. And although it doesn't happen often, it does occasionally happen where they come back and they still have a lot of medical bills related to the crime. And we can help them with that if you approve this policy.

**Governor:** No, and I don't think anyone on the Board is questioning the policy. The question is do we need this additional language in paragraph 2, sub E that you've added in the red?

**Bryan Nix:** Well, I think the last portion of that sentence that we can provide additional benefits where the injuries occur in other states where Nevada provides assistance not offered by the state. And that's kind of just an extension of that thought. I'm not sure how it's redundant. I mean, I see the language in NRS 217.102. They would still have to be eligible for compensation in Nevada. If they were ineligible in the state they were injured, they wouldn't be eligible in Nevada.

**Governor:** I'll accept that if you don't think it's redundant, you know, my position is we'll leave it in. But, Madam Attorney General, do you have any concerns about it?

**Attorney General:** No, I am fine with that. That's all -- I just needed clarification. If they think that there is a purpose for it, then that's fine by me.

**Governor:** Okay. Thank you, Mr. Nix.

**Bryan Nix:** Thank you.

**Governor:** Any other questions with regard to Agenda Item No. 4 -- or excuse me, 3? All right. If there are none, the Chair will accept a motion for approval of the revisions as described in Agenda Item No. 3.

**Attorney General:** Move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval. Secretary of State has seconded the motion. Any questions or discussion? All in favor say aye.

**Attorney General:** Aye.

**Governor:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**\*4. FOR POSSIBLE ACTION – NOTIFICATION OF INTENT TO FILE FOR A GRANT OR LOAN FROM THE DISASTER RELIEF ACCOUNT WHICH REQUIRES AN EXTENSION TO COLLECT DATA**

**A. Department of Public Safety – Division of Emergency Management – Clark County Flood**

Pursuant to NRS 353.2755, the Division of Emergency Management on behalf of Clark County is requesting additional time to the original extension due to the time needed to identify all costs associated with the flood damage repairs and to identify potential insurance claim offsets to the various departments and agencies with damage to structures and facilities. Clark County respectfully requests a fourth and final extension of time from June 30, 2014 to September 28, 2014.

**Clerk's Recommendation: I recommend approval.**

**Motion By: Attorney General**

**Seconded By: Secretary of State**

**Vote: 3-0**

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**Comments:**

**Governor:** Then we'll take on Agenda Item No. 4, Notification of Intent to File for a Grant or Loan from the Disaster Relief Account Which Requires an Extension to Collect Data. Chief Smith. Sorry, Ms. Teska.

**Clerk:** Oh, no problem.

**Chris Smith:** Good morning, Governor, Madam Attorney General, Mr. Secretary. Chris Smith for the record. The Division of Emergency Management is requesting on behalf of Clark County a final extension until September 28<sup>th</sup> of 2014. This will be a grant request, and it is in the -- it is a resultant of the September 11, 2012 flood that occurred in Clark County. The county's Office of Emergency Management reports that all the actual expenses have been identified and they're now in their final stages of compiling the actual costs and completing the Disaster Relief Account application. We appreciate your consideration, and Ms. Irene Navis from the Clark County Office of Emergency Management is present in the Sawyer Building in Las Vegas to answer any questions that the Board may have.

**Governor:** Irene, do you have anything you'd like to add?

**Irene Navis:** Thank you, Governor. Thank you, Board members. Irene Navis for the record, Clark County Office of Emergency Management, Homeland Security. As Chief Smith states, we are in the final application completion process. We've had unfortunately some delays due to

staff turnover and staff shortages, not only in our office, but other offices as well in compiling this information. We do understand and appreciate that this would be our final extension and we look forward to finalizing the application, submitting it for review and going through the Board of Examiners' Interim Finance Committee and Board of County Commissioners' approvals required for this application. Thank you.

**Governor:** Just a quick question, and I know we've said final I think at least two other times. Does that give you enough time to get this done? I know it's complicated and I don't want to have an artificial deadline. If you need more time or if you're eligible for more time, I'd prefer that you just take it if you need it.

**Irene Navis:** I'll leave that to the state. We can wrap up our portion fairly quickly. And it's just a matter of if this gives them enough time to do their review and put it back out for the required approvals for the application itself. So if Chief Smith is comfortable with this date, I am.

**Governor:** Chief, any comment?

**Chris Smith:** Chris Smith for the record. We actually are comfortable with the date of September 28<sup>th</sup>. And, yes, sir, you're right, we have said final several times, but this time it was with emphasis.

**Governor:** But remember it says -- it says here fourth and final extension. All right then. If there are no further questions from Board members, the Chair will accept a motion to approve the request for a fourth and final extension from June 30, 2014 to September 28, 2014.

**Attorney General:** Move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval. Secretary of State has seconded the motion. Any questions or discussion? All in favor say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0. Thank you. Thank you, Irene.

**Irene Navis:** Thank you all. Thank you all

## **\*5. FOR POSSIBLE ACTION – STATE ADMINISTRATIVE MANUAL**

The State Administrative Manual (SAM) is being submitted to the Board of Examiners' for approval of additions and revisions in the following Chapters:

- A. **Department of Administration – Administrative Services Division**
  - 1. **0324 – Independent Contract Review Procedure**
  - 2. **0328 – Lease Contracts**
  - 3. **0336 – Amendments to Contracts**
  
- B. **Department of Administration – Enterprise Information Technology Services**
  - 1. **1616 – Cellular Telephones/Tablets/Mobile Devices**
  
- C. **Department of Administration – Fleet Services Division**
  - 1. **0204 – Board of Examiners’ Travel Policy**
  - 2. **0218 – Use of Rental Cars**
  - 3. **0504 – Insurance and Self-Insurance**
  - 4. **1303 – Authorized Operators of State Vehicles**
  - 5. **1304 – Complaint Procedure**
  - 6. **1316 – Records**
  - 7. **1400 – Table of Contents**
  - 8. **1402 – Purpose**
  - 9. **1404 – Policy**
  - 10. **1405 – Services Provided**
  - 11. **1406 – Division Charges**
  - 12. **1407 – Vehicle Utilization Guidelines**
  - 13. **1408 – Facility Locations and Hours of Operation**
  - 14. **1409 – Authorized Operators of Fleet Services Vehicles**
  - 15. **1410 – How to Request a Vehicle**
  - 16. **1412 – Care and Maintenance of State Vehicles**
  - 17. **1414 – Insurance and Accident Reporting**
  - 18. **1415 – Driver Responsibility**
  - 19. **1416 – Fuel**
  - 20. **1417 – Long Term Assigned Vehicle Request (Deleted)**
  - 21. **1418 – Energy Management**
  - 22. **2904 – What to Do in the Event of an Accident or Potential Claim**

**Clerk’s Recommendation: I recommend approval.**

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

**Comments:**

**Governor:** We’ll move to Agenda Item No. 5, State Administrative Manual. Ms. Teska.

**Clerk:** Thank you, Governor. There are three main sections that are up for approval today. And I don’t -- do you want to handle them one at a time or altogether?



**Governor:** Let's take it all.

**Clerk:** Okay. I will give just a very high level review of the changes that are proposed in each of these major areas and staff is available to answer any questions on the specific sections. Under A, these are related to -- No. 1 and 3 are related to adding scanned or fax signatures instead of just original signatures for contracts and for amendments to contracts. And then No. 2 is clarifying an existing procedure dealing with the differences between operating leases and capital leases. Those are already handled differently, but this just aligns the policy to what our current practices are.

On the second section, this a new policy or an update to a policy regarding the use of mobile devices. This really brings a very outdated policy in line with practices that are fairly widespread across the country now in terms of allowing for state issued mobile devices, an allowance or stipend for an individual to use their personal device, or just allowing individual employees to use personal devices upon approval of an agreement with their employer. And the final Section C...

**Governor:** And before you move out of that Section B, so the purpose of that one is for the state to get out of the business of issuing state cell phones because they -- technology turns over so fast and there are so many different kinds.

**Clerk:** And I can let Mr. Gustafson and Mr. Torvinen speak in greater detail to this. I know they've worked very hard on this item.

**Governor:** You're chomping at the bit to say something about that.

**Mike Torvinen:** Good morning, Governor, members of the Board. My name's Mike Torvinen serving as the Deputy Director for the Department of Administration. The motivation to begin with was the policy was certainly outdated. We talked about paying for a portion of plans and that kind of thing which don't -- those plans don't even exist anymore. We got into this and checked with other states. And we found the other states had extremely complicated and lengthy policies that just went into way too much detail. The intention here is we've budgeted \$1.7 million a year to pay for cellular telephones and mobile devices. The original intention was we thought we could reduce that a little bit.

As we got into it, it's not to eliminate state provided devices, it's to ask each department director to develop their own policy picking from one of these three options. If they feel that it's important for their people to have a device that's specifically paid for by the state and they always have it with them, then that's their prerogative. We didn't want to set that policy in SAM. We wanted to just essentially establish that department directors needed to set their own policy and here's three options on how to pay for that -- get people connected.

**Governor:** Do we have closets full of old phones?

**Mike Torvinen:** I don't think so. We might. It was interesting as I was doing research on this, I did come across an audit in a different state, I'm not sure exactly -- I don't recall exactly where,

but their finding was the state was paying for many, many phones that were never used. So it was a little disconcerting that that might, you know, be able to happen. So, again, just trying to modernize and update the policy and have each department director take a look at it and set a policy.

**Governor:** Mr. Gustafson, did you have anything you wanted to add?

**David Gustafson:** David Gustafson for the record. It's funny because when Mike and I started on this path before, I said, "Okay, that's it. This thing is way too complicated." Because when we started to look at the hands-free, when do you use data, when do you don't, I mean, it gets really complicated quickly. And I told Mike, I said, "Every time I keep turning this stone over, it's 30 pages of policy." And we didn't want to do that in SAM. We're trying to get things as short as we can to provide some guidance. And I think we've come up with a really good solution here, I think really giving and empowering agencies to sort of make up, you know, whatever plan is best for them. I think it's in the best interest of the state.

**Governor:** All right. Questions from Board members before we move on? Thank you, Gentlemen. Ms. Teska, if you'd proceed, please.

**Clerk:** And finally Item C under 5 is for our Fleet Services Division. The vast majority of these 22 changes are to update, as you know, we've recently changed the name of the division to Fleet Services from Motor Pool. The majority of these changes are to actually update that language. There are also some -- there's also some clarifying language in here. There's some language in here to update the location to the new location in Vegas. But I know Mr. Wells is here if you have any further questions.

**Governor:** I don't have anything specifically. Keith, do you have anything that you want to -- okay. You're good?

**Keith Wells:** I am good.

**Governor:** Okay. All right. I mean, it's mostly just then semantics in terms of fleet instead of pool.

**Clerk:** Yes, and there's some places where I think that they have done a really good job of streamlining some of the language and taking some kind of -- we had some language that was a little bit awkward in here previously and I think the language is a little more user friendly in the policy in general.

**Governor:** Questions from Board members? Does that complete the presentation for Agenda Item 5?

**Clerk:** That completes Item 5.

**Governor:** If there are no questions from Board members, the Chair will accept a motion for approval of the additions and revisions to the chapters described in Agenda Item No. 5.

**Attorney General:** I'll move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval. Secretary of State has seconded the motion. Any questions or discussion on the motion? All in favor say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**\*6. FOR POSSIBLE ACTION – AUTHORIZATION TO CONTRACT WITH A FORMER EMPLOYEE**

**A. Department of Education**

Pursuant to NRS 333.705, the Department of Education seeks approval to continue a contract with WestEd, who now employs a former employee of the department, Rorie Fitzpatrick. The former employee may be involved in future projects that impact the department.

**B. Department of Employment, Training and Rehabilitation**

Pursuant to NRS 333.705, the Department of Employment, Training and Rehabilitation, Rehabilitation Division, Bureau of Disability Adjudication (BDA), seeks approval to continue to contract with Avysion Healthcare Services, who is anticipated to employ an employee acting as Chief Medical Consultant of the agency who has announced his retirement, Dr. Jaime Wheeler. The current employee has 24 years of experience as BDA's medical policy expert and 30 years of experience as a medical consultant. BDA is requesting to employ this individual part time through Avysion Healthcare Services, up to 20 hours per week, for up to two years subsequent to his retirement in order to continue to train and mentor other BDA physicians.

**C. Department of Health and Human Services – Director's Office**

Pursuant to NRS 333.705, the Department of Health and Human Services requests department-wide blanket pre-approval authority to contract with persons who are current or former graduate assistants or student workers of the Nevada System of Higher Education.

**D. Department of Health and Human Services – Director's Office**

Pursuant to NRS 333.705, the DHHS Director's Office requests authority to contract with a former employee, Jennifer White, to serve as a statewide 2-1-1 Coordinator.

**E. Department of Health and Human Services – Division of Health Care Financing and Policy (DHCFP)**

Pursuant to NRS 333.705, the DHCFP requests authority to contract with Dr. David Fiore, who is currently employed at the University of Nevada, Reno. DHCFP would like to retain his services through Avysion to ensure adequate staffing for Medicaid eligibility determinations during work load fluctuations.

**F. Department of Health and Human Services – Division of Public and Behavioral Health**

Pursuant to NRS 333.705, the Department of Health and Human Services requests retroactive authority for contracts with persons from November 2012 through March 2014, who are current or former graduate assistants or student workers of the Nevada System of Higher Education.

**Clerk's Recommendation: I recommend approval.**

**Motion By: Secretary of State**

**Seconded By: Attorney General**

**Vote: 3-0**

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**Comments:**

**Governor:** We'll move on to Agenda Item No. 6, Authorization to Contract with a Former Employee. Ms. Teska.

**Clerk:** Thank you, Governor. Item No. 6 actually has six requests from agencies to contract with current or former employees. I'll go through these one at a time. And then if you have any questions, please feel free to jump in. The first one is with the Department of Education. They actually -- the department previously and continues to have a contract with WestEd. Actually they have multiple contracts with WestEd. And WestEd now employs a former employee of the department. And this is a disclosure and request to continue contracting with -- continue the contracts with the vendor. The former employee does not currently work on any of those contracts directly.

The second item is from the Department of Employment, Training and Rehabilitation. This is a prospective request. The agency has a contract with a Avysion Healthcare Services. I hope I said that correctly. And they have a current employee who is anticipated to retire and is anticipated to go to work for Avysion Healthcare Services. This is a request to continue the contract that they currently have in place.

**Governor:** So that employee, what will be that employee's duties at, I can't say it either, Avysion A-V-Y-S-I-O-N?

**Clerk:** I believe that there will be some relationship here. If there's a representative from Rehabilitation here that can speak to this or from Disability Adjudication?

**Shelley Hendren:** Yes, thank you, Governor and Board members. My name is Shelley Hendren and I'm the Administration for the Rehabilitation Division. And the Bureau of Disability

Adjudication is part of that division. This individual that we've asked to contract with is very unique. He's a medical physician and he's served with the Bureau of Disability Adjudication for 24 years. What's unique about it is the application of Social Security Administration, policy procedures and guidelines as far as determining whether someone should receive Social Security Disability income or not. So it's kind of a very unique skillset. It's not just the medical knowledge which in and of itself is important, but also the application of that policy that is learned over time. He has over 30 years of background in this industry and working with the Disability Adjudication. So when he retires he'll be a great loss to us. He was also the -- is currently the supervisor for the physicians in the office, both full-time, part-time and contract

So what we've asked is when he retires to contract with them on a part-time basis only up to 20 hours a week for a limited period of time to help with our transition and training and mentoring a replacement for him, which we know we can't hire at least until the next federal fiscal year because this program is funded by Social Security Administration, so there's going to be a gap as well from when he retires to when we could replace him potentially.

**Governor:** Thank you very much. That was very thorough. All right, Ms. Teska.

**Clerk:** Item C is a request from the Department of Health and Human Services on a department-wide basis to get approval to hire -- to contract with persons who are current or former graduate or student workers with the university, with the Nevada System of Higher Education. These are largely for medical positions.

Item D is a request from the Department of Health and Human Services Director's Office to contract with a former employee to serve as a statewide 211 coordinator. It's our understanding that at the time the budget was constructed, the department did not anticipate needing a coordinator, but increased demands have made it so that their staff cannot absorb this workload. And they are anticipating requesting a half-time position in their next budget to cover these duties.

On the next page, Item E is a request from the Division of Health Care, Financing and Policy, authority to contract with a current University of Nevada Reno employee and retain his services through Avysion for medical eligibility determinations.

And the final one is actually related to Item D -- I mean, Item C, excuse me. This is a request for retroactive authority for contracts with the Division of Public and Behavioral Health for former graduate assistance and student workers with the System of Higher Education.

**Governor:** All right. Thank you, Ms. Teska. Any questions from Board members with regard to Agenda Item No. 6?

**Secretary of State:** Governor, a legal question with respect to Items C and F. Is the disclosure sufficient under the statute? I think it's NRS 333.705 which would require (inaudible) contract with a former employee identify the person who will be providing those services, and after reviewing the disclosure, the State Board of Examiners approves the contract. You know, both

of these are I guess blanket exceptions that we're requiring. Does meet the requirement of the statute?

**Governor:** I don't have the statute in front of me, but I think the purpose here -- and I was just thinking to myself that when we're talking about graduate assistance and student workers, that perhaps we ought to consider an amendment to the statute so that we don't have to consider these because these are students that are looking to get some experience. But in any event, I don't know if the Deputy Attorney General has the statute in front of her.

**Katie Armstrong:** You know, I don't have that in front of me, Governor, but I did look into the SAM and there is a provision for blanket preapprovals that we have talked about for like intermittent employees, seasonal employees. I don't know if that applies to these employees.

**Governor:** Mm-hmm. Well, again, if perhaps we can approve all of these except for C and F, and then perhaps get an opportunity for you to review the statute to see if we can move forward without any specific identity of the individuals involved. I don't know if they -- we can find out who they are if we wanted to because perhaps some of them are going to be working this summer and they haven't been determined yet, but I have an individual here. Sir.

**Gerold Dermid-Gray:** I can clarify some of the concerns for CNF. For the record my name is Gerold Dermid-Gray. I represent University of Nevada Reno, School of Community Health Sciences. So currently the department of Health and Human Services contracts with several of our graduate assistants that are getting an education through the Master of Public Health program and soon to be a PhD program, to provide services for Nevada Division of Public and Behavioral Health. We currently would like to -- there's a large number of students, and so it precludes them from after getting an education or while getting an education, these are our top students that are getting graduate assistantships at ten hours a week from contracting with the state. And we would like in the future -- it would probably be labor intensive to approve them on an individual basis because we're talking about probably upwards of 30 to 50 a year just from UNR, not even including UNLV. And we would like to in the future make a blanket or change the statute to allow for that. Because that was not -- what we were told is that was not the intention of the statute. And it is preventing a lot of these students from getting employment with the state and causing them to go elsewhere and out of state for those jobs.

**Governor:** And you hit it right on the head because I think it was an unintended consequence of this bill. And certainly with the healthcare situation in the Nevada, under no circumstances do I want something that wasn't intended to discourage these graduate assistants from staying in state. And so, again, Mr. Secretary, I don't have that statute in front of me, and I don't know if somebody could get a copy of it. I'll take a look at it. But, you know, I don't know as a practical matter if we can identify these students because we don't know who they are. And on the other hand, if we have to wait until we know who they are so that they can apply, they may accept another position somewhere else.

**Gerold Dermid-Gray:** And we currently are in that situation. I know the Division of Public and Behavioral Health has had to deny applications upwards of 100 qualified students due to this.

**Governor:** And this is the Behavioral Health area which...

**Gerold Dermid-Gray:** Yeah.

**Governor:** ...there's a very acute need. So I appreciate your comments, Mr. Gray. And, again, we'll -- if the Secretary so desires, we'll hold C and F pending a review by the Attorney General. So with...

**Secretary of State:** I don't want to prejudice either one of these agencies. Are there employees that they need to contract with immediately or graduate students or any of these exemptions are going to cause them any harm by pulling this and waiting until we get some guidance from the AG's Office?

**Governor:** I mean, if you mean pulling it and waiting until the next meeting, I think the answer's yes. Mr. Gray, do you have any further comments? Because we're at the end of the school year and I think, if I'm right, the students...

**Gerold Dermid-Gray:** We have...

**Governor:** ...are looking for their positions right now.

**Gerold Dermid-Gray:** We have several students in the applicant pool currently. NRS has been instated for so long that we have lost a lot of students, so we'll be losing another batch if we do wait on this. So there's probably 50 students right now that that's affecting, effective graduation, which is this Friday.

**Governor:** Affect the graduation?

**Secretary of State:** That's not my intention.

**Governor:** Mm-hmm. Yeah, no, and I know that, Mr. Secretary. Just, as I said, one of these unintended consequences. But my recollection is that we have approved these before; is that right? And I'm asking the Attorney General or the Deputy Attorney General. I think we've approved these before. And I see Director Willden coming to the table.

**Mike Willden:** Governor, good morning, and members of the Board. Thank you. With me to the table is Karen Masters, our Personnel Officer, Deputy Administrator. Just a little bit of history. When the law was passed that said we needed to get permission to contract with ex-state employees, our original (inaudible) being Health and Human Services and the now Division of Public and Behavioral Health, then the State Health Division, interpreted I guess an exemption into the law ourselves that these were university employees and they have an exemption from the process, and therefore we didn't have to follow that exemption, that that exemption applied. There was some muddiness around; we contract with the university, and were they really university employees, were they getting a 1099 from the university, those types of things.

And so there was a lot of muddiness, so we've been engaging in these contracts to have research done, to have services provided, and the graduates and the students provide that stuff. So we had interpreted that the law didn't apply. Well, once we got in do they get a 1099, they are university employee, then it looks like they're a current state employee that we're contracting with. And they rotate through these slots. It's pretty muddy. I would agree with you, Governor, that it's probably fix we need to have to the statute so that we can continue to contract with the university system so that we get the graduate assistance the students (inaudible) the research and the work, and un muddy the statute.

**Governor:** But we've approved these already. Don't we already have some agreements with students?

**Mike Willden:** I don't know how many we approved, but we'd like -- as was said, we've had -- we have probably 30, 40, 50 of these things going all the time. And so I don't think we've brought them forward, Kareen, is that correct? Or we don't think we've brought them forward individually.

**Governor:** Yeah, and these are individuals that would be helping out at Rawson-Neal and Dini-Townsend and...

**Mike Willden:** We contract the university to do research and then they have a key researcher and then they bring the grad students and things together to conduct the research on our behalf. And so there may be two, three, five people working on a research project.

**Gerold Dermid-Gray:** The current projects that are going on that these students aren't being allowed to work on are projects that allow the state to get more funding from the Centers for Disease Control and Prevention. They're to do community levels needs assessments, to do grant proposals. So it's actually hurting us from getting more funding into the state as well because we don't have the capacity with the Division of Public and Behavioral Health to have the staff members that are currently employed take on all of those services.

**Katie Armstrong:** Governor, I did want to make a comment. There is a provision in the statute that the Director can approve for up to four months employment, so if there is a desire to wait until the next Board of Examiners' meeting, there is that emergency provision. And then I also want...

**Governor:** You could do what most people do and just seek retroactive approval.

**Mike Willden:** Governor, that is the retroactive approval. You know, we wanted to get the blanket going (inaudible). What we decided is we sort of needed to come clean that we've had some of these in the process thinking that the exemption didn't apply to them. But once we cleared up that they do get a 1099 from the university, they are a university employee.

**Gerold Dermid-Gray:** And I believe the documentation provided by the Division of Public and Behavioral Health did have the names of the employees for Item F.



**Mike Willden:** For the retroactive.

**Gerold Dermid-Gray:** Yes.

**Governor:** So are there two groups of students in F? So there are some that are specifically identified and then there would be an approval for those going forward; is that what that is?

**Mike Willden:** Yeah, F is the ones that we retroactive -- that we have brought in and seek retroactive forgiveness I guess. And C is the prospective going forward that we really need to have a policy that blanketly says for these research contracts where we're engaging with the university system that we can use graduate assistance student workers to work on these various projects we have. And, Governor, you hit the nail on the head. I think we've sort of lost traction over the years where the university system needs to have an employment path to human services and this is a great way (inaudible) and help them transition from their education to the workforce.

**Governor:** Well, it's just a little ironic. And I don't know if there are any contracts that I recall today, but we're approving contracts between DHHS and the university all the time. And now those students can't actually perform the work on the contracts until we approve them through this process.

**Katie Armstrong:** And, Governor, if I may, I have pulled the statute and had a chance to look at it, and it does explicitly say we're approving the person. However, this is something that Julia and I were discussing that we might be able to fix in the meantime with the SAM manual until we can get a legislative fix on this.

**Governor:** I guess the question is do we have the authority right now to approve them without identifying them specifically?

**Katie Armstrong:** According to the statute, no, they need to be identified specifically.

**Governor:** All right then.

**Secretary of State:** Governor, if I can interject, the Attorney General pointed out to me that there's also another subsection that I want to make sure the Deputy AG has reviewed, which is Subsection 9, which says that the provisions of Subsections 1 to 6 inclusive do not apply to the Nevada System of Higher Education or a board or commission of this state. That may give us some leeway.

**Katie Armstrong:** Thank you, Secretary of State. That applies to when (inaudible) they don't have to get their contracts approved through BOE. So this is kind of the opposite, so that is not applicable.

**Governor:** So that one's not applicable?

**Katie Armstrong:** No.

**Mike Willden:** Governor, that's the part that we got muddled with. We read that statute. We felt that that part applied to us too, but it clearly doesn't now.

**Clerk:** This is Julia Teska. Just offering a suggestion, would it be possible for us to -- as you indicated there's an emergency provision for the first four months. At that time you bring the students on and then we bring the actual list of names to the subsequent meeting. Would that be able to meet the timing need so that you could get your items?

**Mike Willden:** Yes, we can do that. I've used the 120 day provision (inaudible) division several times. It's just we get a little nervous with the term. That's supposed for emergencies, and so...

**Governor:** Well, I think it's an emergency.

**Mike Willden:** So I just want to make sure...

**Governor:** I'll say it for the record, we need those individuals to do the care and to work on those projects. So I think there's a sense of urgency here that would justify that.

**Mike Willden:** So I'm happy to use the four month provision and then we'll bring them back after the four month provision until we can get a permanent fix.

**Governor:** So then that would mean that we can't approve Section C?

**Clerk:** Well, the backup materials, I would defer this question to the Deputy Attorney General. The backup materials for Item F did list -- the support documents did list the names of those individuals. It was just not on the actual Agenda item.

**Katie Armstrong:** If those are in the Agenda packet, I think that's fine if the names are listed in the back under F.

**Governor:** Yeah, here it is. So there are one, two, three, four, five, six, seven, eight, nine individuals that are named in our packets. That would fall under 6F. All right. Like you said, clear as mud, right, Director Willden? But in any event, so I believe I can take a motion for approval of 6A, B, D, E and F so far as the individuals that are mentioned specifically in our packets, and there's not a page number in here, but it's a Derek Morgan, Lisa Maletsky, Stephanie Tashiro, Ashley McHugh, Brian Parrish, Christopher Marchand, Sherry Liao L-I-A-O, Yasmine Mohamednur M-O-H-A-M-E-D-N-U-R and Emily Brown. And then what I would ask...

**Secretary of State:** I'll move for approval.

**Governor:** Okay. The Secretary of State has moved for approval. Is there a second?

**Attorney General:** I'll second the motion.

**Governor:** The Attorney General has seconded the motion. All in favor say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** Opposed no? Motion passes 3-0. Mr. Willden, and for Mr. Gray's benefit and those students' benefits, I would encourage you to seek -- or to sign that emergency order in order to get some certainty for those students so that they can move forward. Once we have the identities of those individuals, if you would seek to have this put back on the Agenda and we'll approve those.

**Mike Willden:** Thank you.

**Governor:** Thank you.

**\*7. FOR POSSIBLE ACTION – REQUEST FOR GENERAL FUND ALLOCATION FROM THE INTERIM FINANCE COMMITTEE CONTINGENCY FUND**

**A. Judicial Branch – Judicial Retirement System - \$24,241**

Pursuant to NRS 353.268 the Judicial Branch, Judicial Retirement System State Share, requests an allocation of \$24,241 from the Interim Finance Committee Contingency Fund to fund a projected shortfall in the account supporting the unfunded actuarial accrued liability payments.

**B. Judicial Branch – Judicial State Elected Officials - \$110,000**

Pursuant to NRS 353.268 the Judicial Branch, Judicial State Elected Officials, requests an allocation of \$110,000 from the Interim Finance Committee Contingency Fund to fund unbudgeted Medicare costs.

**C. Judicial Discipline Commission - \$29,527**

Pursuant to NRS 353.268, the Judicial Discipline Commission requests an allocation of \$29,527 from the Interim Finance Committee Contingency Fund for an operating shortfall due to unanticipated commission expenses.

**D. Department of Taxation - \$86,066**

Pursuant to NRS 353.268, Department of Taxation, requests an allocation of \$86,066 from the Interim Finance Committee Contingency Fund to fund the excise tax imposed from SB374,

Section 24.4 in the 77th Legislative Session, relating to the sale of marijuana, edible marijuana products and marijuana-infused products.

**E. Department of Motor Vehicles – Division of Motor Vehicle Information Technology - \$140,256**

In accordance with NRS 353.268, the Department of Motor Vehicles – Division of Motor Vehicle Information Technology is requesting an allocation of \$140,256 from the Interim Finance Committee Contingency Fund Highway Fund to contract with a project manager to write the Request for Proposal for the departments System Modernization project.

**Clerk's Recommendation: I recommend approval.**

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

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**Comments:**

**Governor:** We'll move to Agenda Item 7, Request for General Fund Allocation from the Interim Finance Committee Contingency Fund. Ms. Teska.

**Clerk:** Thank you, Governor. There are five requests on the Agenda today for contingency funds. The first item is from the Judicial Branch for the Judicial Retirement System. The budgeted amount, it's for \$24,241. This is to make up a projected shortfall in the actuarial accrued liability. The budget was based on a report from June 30<sup>th</sup> of 2012. And this request is based on the updated report from June 30, 2013.

The next item is also for the Judicial Branch. It's for the Judicial State Elected Officials. As you recall back in November there was a request to cover some unbudgeted Medicare costs for prior years. This is the current year portion of that item. The Judicial Branch has attempted to cover the current year costs with savings within their budget. This is the shortfall that results. The total costs were in excess of \$200,000, and the request is for \$110,000. So they did through some salary savings be -- they were able to cover a portion of the current year's costs.

**Governor:** But that's the state's share, not the individual's share?

**Clerk:** Yes.

**Governor:** Okay. And then do you -- will this be the last piece of that to cover that expense?

**Clerk:** This is -- because we have a two-year budget cycle, the costs were also not budgeted in 2015. Again, we would be looking at -- there could be some potential salary savings. We don't know at this point. Likely any shortfall there would be coming forward as a supplemental appropriation request. So this group will probably -- this Board will probably not see this again.

**Governor:** All right. And then I know this isn't on the Agenda, and if you don't know, you don't know, but do we know how we're doing on the repayment of the individual costs associated with this matter?

**Clerk:** My understanding from the folks at Judicial is that all of the employee side costs have either been paid or they're in agreement to make monthly payments to cover those costs.

**Governor:** All right. Thank you.

**Clerk:** The third item is for the Judicial Discipline Commission. This is for -- this is a second request for them and this is to cover some continuing cost overruns that are related to some current cases and appeals. It's for \$29,527.

**Governor:** That's mostly from one case, isn't it?

**Clerk:** Yes. Item D is actually for 2015. Earlier the Board of Examiners approved \$520,412 for the Department of Taxation for 2014 costs related to some additional staffing needs and modification of the Unified Tax System related to the sale of medical marijuana and edible marijuana products. This is to continue into 2015, the cost of the position and the additional modifications that are still necessary for the Unified Tax System. So the \$520,000 was for the 2014 expenses and this is the \$86,000 is for the 2015 portion of the expenses.

**Governor:** So all in it's \$651,497 is what we're looking at and then that's the first question. Second question is won't this get reimbursed once the project or the program is up and running from fees and costs?

**Clerk:** I'll let the representatives from the Department of Taxation discuss the specifics?

**Rick Gimlin:** Good morning, Governor...

**Governor:** Good morning.

**Rick Gimlin:** ...members of the Board. My name is Rick Gimlin. I'm the Administrative Services Officer for the Department of Taxation. Governor, your first question again?

**Governor:** What's the total cost that we've put out to meet with the requirements of SP374? So I just -- I'm confirming what's in front of me.

**Rick Gimlin:** Right.

**Governor:** The total anticipated cost to implement SP374 has been revised from 682.820 to 651.497. And I just wanted to confirm that's the correct number.

**Rick Gimlin:** That's correct, Governor. And that's based upon what we anticipate to finish FY14 for expenses and then what we believe will happen in FY15. And then in future biennial we will have ongoing costs related to the Tax Examiner II position that was funded in FY14.

**Governor:** Okay. And then the second question is, is there a mechanism by which the fees and costs that are collected by the department to reimburse this expense?

**Rick Gimlin:** In this particular case for the contingency fund request, we expect to have sufficient cash on hand at the end of the year to reimburse the request. So we should be able to make the contingency fund whole.

**Governor:** Okay. That's all the questions I had. Thank you. All right, Ms. Teska.

**Clerk:** And finally Item E is the request from the Department of Motor Vehicles for \$140,256. This is to contract with a project manager to write a request for proposals or an RFP for the department's system modernization project. And I know that the Director is here if you have questions.

**Governor:** Yeah, I saw the Director as well. Just a quick question for you, Mr. Dillard. Good morning.

**Troy Dillard:** Good morning, Governor.

**Governor:** Just a question on how we're doing and what this system modernization project is, just a little more detail with regard to that.

**Troy Dillard:** Sure. I've prepared a little bit of an overview for you this morning. So we're requesting authority to hire a consultant and subject matter expert to facilitate the process of developing an RFP to modernize our information technology systems. Presently the department is utilizing a system that was deployed in 1999. It's no longer capable of meeting the demands of the DMV in modern times. The department currently processes 8.4 million transactions per year with a 6 percent annual increase year and after year. With the passing of each year the department's falling farther and farther behind its ability to maintain the IT systems and resources with current customer expectations.

The current aging system is a COBOL mainframe application with multiple third-party software configurations connected for us to be able to provide required services. The focus of the project would be to modernize to a flexible, integrated and consolidated platform with the ability to remain current in future technologies. The goal of the initiative is to provide required services quicker and more efficiently, reducing customer wait times, increasing product delivery speed and reduce programming backlogs. Ultimately the system will be a modernized information technology platform that is easy to configure and maintain, provide the necessary tools to test, monitor, troubleshoot, manage and extend.

The modernized solution will provide enhanced security, disaster recovery and (inaudible) capabilities. The investment to be made in the system is substantial with initial estimates placed between 40 and \$70 million. Comparatively the system that was designed and deployed in 1996 and 1999 consumed \$40 million. The deployment of the system in 1999 was a significant failure and consultants were hired after the fact as well as the deployment becoming the subject of several research papers on how not to administer a big bang IT platform delivery.

With such an investment at stake, the department wants to ensure that the RFP receives the attention it needs to eliminate post-contract issues and disputes. We believe the investment in a subject matter expert is a course of action that makes prudent sense and will save both money and time over the term of the project as well as into the future.

**Governor:** Thank you. There's still people that work on COBOL?

**Troy Dillard:** The Department of Motor Vehicles and I think one other department may still have a few, but that's about it.

**Governor:** And also with this aged and sounds like deficient system, does that also put us or put the state vulnerable in terms of identity protection with regard to the information that's stored?

**Troy Dillard:** I think, Governor, the answer to that is we're all experiencing increased attacks, particularly for identity theft and people after credit card information, so usually it's a fiscal based crime. It is more difficult for us to keep up based upon the age of our system. We have expended serious efforts in maintaining our information. We can say, you know, fairly confidently that we're not aware of any breaches, but the attacks come all the time. With a modernized system, it does make it easier to stay on top of that.

**Governor:** And when do you expect the new system -- so this is just to get somebody to study the type of system that we will need?

**Troy Dillard:** So this would be a consultant that has expertise in this field of putting these large scale bids together, that has expertise in the technologies that we're looking for, that we need, and the application of that. So historically what we found is that if the RFPs don't specify specifically enough, we wind up with a lot of costs on the back end and a lot of time overruns as well.

**Governor:** So you're telling me you're coming with a 30 or \$40 million budget request for a new system?

**Troy Dillard:** Based upon the findings for the consultant, that's about what we're anticipating, yes.

**Governor:** All right. Questions from Board members? Didn't sound like it.

**Attorney General:** No, Governor.

**Secretary of State:** No, Governor.

**Governor:** Thank you. Thank you very much. And when would this person start if this is approved today?

**Troy Dillard:** We're hoping to have the person onboard the beginning of July.

**Governor:** Okay. Does that complete the Agenda Item No. 7, Ms. Teska?

**Clerk:** Yes, it does.

**Governor:** Board members, any questions with regard to Agenda Item No. 7 A through E?

**Secretary of State:** Director Teska, what is the remaining balance should we approve these contracts today?

**Clerk:** Thank you. The current balance between both the restricted and unrestricted and the Highway Fund and General Fund in the Contingency Fund right now is a little over \$16 million. The first four items would come out of the General Fund portion of that. The item for DMV comes out of the Highway Fund portion. It would leave the total balance at about \$15.6 million. Of that there would be an unrestricted Highway Fund balance of about \$1.4 million, an unrestricted General Fund balance of about \$7.8 million, a restricted General Fund balance, which those are items that are specifically appropriated to the Contingency Fund for specific purposes, would be about \$6.3 million, and the balance for restricted Highway Funds would be \$25,000.

**Secretary of State:** And how much money was originally allocated to the total Contingency Fund?

**Clerk:** The beginning balance at the start of this biennium was \$26.4 million. There have been 10.4 -- there's been \$10.4 million expended to date.

**Secretary of State:** So we've spend about 40 percent of the originally allocated funds. How comfortable are you if we approve these accounts that we're going to have enough money to meet the needs of the state?

**Clerk:** I would say that unless we have an unusual fire season, which I think we can all cross our fingers and hope that that is not the case, I think that at this point we're in decent shape.

**Secretary of State:** Okay. Thank you.

**Governor:** Any further questions? If there are none, the Chair will accept a motion for approval of Agenda Item 7 A through E.

**Attorney General:** Move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval. Secretary of State has seconded the motion. Any questions or discussion? All in favor say aye. Aye.

**Attorney General:** Aye.



**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**\*8. FOR POSSIBLE ACTION – SALARY ADJUSTMENTS**

**A. Distribution of Salary Adjustments to Departments, Commissions and Agencies, pursuant to Assembly Bill 511, Sections 6, 7, and 8 of the 2013 Legislative Session.**

The 2013 Legislature appropriated funds from the State General Fund and State Highway Fund for the purpose of meeting any deficiencies which may be created between the appropriated money of the respective departments, commissions, and agencies of the State of Nevada, as fixed by the 2013 Session of the Nevada Legislature, and the actual salary of each state employee. Pursuant to this legislation, the following amounts from the State General Fund and State Highway Fund are recommended:

BA#	BUDGET ACCOUNT NAME	GENERAL FUND ADJUSTMENT	HWY FUND ADJUSTMENT
4713	Nevada Highway Patrol		\$352,732
3650	Military	\$18,713	
2941	Division of Museums & History - Administration	\$2,719	
2870	Division of Museums & History – Nevada Historical Society	\$2,531	
	<b>Total</b>	<b>\$23,963</b>	<b>\$352,732</b>

**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 No. 8, Salary Adjustments. Ms. Teska.

**Clerk:** Thank you, Governor. There are four requests from agencies for salary adjustment funds; one from the Highway Fund and three from the General Fund. These requests are to meet the difference between the line items that were approved in the legislatively approved budget and what was approved in Assembly Bill 511 which is the pay bill from the 2013 session. Essentially there was a difference there because of the restoration of the two and a half percent salary cut and retaining the six furlough days for the biennium. And as we know, the furlough days come with a purse hold harmless, so there is a little difference between what was approved in the individual line items versus what the actual costs are based on the pay bill. There was money appropriated to the salary adjustment accounts in the pay bill. And these are the requests received for this month from the agencies.

**Governor:** And how are we with regard to the balance of that fund versus what we have paid out?

**Clerk:** You know, we're still very early in the process. I would imagine most salary adjustment requests will come in either June or July. However, to date for the Highway Fund portion, there was \$1.8 million allocated for FY14. If we approved the requests that are before us today, we will still have \$1.4 million left. And in the General Fund portion of salary adjustments, I believe these are the first General Fund salary adjustment requests to be approved. There was just a little over \$16 million allocated. The requests today for the General Fund as you can see total less than \$24,000 and it still leaves us with about \$16 million in General Funds.

**Governor:** Questions from Board members with regard to Agenda Item No. 8? If there are none, the Chair will accept a motion for approval of the salary adjustments as described in Agenda Item No. 8.

**Attorney General:** Move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval. The Secretary of State has seconded the motion. Any questions or discussion? All in favor say aye.

**Attorney General:** Aye.

**Governor:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**\*9. FOR POSSIBLE ACTION – AUTHORIZATION TO APPROVE A PROVIDER AGREEMENT**

**A. Department of Health and Human Services – Division of Public and Behavioral Health**

The Division of Public and Behavioral Health is requesting Board of Examiners' approval for amendments made to their Supported Living Arrangement (SLA) provider agreement template. These changes will formalize the process for standardization, monitoring, oversight and accountability of the SLA residential provider service delivery system.

**B. Department of Health and Human Services – Division of Child and Family Services**

The Division of Child and Family Services is requesting Board of Examiner approval of a Provider Agreement template contract for services of independent contractor for Specialized Foster Care Services

**Clerk's Recommendation: I recommend approval.**

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

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**Comments:**

**Governor:** We'll move on to Agenda Item No. 9, Authorization to Approve a Provider Agreement. Ms. Teska.

**Clerk:** Yes, there are actually two provider agreements from the Department of Health and Human Services before you today. Item A is from Public and Behavioral Health, and it is for their Supported Living Arrangement provider agreement. This is -- they've made improvements to help standardize and monitoring and oversight for the residential support providers. Item B is from Child and Family Services, and this provider agreement is specifically for Specialized Foster Care Services.

**Governor:** And we've seen these before. This just allows for more efficiency, so the HHS can enter into agreements with the providers and move...

**Clerk:** Without coming here every time.

**Governor:** Without coming to the BOE every time. So, Board members, any questions with regard to Agenda Item No. 9?

**Attorney General:** No, Governor. I'd move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval for the provider agreements described in Agenda Item No. 9. Secretary of State has seconded the motion. Any questions or discussion? All in favor of the motion say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**\*10. FOR POSSIBLE ACTION – VICTIMS OF CRIME FY 2014 3<sup>RD</sup> QUARTER AND 4<sup>TH</sup> QUARTER RECOMMENDATION**

NRS 217.260 requires the Board of Examiners to estimate available revenue and anticipated claim costs each quarter. If revenues are insufficient to pay anticipated claims, the statute directs a proportional decrease in claim payments.

The 3<sup>rd</sup> Quarter fiscal year 2014 Victims of Crime Program report states all approved claims were resolved totaling \$20,306,735.23, with \$4,698,362.36 paid out of the Victims of Crime Program account and \$15,608,372.87 resolved through vendor fee adjustments and cost containment policies.

The program anticipates future reserves at \$8.1 million to help defray crime victims' medical costs.

Based on the projections, the Victims of Crime Program recommends paying Priority One, Two and Three claims at 100% of the approved amount for the 4<sup>th</sup> quarter of FY 2014.

**Clerk's Recommendation: I recommend approval.**

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

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**Comments:**

**Governor:** We'll move to Agenda Item No. 10, Victims of Crime FY2014 third quarter and fourth quarter recommendation.

**Clerk:** Thank you, Governor. Included in this is the report for the third quarter of fiscal year 2014 for the Victims of Crime Program. The recommendation based on the funds available and the projections are to continue paying priority one, two and three claims at 100 percent. I believe Mr. Nix is still available if we have any questions.

**Governor:** Yes, my only question just to make sure we're still on track?

**Clerk:** Yes, as far as -- they are in a good financial position as far as these recommendations.

**Governor:** And in years past and given what's going on in Washington, is there any possibility of less funds in the future?

**Clerk:** I would defer to -- I'm not sure I see actually Mr. Nix at the moment. But my understanding is that the funding for this program has been gradually on a decline.

**Governor:** Well, again, I'm glad we're on track. My only point is, is that if the funds are going to be reduced in the future that we monitor that very carefully.

**Clerk:** Yes.

**Governor:** So do we need to approve this recommendation, Ms. Teska?

**Clerk:** I believe so.

**Governor:** Okay. Board members, any questions with regard to Agenda Item No. 10?

**Attorney General:** No, Governor. I'd move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval of the recommendation described in Agenda Item No. 10. The Secretary of State has seconded the motion. Any questions or discussion? All in favor say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**\*11. FOR POSSIBLE ACTION – 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 Administration – Fleet Services Division	1	\$26,550
<b>Total:</b>	<b>1</b>	<b>\$26,550</b>

**Clerk's Recommendation: I recommend approval.**

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

**Comments:**

**Governor:** We'll move on to Agenda Item 11, State Vehicle Purchase.

**Clerk:** Thank you, Governor. This is a request for the Department of Administration Fleet Services to purchase one vehicle. This is not part of their regular replacements. This vehicle was totaled in an accident. And the cost for replacement of this vehicle will be covered by insurance recoveries and reserves for the agency.

**Governor:** Okay. I have no questions. Board members?

**Attorney General:** No. I'll move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval of Agenda Item No. 11. Secretary of State has seconded the motion. Are there any questions or discussion on the motion? If there are none, all in favor say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** Opposed no? Motion passes 3-0.

**\*12. FOR POSSIBLE ACTION – LEASES**

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

**Clerk's Recommendation:** I recommend approval.

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

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**Comments:**

**Governor:** We will move on to Agenda Item No. 12, Leases.

**Clerk:** Thank you, Governor. There are five leases for your consideration today. And we'll answer any questions if the Board members have any.

**Governor:** I have no questions. Board members?

**Secretary of State:** No, Governor.

**Attorney General:** No, Governor. I'd move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval of Agenda Item No. -- or the leases described in Agenda Item No. 12. Secretary of State has seconded the motion. All in favor say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**\*13. FOR POSSIBLE ACTION – CONTRACTS**

Forty Nine independent contracts were submitted to the Board for review and approval.

**Clerk's Recommendation: I recommend approval.**

**Contracts: 1-26 and 28-49**

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

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**Comments:**

**Contract: 27 – the Governor abstained from voting on this contract**

**Motion By: Attorney General                      Seconded By: Secretary of State                      Vote: 2-0**

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**Comments:**

**Governor:** We'll move on to Agenda Item 13, Contracts.

**Clerk:** There are 49 contracts for consideration by the Board today. Items that we wish to hear discussion on?

**Governor:** Yeah, I've asked for Contract No. 2, No. 20. And then on Contract 27 I won't be participating in the vote on that. The contractor is the Children's Cabinet. My wife is employed by the Children's Cabinet. She won't benefit in any way. I think it's prudent for me not to participate in the vote on that contract. The others that I'd like to hold out are 45 and 47. Board members, do you have any other contracts you'd like to be held?

**Attorney General:** No, Governor.

**Secretary of State:** No, Governor.

**Governor:** Let's begin with Contract No. 2.

**Linda Anderson:** Good morning, Governor. This is Linda Anderson from the Attorney General's Office. We're here today on the Bingham contract. Currently the contract was for -- that we've spent on is about \$388,000.

**Governor:** Yes, and there's -- I understand. I know the nature of the litigation and this is, I believe, is the litigation by the San Francisco city attorney. And my -- I guess the only thing I have is that's quite a bump from 339 to ask for another \$1.125 million for this contract. Could we decrease that and not jeopardize the contract in any way?

**Linda Anderson:** Governor, that amount included approximately 740,000 which would take us through the end of this fiscal year through June. The \$375,000 was an estimate based on the possibility of an appeal. We anticipate the court ruling in California on July 3<sup>rd</sup> of this year is when the hearing will go forward. So we would need at least 740,000 to finish out this year, but we could decrease it by 375. That was just an estimate with the anticipation of appeal. I will note for the record that the city and county of San Francisco has dedicated a lot of resources to this matter and has been very litigious disputing just about everything, but we're hopeful that we will get a resolution in July.

**Governor:** So you think we need \$700,000 just to get to the hearing on the motion to dismiss?

**Linda Anderson:** Governor, that would include all the costs for discovery which included approximately a \$40,000 contract with the vendor to handle the efiles. There have been a lot of discovery disputes, so, yes, I believe we would need about 740,000 to get us through the estimated cost through the end of June.

**Governor:** Okay. Well, if it's that much, I don't know if that other -- is there really any utility in decreasing it by the 300,000? If you're not going to use it, it'll just come back, won't it?

**Linda Anderson:** Correct, Governor.

**Governor:** Okay. Then I'm not going to ask for a reduction on that given your testimony today. All right. Thank you very much, Ms. Anderson. Any other questions from Board members?

**Attorney General:** No, Governor.

**Governor:** All right. We'll move to Agenda Item No. 20, Department of Education and contract is Center for Innovative Technology. Good morning.

**Tahim Varma:** Good morning, members of the Board. So this is a new contract.

**Governor:** And if you would identify yourself, please, sir.

**Tahim Varma:** My name is Tahim Varma (sp?). So this is a new contract to provide and procure double-up and customize and implement in our statewide (inaudible) system with the (inaudible) to create a unique personal (inaudible) students, teachers and other people (inaudible) K12, higher education and workforce in Nevada.

**Governor:** And what will this system do? I mean...

**Tahim Varma:** So this system will allow to link (inaudible) K through 12, higher education and workforce, so we can answer -- we can generate reports on analytics or answer policy questions that we are not able to answer because the data is not linked today. And everything is done manually, so this will automate the linking of the data.

**Governor:** Okay. And so this in other words is going to allow us to watch the progress the students...

**Tahim Varma:** Track the students from K through 12 to higher education and to workforce.

**Governor:** Okay. No other questions. I just wanted to confirm that that's what it was for. Questions from Board members?

**Attorney General:** Governor, this is Catherine. Just I guess a quick question. Are we doing this type of data or personal identifiers for students, teachers and other people now?

**Governor:** Go ahead.



**Dennis Perea:** Mr. Governor, down south, Dennis Perea, Interim Director of DETR. We do this process now manually between the Department of Ed and our Research and Analysis at DETR. It takes several months to actually produce this kind of data, where this data would be real-time.

**Attorney General:** Okay. And I guess the question was the personal identifiers already exist?

**Dennis Perea:** Right now the personal identifiers don't exist, but we do aggregate the data before releasing it so that there is no personally identifiable information going out.

**Attorney General:** Okay. Because it looks like this is not only for students, it's for teachers and other people who enter the workforce in Nevada. What does that mean?

**Dennis Perea:** That's not my understanding. What this is, is tracking students to the System of Higher Education into the workforce. It doesn't include teachers.

**Attorney General:** Okay. Or other people.

**Dennis Perea:** Or other people.

**Attorney General:** (Inaudible). Okay. Thank you.

**Governor:** Well, let's confirm that because the purpose of the contract says personal identifier for all students, teachers and other people who enter K12, higher education institutions and/or the workforce in Nevada. So will this have anything to do with teachers or is it limited to only students?

**Tahim Varma:** It's limited to the students, but the teachers who go on to study -- who go on to study at different colleges, they will also have an identifier, and they will also be created in the USPA, but mostly it will be limited to the students from K through 12 to higher education to workforce.

**Governor:** Okay. Does that responsive to your question, Madam Attorney General?

**Attorney General:** I guess somewhat. I still don't understand what other people would be then.

**Dennis Perea:** For the record Dennis Perea, Interim Director at DETR. I could see a scenario where we would have folks that would come to the State of Nevada that didn't go through K12 system that may be going in for customized training, that DETR would be interested in that information that may have not been through the entire system. But I don't understand the other people as well. It's basically people that have participated in the workforce K through 12 in the System of Higher Education.

**Attorney General:** Okay.

**Tahim Varma:** Correct.

**Governor:** Any other questions from Board members? All right. Thank you.

**Attorney General:** No, Governor.

**Secretary of State:** No, Governor.

**Governor:** Thank you. We'll move to Contract 45. Mr. Perea, just to -- this has to do with the unemployment insurance and I know we've implemented a new system. Is this part of the improvement of that system? I just want a little bit more specificity as to what this contract's for.

**Dennis Perea:** Yes, Governor. We have launched the benefits portion of that system. And fortunately it's been stabilized. And now we're moving on to two more sections. One is the adjudication piece. And then the contributions piece that's supposed to launch in November, so the tax piece is the last step.

**Governor:** All right. So there were some issues associated with the implementation of this new technology. Have those all been resolved?

**Dennis Perea:** We have made great progress, but not all of the issues have been resolved with the benefits launch. We've instituted monthly meetings to get progress reports on the issues that are still outstanding. But people are no longer getting busy signals when they call. They're getting services. The internet claims taking is working well. So most of the issues have been resolved that really impact client service.

**Governor:** What's left to be taken care of?

**Dennis Perea:** We've had certain issues, and I can let Dave Haws speak to this. But we've had certain issues with the security layer and making it difficult where we're getting a lot of calls in for PIN resets, that type of issues. But I'll let -- right now I believe we have 200 errors out there that we've deemed critical that we're still working on.

**Governor:** So the customer service part is resolved?

**Dennis Perea:** We still have an issue with some claims out there being what we call broke, where the information didn't come over correctly that have to be manually adjusted. And that number is 32,000, but that's not live claims. That's just 32,000 records. We're having about 50 to 100 of those folks call in a week to where we actually manually fix those claims.

**Governor:** But they're being taken care of?

**Dennis Perea:** Correct.

**Governor:** Yeah. All right. Gentlemen, yeah.

**David Haws:** Good morning, Mr. Governor and members of the Board. For the record David Haws. I'm the IT Administrator for DETR. And as Mr. Perea was saying that we have made excellent progress actually. Right now we've paid over \$300 million in UI benefits to our constituents. We've made over a million payments with the benefits system. And we also implemented FY13 federal sequestration of which we've collected another \$40 million as part of the sequestration process. We did go through a lengthy shakeout with the benefit portion. And the remaining problems revolve primarily around security issues.

When we initially cut over, there were certain accounts that when we came over from the mainframe application and fired them up in the new application, they became broke between looking at portions of the security process. Those have come to our attention. We're working with the vendor to correct those, but they can still come through either through the IVR and through our cost centers and they are getting paid if they have a claim to be processed. In the meantime we're working to correct those accounts so that they can come through the new internet portion. But we have over 50,000 internet hits every week as people come in and submit their weekly claims and new claims as well.

As the Interim Director spoke, there are two pieces remaining. One is set up the appeals portion which will go live here July 21<sup>st</sup>. And then the tax portion which will occur in the November timeframe. And in this amendment we also stretched it out for an extra year because within the original contract we had a one-year warranty period that would start up as soon as all of the pieces were implemented in, so that's what you're looking at today.

**Governor:** And I don't want it to get lost in this discussion that the system is performing well, correct?

**David Haws:** Yes.

**Governor:** Mm-hmm. I mean, as I said, I know there were some issues beginning, but we've resolved most of those, and for purposes of those that seek to use the system, they're satisfied.

**David Haws:** Yeah, I would say that the problems that we're facing other than the security piece, which is kind of outward facing, making sure that people can come in through the internet and make that work, that the other items are either related to claims that were converted, you know, we went back 20 years, converted 20 years' worth of claims. Some of those need a little bit of handholding because trying to force them into the new system and make them work, and so we've had to -- you know, where we've taken steps to make sure that each claim gets paid. In addition to that, the other kinds of problems that we're having are more kind of internal. Making sure that screens perform the way that they should perform. Some of the screens need some tuning. Right now they're a little bit slow. But we're going through each one of those and looking at the problems and trying to fix those.

**Governor:** And what's your timeframe in terms of correcting those issues?

**David Haws:** We actually track -- we're currently tracking issues related to that benefit release. We also track issues related to the appeals release, issues related to the tax piece. And so we're trying to burn down through all those defects. As those defects are identified and logged, we try to burn down through and correct those. Right now the defects associated with that benefits release, we anticipate some time towards the end of the calendar year to have those corrected.

**Governor:** All right. Thank you very much. Any other questions from Board members? All right. Thank you. Move to Contract No. 47. Good morning.

**Jim Wells:** Good morning, Governor, members of the Board. For the record my name is Jim Wells. I'm the Executive Officer for the Public Employees Benefits Program. Contract 47, this particular vendor contracts with and checks the proper credentials of physicians and other providers within the state. It's a network of physicians and medical providers who -- for the self-funded plan who have agreed to provide the state with discounts from their normal bill charges. This contract also includes a new pricing tool that will be put up this summer that will allow our participants to go online and find the costs for a variety of different procedures that they may be looking to have performed. So it will give them their true out of pocket costs when they actually go to the physician. So that will be a vast improvement over what we have today.

**Governor:** So in other words, if I'm getting -- if I need an MRI, I can shop for that via your website?

**Jim Wells:** That's correct. You'll be able to -- once you log in, you'll be able to go and, say, you want an MRI, it will allow you to shop the prices of different providers that are in your geographic area. And you can change your home zip code, so if you wanted to check to see if that procedure was cheaper in another community. If you wanted to check and see if it was in Las Vegas you could have it done cheaper, you'll be able to do that. It will also provide side-by-side comparisons to outpatient versus hospital. So we see a lot of times participants will go to a hospital setting for an MRI and pay two to three times as much as they would had they gone across the street to an outpatient clinic.

**Governor:** And while you're here, how's the system doing?

**Jim Wells:** The Board set rates last month in April and, frankly, the consumer-driven -- the self-funded, consumer-driven health plan is seeing lower rates starting July 1<sup>st</sup> and that's due to lower utilization from our participants in that program. From the reserves, the Board has enhanced the benefits starting July 1<sup>st</sup>. They have lowered the deductible. They have increased the coinsurance. They have increased the dental maximum benefit. They've increased the life insurance. And they've provided one annual vision exam for the members of the self-funded plan. The HMO rates actually are increasing in July. We get rates from our two vendors every November, December timeframe, and we negotiate those contracts with -- or those rates with them based on their experience and what their projections are. This year we're seeing increases both in the north and the south, HMO costs. You know, and the HMOs have committed based on requests from the Board to continue to work with (inaudible) on ways to moderate those increases going forward.

**Governor:** And I know you're either close or have closed the wellness program. What was the participation in that?

**Jim Wells:** So the wellness program has been extended through the end of the month, so it will be -- it will close a week from Friday. Right now we are running at or a little above our participation rates from the previous year, so we're not seeing a huge spike in enrollments, but we did add the extra wellness onsite screenings because we were seeing some decent participation rates, especially some of the ones we had last week. So I still hope that we'll see a spike in enrollment at the end of the period, but I won't have final numbers until early June.

**Governor:** What's the number right now?

**Jim Wells:** I believe we are roughly 11,000.

**Governor:** Out of?

**Jim Wells:** Out of 30,000-ish that are eligible to participate.

**Governor:** Thank you. Thank you very much. Questions from Board members? Thank you...

**Secretary of State:** Sorry.

**Governor:** Go ahead.

**Secretary of State:** (Inaudible) indicated that 11,000 out of approximately 30,000 are participating. At what level are they participating? Is that the people that just do something within the wellness program or full completion?

**Jim Wells:** So there are four steps to the -- there's the health assessment questionnaire, the biometric screening, your preventive visits and your online tutorials. The 11,000 is people who are moving through that process. They may be completed with all steps at this point. They may have been completed with only some of the steps at this point. Most of the people of that 11,000 will have completed their health assessment and their biometric screening by the end of next week. And that provides them with half of the eligible discount. The other half is tied to the preventive screenings and tutorials. And, again, those they can do at any time.

**Secretary of State:** Okay. And so how many people -- of the 11,000, how many do you anticipate will take full advantage of the program? Can we look at the figures from last year and project at all?

**Jim Wells:** Yeah, we actually believe that we will see more than the 11,000 in total complete the steps of the program for the maximum incentive.

**Governor:** And so you can do a little advertising today. What is the benefit of going through that wellness program?

**Jim Wells:** Thank you, Governor. For those who are either enrolled in the self-funded plan or either of the HMO plans, if they complete the biometric screening and health assessment questionnaire, they're entitled to a \$25 per month reduction of their premium starting July 1<sup>st</sup>. If they do the wellness visits with their doctor and dentist and one of the tutorials, they're eligible for a \$50 per month reduction in a premium starting July 1<sup>st</sup>.

**Governor:** Does everybody hear that? I see some nodding heads, but I think it's a great program. So sometimes not everyone's aware of it and I wanted to give you an opportunity to talk about it because I've gone through it myself. And it's easy and doesn't take a lot of time and can be very beneficial.

**Jim Wells:** Yes, thank you, Governor.

**Governor:** Any other questions? All right. Thank you. All right. Board members, any questions with regard to Contracts 1 through 49 as described in Agenda Item 13?

**Attorney General:** No.

**Secretary of State:** No, Governor.

**Governor:** First I'll take a motion for approval of Contracts 1 through 26 and 28 through 49.

**Attorney General:** I'll move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval of Contracts 1 through 26 and 28 through 49. The Secretary of State has seconded the motion. Any questions or discussion? All in favor say aye.

**Attorney General:** Aye.

**Governor:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0. And as I stated previously, I will not be participating in the deliberation or vote on Contract 27.

**Secretary of State:** Okay. Governor, with your permission we'll take up Contract No. 27. Are there any questions or concerns about that contract?

**Attorney General:** No.

**Secretary of State:** Hearing none, we'll take a motion to move for approval of Contract No. 27.

**Attorney General:** Move for approval.

**Secretary of State:** Second. All those in favor, signify by saying aye.

**Attorney General:** Aye.

**Secretary of State:** Aye. Opposed nay? Passes unanimously, Governor.

**Governor:** Thank you, Mr. Secretary. And if you'd mark me as abstaining on Contract 27.

**\*14. FOR POSSIBLE ACTION – MASTER SERVICE AGREEMENTS**

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

**Clerk's Recommendation: I recommend approval.**

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**Motion By:** \_\_\_\_\_ **Seconded By: Secretary of State** **Vote: 3-0**

**Comments:**

**Governor:** Let's move to Agenda Item 14, Master Service Agreements. I have no questions. Board members?

**Attorney General:** No, Governor.

**Secretary of State:** No, Governor.

**Governor:** Is there a motion for approval?

**Attorney General:** I'll move for approval.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for approval of Agenda -- or the master service agreements described in Agenda 15. The Secretary of State has seconded the motion. All in favor say aye.

**Attorney General:** Aye.

**Governor:** Aye.

**Secretary of State:** Aye.

**Governor:** Motion passes 3-0.

**15. INFORMATIONAL ITEM**

Pursuant to AB 41 of the 2013 Legislative Session, the Clerk of the Board may approve all contract transactions for amounts less than \$50,000. Per direction from the August 13, 2013 meeting of the Board of Examiners, the Board wished to receive an informational item listing all approvals applicable to the new threshold (\$10,000 - \$49,999). Below is a list of all applicable approvals for contracts and amendments approved from April 1, 2014 through April 30, 2014.

<b>CONTRACT #</b>	<b>STATE AGENCY</b>	<b>CONTRACTOR</b>	<b>CONTRACT/ AMENDMENT</b>	<b>AMOUNT</b>
15363	Department of Health and Human Services – Public and Behavioral Health	Nye Communities Coalition, Inc.	Contract	\$10,549
<b>Contract Description:</b>	This is a new contract to sustain and support diabetes self-management (DSME) programs in Nye, Esmeralda and Lincoln Counties.			
15509	Department of Administration – State Public Works Division	Rounds Engineering, Ltd. Db a CR Engineering	Contract	\$15,000
<b>Contract Description:</b>	This is a new contract to provide professional architectural/engineering services for the United States Property and Fiscal Office Boiler Replacement; Project No. 14-A013-14; Contract No. 97005.			
15511	Department of Conservation and Natural Resources – State Parks Division	Impact Construction	Contract	\$19,480
<b>Contract Description:</b>	This is a new contract to provide sand removal of approximately 6000 cubic yards and reseal asphalt at the Lahontan State Recreational Area - Beach 3 day use area.			
15505	Department of Conservation and Natural Resources – State Parks Division	Brad Leonard Painting	Contract	\$17,008
<b>Contract Description:</b>	This is a new contract to provide repair and painting on Valley of Fire State Park structures.			
15444	Department of Training, Rehabilitation and Employment – Employment Security Division	Curtis Meyer db a Superior Janitorial Services	Contract	\$23,880
<b>Contract Description:</b>	This is a new contract that continues ongoing janitorial services for the Elko Job Connect office located at 172 6th Street, Elko, NV 89801.			
15474	Department of Administration – Hearings and Appeals Division	Olivia Rienshagen-Hernandez	Contract	\$24,999
<b>Contract Description:</b>	This is a new contract which provides for Spanish interpretation services during Administrative hearings, required by NRS 645B, to non-English speaking injured workers so they are appropriately represented at appeal hearings.			

<b>CONTRACT #</b>	<b>STATE AGENCY</b>	<b>CONTRACTOR</b>	<b>CONTRACT/ AMENDMENT</b>	<b>AMOUNT</b>
15524	Board of Accountancy	Kaempfer, Crowell, Renshaw, Gronauer & Fiorentino	Contract	\$47,250
<b>Contract Description:</b>	This is a new contract to provide government affairs assistance to the Nevada State Board of Accountancy. This government affairs support will provide the Nevada State Board of Accountancy with assistance in preparing, planning and responding to legislative issues brought forth concerning Nevada Certified Public Accountants and Nevada citizens. In addition the contractor will provide professional assistance to the Nevada State Board of Accountancy during the statute and regulation drafting process when responding to statute changes, regulation changes and public protection issues. The skill and expertise provided by the			



	contractor will ensure the Nevada State Board of Accountancy protects the public by actively participating and responding to each legislative issue in a proficient and productive manner.			
15433	Department of Conservation and Natural Resources – Forestry Division	Wayne Weaver	Contract	\$24,000
<b>Contract Description:</b>	This is a new contract to provide ongoing routine maintenance of the water cooling and heating system as the Sierra Front Interagency Dispatch Center.			
15522	Department of Administration –State Public Works Division	URS Corporation	Contract	\$20,960
<b>Contract Description:</b>	This is a new contract to provide professional architectural/engineering services to recondition existing water tanks, Phase I (Indian Springs Prison complex); Project No. 13-M42; Contract No. 95780.			
15507	Department of Health and Human Services – Department of Child and Family Services	Watertech, Inc.	Contract	\$19,905
<b>Contract Description:</b>	This is a new contract that continues ongoing water treatment maintenance for the two chillers located on State owned property at 6171 W Charleston Blvd in Las Vegas.			
15506	Department of Health and Human Services – Department of Child and Family Services	Stephen Galloway	Contract	\$43,200
<b>Contract Description:</b>	This is a new contract that continues ongoing psychological consultation and assessment evaluations for youth located at Nevada Youth Training Center.			
15537	Department of Administration –Nevada State Library & Archives – CLAN	Lincoln County	Contract	\$18,550
<b>Contract Description:</b>	This is a new cooperative revenue agreement, which continues to maintain a regional network of libraries (per NRS 379.147-379.150) known as CLAN (Cooperative Libraries Automated Network) through joint agreement for the improvement of library services and the sharing of resources.			
15384	Department of Agriculture	San Joaquin Chemicals, Inc.	Contract	\$22,642
<b>Contract Description:</b>	This is new contract to provide inspection services for the department's cooling tower. Cooling towers must be inspected for scale, corrosion and fouling and serviced as needed to bring it back into compliance. The contract will test the water to determine if additional special chemicals are needed to bring back into code.			

CONTRACT #	STATE AGENCY	CONTRACTOR	CONTRACT/ AMENDMENT	AMOUNT
15515	Department of Training, Rehabilitation and Employment – Rehabilitation Division	Cheryl Abbott	Contract	\$27,000
<b>Contract Description:</b>	This is a new contract to provide an independent monitor to monitor the effectiveness of the Rehabilitation Services Administration Independent Living (RSA/IL) grant administration. The grant is administered under the auspices of the Aging and Disability Services Division (ADSD). The goals of the monitoring activities are to gauge customer satisfaction, measure the impact of the services on the ability of the individuals with disabilities to attain or retain independent living and to verify the expenditures were appropriately administered. The review is designed to meet the need to assure quality services are provided. The vendor shall be paid at the completion of each monitoring period's interviews and the acceptance of the final report by the Division.			
15427	Department of Agriculture	Life Technologies Corporation dba Applied Biosystems/Invitrogen	Contract	\$36,207
<b>Contract Description:</b>	This is a new contract to provide certification and full-service maintenance for the Lifetech 7500 Real Time PCR (polymerase			

	chain reaction) system and the Lifetech 7500 FAST Real Time PCR system in the Animal Disease and Food Safety Laboratory that can do real time animal testing. Annual maintenance contracts for analytical equipment are required to achieve and maintain IOS17025 (International Organization for Standardization) certification. Laboratories use IOS17025 to implement a quality system aimed at improving their ability to consistently produce valid results. The quality assurance programs in diagnostic laboratories have to meet this international standard in order to generate legally defensible results.			
15429	Department of Administration – Fleet Services Division	Ideco NV, Inc.	Contract	\$10,000
<b>Contract Description:</b>	This is a new contract to provide repair, maintenance and certification of gasoline and diesel fuel dispenser equipment such as fuel tanks, fuel pumps, and fuel monitoring equipment and fuel dispensers in the Las Vegas area.			
15512	Attorney General's Office	William N. Morrison, Inc.	Contract	\$10,000
<b>Contract Description:</b>	This is a new contract to provide expert witness services for an accident reconstruction in the defense of a lawsuit filed against the State of Nevada.			
15496	Attorney General's Office	White Pine County District Attorney	Contract	\$25,000
<b>Contract Description:</b>	This is a new revenue contract to provide prosecution services on behalf of the Office of the District Attorney, White Pine County.			
15476	Department of Employment, Training and Rehabilitation – Rehabilitation Division	Department of Administration	Contract	\$20,000
<b>Contract Description:</b>	This is a new intrastate interlocal contract that continues on-going services to provide neutral, knowledgeable, and experienced attorney Hearing Officer services for hearings as requested; have attorney Hearing Officers attend training offered by the Rehabilitation Division or other appropriate entities; have the Chief Hearing Officer assign fair hearings to the appropriate attorney Hearing Officer; take and preserve a record of the fair hearing proceedings including providing for audio recordings; as needed, prepare a record of the proceedings and transmit it to the applicable court jurisdiction within the time frame established by NRS 233B.131(1), or other time frame established by law; and promptly forward any request for a certified court reporter to the department.			
13387	Department of Administration –State Public Works Division	Roseville Termite & Pest Control	Amend #1	\$17,000
<b>Contract Description:</b>	This is the first amendment to the original new contract, which provides ongoing pest control services, exterior and interior, on an as-needed basis for various state buildings in the Carson City and Reno area, upon the request and approval of a Buildings and Grounds designee. This amendment increases the maximum amount from \$20,000 to \$37,000 due to an increased need for these services.			

CONTRACT #	STATE AGENCY	CONTRACTOR	CONTRACT/ AMENDMENT	AMOUNT
15540	Department of Conservation and Natural Resources	Department of Interiors dba Bureau of Land Management	Contract	\$14,748
<b>Contract Description:</b>	This is a new interlocal agreement to conduct an environmental site assessment to provide State Parks and State Lands necessary information required to acquire title to the federal land, designated in the Lincoln County and White Pine County Bills to transfer to Kershaw Ryan, Cathedral Gorge, Beaver Dam and Ward Charcoal Ovens State Parks.			
15554	Department of Administration –State Public Works Division	Coda Architecture	Contract	\$12,600
<b>Contract Description:</b>	This is a new contract to provide professional architectural/engineering services to rehabilitate the historic building (Old Las Vegas Mormon Fort Park); Project No. 13-M53; Contract No. 95800.			
14243	Department of Employment, Training and Rehabilitation – Rehabilitation Division	Naval Supply Center – San Diego Code 200	Amend #4	\$3,965.17
<b>Contract Description:</b>	This is the fourth amendment to the original contract to provide full food service support at the Naval Air Station in Fallon, Nevada. This amendment increases the maximum amount from \$1,084,743.12 to \$1,088,708.29 due to the need for emergency			

	food services provided as a result of a plane crash at the Fallon Naval Air Base.			
10876	Department of Employment, Training and Rehabilitation – Employment Security Division	Las Vegas Interpreters Connection, LLC.	Amend #5	\$20,000
<b>Contract Description:</b>	This is the fifth amendment to the original contract, which continues ongoing English/Spanish interpretation services at Unemployment Insurance hearings and other meetings where interpreters need to be fluent in both languages and the interpretation must be on a word-for-word basis for clients. This amendment increases the maximum amount from \$185,000 to \$205,000 due to a continued need for these services.			
14896	Department of Administration – Enterprise Information Technology Services	Mentor Services Corporation	Amend #1	\$18,000
<b>Contract Description:</b>	This is the first amendment to the original contract, which provides Introduction to Removable Media Manager and Hardware Management Console Operation training in Carson City, Nevada. This amendment extends the termination date from March 31, 2014 to March 31, 2016, and increases the maximum amount from \$12,000 to \$30,000 due to continued need for training.			

**Governor:** We'll move to Agenda Item 15, informational items on these contracts less than \$50,000. Ms. Teska.

**Clerk:** There are 25 contracts that have been approved during the month of April that were less than the \$50,000 amount, either contracts or amendments. And we will take any questions if there are any.

**Governor:** Any questions, Board members, on that Agenda item?

**Secretary of State:** No, Governor.

**Attorney General:** No.

## 16. INFORMATIONAL ITEM

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

Pursuant to NRS Chapter 111, Statutes of Nevada, 1989, at page 263, the Division of State Lands is required to provide the Board of Examiners quarterly reports regarding lands or interests in lands transferred, sold, exchanged, or leased under the Tahoe Basin Act program.

Pursuant to Chapter 355, Statues of Nevada, 1993, at page 1153, the Division of State Lands is required to report quarterly on the status of real property or interests in real property transferred under the Lake Tahoe Mitigation Program. This submittal reports on program activities for the fiscal quarter ending March 31, 2014 (reference NRS 321.5954).

#### Brief description

- **1989 Tahoe Basin Act**

- The agency reports there were no transfers of lands or interests in lands during the quarter.
- On March 26, 2014 the Nevada Division of State Lands held a public auction where a Residential Development Right associated with a Tahoe Basin Act parcel was made available for sale. That offering resulted in the sale of the Development Right for \$15,100. Upon the closing of escrow, those proceeds will be deposited into the appropriate budget account, and the proceeds will be used to support continued forest health and fuels management projects in the basin.

- **Lake Tahoe Mitigation Program**

- The agency reports there were no transfers of lands or interests in lands during the quarter.
- The agency reports there were no acquisitions of lands or interests in lands during the quarter.

**Governor:** Okay. There is a typo in my Agenda.

**Clerk:** Yeah, yeah, it should be Item 16.

**Governor:** Yes. And there's only a B which is...

**Clerk:** Yes, and there's just one item.

**Governor:** Okay. So that should be an A; there's nothing that we...

**Clerk:** Yes.

**Governor:** ...deleted? So this is the informational item with regard to Division of State Lands?

**Clerk:** Yes, the quarterly report for...

**Governor:** Any questions from Board members on that?

**Attorney General:** No.

**Secretary of State:** No, Governor.

## **17. INFORMATIONAL ITEM**

### **A. Silver State Health Insurance Exchange**

Update from Deloitte Consulting, LLP on its assessment of the Silver State Health Insurance Exchange Business Operating System functionality.

**Governor:** Let's move to Agenda Item 17 which is an informational item, Silver State Health Insurance Exchange. So why don't we begin this Agenda item with the representatives -- well, Mr. Fisher, why don't you start, and then we'll go with Deloitte.

**Steve Fisher:** Okay.

**Governor:** And then I'd like to hear from Xerox. So if you'd -- you're familiar with the fact that we've retained Deloitte to review the performance of the Exchange and to run some testing which has resulted in this assessment report that is dated April 25, 2014. So if you'd kind of take us through that.

**Steve Fisher:** That is correct, Governor. For the record Steve Fisher, Interim Director for the Silver State Health Insurance Exchange. On March 24<sup>th</sup> we hired -- or I should say Deloitte Consulting started a five week assessment. That five-week assessment was to take a look at the project in a whole and take a look at different aspects of the project; governance, technology, security, so on and so forth. Do an assessment. Actually take a look at -- you know, gather as much -- the first three weeks were spent, you know, gathering information. The last two weeks were spent analyzing that data and coming up with options, some go forward options for the project, and also providing kind of a road map for each of those options in the assessment. And so in a nutshell that's basically what the assessment was for.

**Governor:** And why don't you go through what those options are. There are three of them.

**Steve Fisher:** Yeah, three primary options that came out of the assessment. Option number one is remediate the current system, so stay with Xerox, remediate, fix the problems with the current system. Option two, and I don't know if I have these in the exact order, but option two, transfer a system, a state based system from another state. So, for example, another state where we have -- where there's a successful system in place today.

**Governor:** Is there such a thing?

**Steve Fisher:** Not a perfect one, no, no. Absolutely not.

**Governor:** Okay. Sorry to interrupt, but...

**Steve Fisher:** That's okay.

**Governor:** Because I'll have more questions on that.

**Steve Fisher:** And so to transfer a state based system from another state to the State of Nevada. And the third option is to go to the federally facilitated marketplace. That's the third option. So those are the three options that came out of the assessment from Deloitte Consulting.

**Governor:** And within those three options, I notice it's interesting as I read through this there are pages of risks of staying with option one with Xerox. And then there's not a single mention of a risk associated with option two, which is going to with a different vendor or a different state based system. And then on option three the -- going to the federal exchange, you know, just confirm my understanding is we couldn't do that if we wanted to because there's no statutory authorization to do so.

**Steve Fisher:** Yeah, currently on the books there is an NRS that states that we will have a state based Exchange. That's my understanding as well, Governor.

**Governor:** Yeah, and then with regard to staying with Xerox -- and I don't know if these questions are better for you or for Deloitte or for Xerox itself. But there were 20 test cases in here, and out of those 20 there were only 4 passes. And I guess what I want to hear from you is given the recent press that we've had with problems that just -- and I don't know -- I guess you can confirm or deny this, that it seems that the performance is getting worse rather than better, and there are concerns from the providers. And if we're to stick with Xerox, there's a mention in here somewhere that that will cost more money because some of the recommendations from Deloitte is to add staff and add resources, but it doesn't quantify how much that additional money will be, and it doesn't provide any certainty as to whether if we put more money into this whether it will get fixed. So there's probably 30 questions in there.

**Steve Fisher:** Yeah, there's 30 questions.

**Governor:** But kind of give me your...

**Steve Fisher:** So to answer, I'll start with the first question. Regardless of whether we go with remediate the current system or we go with a state based exchange transfer, there still needs to be staff added to the Exchange to help with that effort. So we still need to add some expertise to the staffing at the Exchange. For example, add some project management expertise, maybe some IT expertise. There was a recommendation in the assessment on the type of staffing that Deloitte recommended that we add regardless of whether we go with Xerox or if we go with a state based exchange transfer. So that answers maybe one of your questions.

To answer another question, yeah, there are some issues of some problems with the system currently. Just recently there were some issues with regards to transferring the electronic information over to the carriers. I think part of it is some technical issues, part of it is communication, keeping that communication open between, you know, the Xerox folks, the Exchange folks and the carriers. Letting the carriers know maybe why the files aren't being transferred over to them. So there are some technical issues though with that as well.

**Governor:** But those technical issues are affecting people.

**Steve Fisher:** Oh, absolutely, yes.

**Governor:** And let's talk specifically what that means.

**Steve Fisher:** If the information does not get transferred over to the carriers, then therefore the carriers don't know that that person exists and/or is eligible for an insurance policy. So if that information does not get over to the carrier, the carrier doesn't know about that person so they can't effectuate a policy for the person, for example.

**Governor:** So why are we having this conversation in May? Isn't this something that should've been working on October (inaudible).

**Steve Fisher:** I agree, Governor, yes.

**Governor:** Well, I guess I'll save that question for Xerox. But on option two, which is to import a system from another state, and I know I was a little bit flip, but I guess I am serious, is I'm not really aware of a system that is performing well in any other state. So if there -- what state could we look to to even have an idea of what it would look like if we were to choose that option.

**Steve Fisher:** You are correct. There are no states that are perfect, but there are some states that are more successful than others. Connecticut, Kentucky, Rhode Island, Colorado, New York, those are states that are somewhat successful.

**Governor:** And who operates those Exchanges?

**Steve Fisher:** Let's see, the first three that I mentioned were built by Deloitte Consulting. The other two, New York and Colorado, were I think it's called N -- I can't remember the name of the company, but it's a custom -- it's COTS (sp?) system that was developed for Exchanges. It's the one that Massachusetts is going to. Massachusetts has decided to go with this company. And for the life of me I can't remember the name of the company off the top of my head. But both New York and Colorado have the same system from this company. And the other ones I mentioned are Deloitte Consulting systems.

**Governor:** Now, I've heard this figure, but I'm going to ask you, is it -- would it cost estimated to \$40 million to \$50 million to try to adopt a system from another state or import another system from another state?

**Steve Fisher:** The transferring of the actual source code itself is free because it's already been paid for, the code. But the cost to implement it and to make the modifications and changes to the system to Nevada-fy it, because obviously if you transfer a system from Kentucky, for example, it's got Kentucky all over the system, you would have to modify it. And then you would also have to make the backend changes to interface with Medicaid, for example, because that's a very important piece of it as well, so those interfaces would have to be built as well. So there's a lot of integration work, implementation work. Testing is very important. You want to make sure that the system gets tested. I mean, anytime you make any sort of modifications to a system you want to thoroughly test it, so that takes resources, that takes time, there's cost involved there as well. So, yes, it's not free to just transfer a system over from another state.

**Governor:** Well, I guess where I'm going with that is would we have to go to CMS to get the money to do that because we don't have enough to do that right now?

**Steve Fisher:** Yes, we would need support from our federal partners in order to do that.

**Governor:** So we would have to go in and ask for them. And what if they say no?

**Steve Fisher:** Then that would probably not be an option for the State of Nevada, unless the State of Nevada wanted to pick up the \$50 million tab.

**Governor:** And do you think it is realistic to go to a new system and have -- that it will be ready to go for the next enrollment period in October?

**Steve Fisher:** Well, I know you brought up the fact that there were no risks for transferring a system, but that is a risk.

**Governor:** So there's...

**Steve Fisher:** Time is a risk.

**Governor:** So there's a risk there. So we have this report from Deloitte that is 90 pages, not all of it, but most of it is problems.

**Steve Fisher:** Yes.

**Governor:** The next question is, if we stay with Xerox, do you have confidence that all of these things can be corrected in time to have a smooth enrollment in October?

**Steve Fisher:** It'll take some very, very strong oversight and governance to make sure that that occurs.

**Governor:** But I guess -- and I'll talk to Xerox and Deloitte about this, but given what's happened in the last -- since the extended enrollment period has begun, it doesn't seem like it's gotten better. Now, is that -- you know, you're the one who's in the middle of this, Mr. Fisher.

**Steve Fisher:** Sure.

**Governor:** Do you have a professional opinion on how things are going? Has it gotten better?

**Steve Fisher:** We have since the open enrollment period closed and we started the -- what we call the special enrollment period. We have added 10,000 members in the month of April. So to me that's a step forward. We are still facing issues in the areas of constituents being able to make payments, so there are some issues there. And then there are some issues with regards to getting the information over to the carriers. So are things better today than they were nine weeks ago when I started this job? Yeah. Are things where they need to be? Absolutely not. There's a lot of work that needs to occur to get to where we need to be for the next open enrollment period.



**Governor:** And what's that work? I mean, you said there's a lot...

**Steve Fisher:** It's governance. It's in the areas of security. It's in the area of the technology. It's in the area of the functionality in the system. So it's really those four pillars.

**Governor:** That's pretty much everything.

**Steve Fisher:** Each one of those pillars is pretty much everything. There are problems in each of those four pillars.

**Governor:** And then let's just sit back to this federal exchange, as we sit here today, that's really not an option, unless there was a law change.

**Steve Fisher:** Oregon is going down that path, the State of Oregon.

**Governor:** They're going to go to a federal based exchange?

**Steve Fisher:** They are going to go to the federal exchange, yes.

**Governor:** And I don't know if it's an apples to apples comparison because we know there's a state law that requires Nevada to have a state based exchange.

**Steve Fisher:** That's my understanding that Oregon has a law as well. So I'm not sure. We're working with Oregon and trying to find out what Oregon is doing, so...

**Governor:** But we're coming up to this moment where a decision has to be made because we have such a short window of time between now and October 1<sup>st</sup> to get it right.

**Steve Fisher:** That is correct.

**Governor:** And then -- so when will the Board be making this decision or consider what the options are going to be and what direction we're going to go?

**Steve Fisher:** So we have a Board meeting scheduled for next Tuesday and a Board meeting scheduled for next Friday. So there are two Board meeting opportunities next week to discuss the options.

**Governor:** And will you be making recommendations to that Board?

**Steve Fisher:** We will be presenting the Board with options.

**Governor:** And that Board will make the decision based on those options you present which are...

**Steve Fisher:** Correct.

**Governor:** ...two right now; to stay with Xerox, or perhaps three, to seek a new vendor and hope we get the money to pay for that...

**Steve Fisher:** Correct.

**Governor:** ...which we won't know the answer to that question between now and next Friday, right?

**Steve Fisher:** We're meeting with CMS on Thursday of this week, so we might get a -- I don't know that they're going to -- anything on Thursday, but we might get a feeling one way or the other, but you are correct.

**Governor:** Mm-hmm. And then the third is look at what Oregon's doing and see if there's a workaround on the law.

**Steve Fisher:** Correct.

**Governor:** All right. Board members, do you have any questions for Mr. Fisher?

**Attorney General:** No, Governor.

**Secretary of State:** Not at this point, Governor.

**Governor:** Okay. Did I miss anything, Mr. Fisher?

**Steve Fisher:** No, I don't think so.

**Governor:** Anything else that you think we need to know or that I need to be aware of?

**Secretary of State:** Governor, maybe I can just ask my questions now with regard to the timelines to Mr. Fisher. Assuming you are going to explore the potential of moving to -- picking up another state based exchange, what are the associated timelines with that? Would you have to come back to Board of Examiners? Would you have to go to the IFC? How long would all of that process take to be implemented?

**Steve Fisher:** We've been in discussions with other states, some of the states that I've already mentioned. For the record Steve Fisher. So, yes, we would have to (A) possibly go out to RFP. I mean, that's a possibility. Or (B) look at -- we would have to obviously put a contract together. That contract would have to go before the BOE if funding -- if there was a -- if we had to -- you know, if CMS were to approve the funding, obviously that funding would have to go before IFC and get IFC approval to be able to bring that funding into our budget. So, yeah, there are steps that are necessary in order to make that option occur.

**Secretary of State:** Okay. But those are very lengthy processes that you would have to undertake. Do you have any kind of estimate as to how long that would take if you had to let an

RFP, get the results back, bring it back to the Board of Examiners? Have you looked at any of that kind of timeline?

**Steve Fisher:** Yeah, if we were to go out to RFP, RFP processes take approximately six months. At least that's been my experience with IT projects.

**Governor:** Well, that kind of kills that right there.

**Steve Fisher:** Yeah, so there's a six month process for an RFP. I don't know how you can -- maybe there are ways to shorten that up a little bit. I don't know. I'm just using six months as kind of an average with regards to my experience with RFPs. So then after the RFP process is done, then you'd put a contract together and that contract comes before the Board of Examiners. So right there you're talking six, seven months if we have to go out to RFP.

**Secretary of State:** Okay. And then you also mentioned the prospect of having to identify the funding source and if there'd be any statutory requirement that would go to IFC to accept the funds, et cetera, that could take even a longer period of time; is that right?

**Steve Fisher:** That is correct. We could take a look at the current funding that we have in our budget, talk to CMS and see if that funding that has not already been spent, could that be redirected for another purpose, purpose of one of these other options? That's an option as well.

**Secretary of State:** Okay. So as a practical matter, that option doesn't give us any kind of relief for meeting the goals for the next open enrollment period.

**Steve Fisher:** Correct.

**Secretary of State:** Is that correct?

**Steve Fisher:** Yes.

**Secretary of State:** Thank you.

**Governor:** All right. Thank you, Mr. Fisher. I may call you back, so if you'd stick around, I would appreciate it.

**Steve Fisher:** Sure.

**Governor:** So we have representatives from Deloitte here.

**Deb Saha:** Good afternoon.

**Governor:** Is it morning or...

**Deb Saha:** Morning, afternoon.

**Unidentified Female Speaker:** Morning still.

**Governor:** It's still morning. All right.

**Deb Saha:** Good morning.

**Governor:** Good morning, gentlemen. You know, I don't want you to go through page by page on this. There's a lot of information, but I would like to have your overall observations as to what the status is right now of the Exchange as we sit here today.

**Deb Saha:** Okay. For the record I'm Deb Saha from Deloitte Consulting.

**Kunal Shah:** I'm Kunal Shah with Deloitte Consulting.

**Deb Saha:** So, Governor, we have the 90-page slide deliverable. And I know you've reviewed it pretty in details. So I would propose that we give you a high level kind of status of the report on three-fold, so the executive summary, then talk about our approach and then (inaudible) observations and then finally option. So I just want to make sure the one thing that -- when we submitted this deliverable, that was based on our observations from March 24<sup>th</sup> through the 25<sup>th</sup> of April. So things may have changed and the observations -- things may have moved in the right side of the needle. We just based on this is our observation ending April 25<sup>th</sup>.

As Mr. Fisher talked about, the background was to review -- our scope of work was to -- an assessment project to identify the strengths, gaps as well as (inaudible) options. We had six categories that we talked about -- that we assessed -- did the assessment on. Project management solution, which is the business needs and making (inaudible) requirements are met. Call center. Within technology we had two issues -- two areas that we looked at. One is called the infrastructure. That's where the solution is hosted. And then there is the system development life cycle, which is the approach for any IT implementation. And also we touched upon the security aspect of the technology side. And the three options that Mr. Fisher talked about was something that we'll talk in little bit of details. I just completed page two, the (inaudible) summary.

**Governor:** Yeah, I don't want you to go through...

**Deb Saha:** Sorry, yeah.

**Governor:** ...all the pages.

**Deb Saha:** And then I'm just going to move to Page 4 real quick. Page 4, it's a two phased approach of our assessment, discovery and analysis. So as part of discovery we conducted 109 interviews across different stakeholders including Xerox, Exchange Board and carriers and DWSS, et cetera.

**Governor:** Yeah, no, and I get all the part -- the documents that you reviewed and the people that you talked to, but I just want to kind of get the brass tacks here and get your -- at least from your observations, is it repairable?

**Deb Saha:** It can be provided it's -- all the recommendations are met. But I think we are also running -- or you are running against time. So for next enrollments -- it's going to be -- regardless it's going to be difficult. I think the degree of difficulty would be -- challenges would be based on how the repairment is done, if you will.

**Governor:** Well, that's part of what the purpose of this review was, is we -- the Board's going to need it. I don't get to make this decision, but the Board is going to need information so that they can have the background to make a decision that if they choose to stay with Xerox or the Board, it chooses to stay with Xerox, that we're not going to go through what we've been through. And this is kind of Ground Hog day for me today because these are all things that have been going on since October 1. And now I'm seeing in my detail that there are more problems and some of these that we've been talking about since October 1. So what is happening now that -- and perhaps this question's better for Xerox, but what's happening now that is different than what was in the past that could give us confidence that if we have to go -- and we may have to stay with Xerox given the obstacles in the other two ways that they can get it done. I mean, I see that you're nodding, but, you know, you say, well, we need to add people, you need more money. I've already heard we're putting more money and we're putting more people toward this, and we still have all these problems. So what's going to be different between now and October 1 that would give us some confidence that the next enrollment period will run smoothly?

**Deb Saha:** From a Deloitte perspective, we have identified the challenges and some remediations of (inaudible), if you will, things that needs to be done. I think one of the things the Board may look at is based on what we suggested that's in a point in time when -- and maybe Xerox or the Board can look at, you know, how things have changed based on our recommendation and make a better judgment on whether it can be done.

**Governor:** Okay. So there's -- 18 days have gone by since you presented this report. Is part of your responsibility to follow-up to see if these recommendations are being followed or implemented?

**Deb Saha:** No, (inaudible).

**Governor:** So as you sit here today you have no idea whether any of these improvements or suggestions have been implemented?

**Deb Saha:** That is correct.

**Governor:** Okay. And then on your second recommendation with regard to transfer a state based marketplace, I noticed that you included risks for options one and three, but you didn't include any risks for transfer to a state based marketplace.

**Deb Saha:** Governor, Slide 24 covers some of that, but you are correct. There are probably more risks (inaudible).

**Governor:** Well, I don't have any. I wrote a little note here, no risks. So maybe you have a page that's different than mine?

**Deb Saha:** Yeah, so we don't know, Governor, how, but our report does have risk on Option 2, and they're on Page 24.

**Governor:** So this is a little different than what I have. Okay. Well, then I don't want to delay time, but -- so just for my benefit, is it similar to what Mr. Fisher said, that the risks would be -- that the question whether we could get a new system implemented in time for October 1. Because it's not so easy as just to lift up roots, take a system from Colorado or Connecticut or some of the other states that are having a better -- Kentucky that are having a better experience than we are and dropping in Nevada.

**Deb Saha:** Yeah, there's -- nothing can be -- it's not a switch on and off situation for sure. But one thing that I could add that the states we believe that we implemented and have been successfully adopted, if one of the -- if the Board adopts one of the transfers that we implemented, I think we can minimize risk. We can certainly because we know in and out how it was implemented, rather than if the Board chooses another one that we...

**Governor:** Oh, and when you say, "We," you mean Deloitte...

**Deb Saha:** Yes, yes.

**Governor:** ...and that you work for Deloitte and you would be importing a Deloitte system that is working in another state. So, I mean, your review of this was objective, correct? Again, I mean, it's a little self-serving to say that the Deloitte system would be the best way to go, isn't it? I mean, I just want to make sure that...

**Deb Saha:** I think what I could say that from a risk (inaudible) perspective, yes, it would be minimal rather than, you know, if you pick another, just because if we are implementing or transferring one that we have implemented, certainly we can -- we know it a little bit better.

**Governor:** Mm-hmm.

**Deb Saha:** But regardless of any option, all of these are challenging.

**Governor:** Mm-hmm. And you may not be the right person to ask this question, but there's a significant cost associated with bringing in a system from another state, correct?

**Deb Saha:** Mm-hmm, mm-hmm.

**Governor:** And right, again, based on my questions of Mr. Fisher, that amount may exceed the resources of what the state has, and so it puts the state in a bad position. Because the option, and

as the Secretary of State pointed out, even if we wanted to do that, given the RFP requirements in the state, there's too much time that will go by in order to approve a new system to be here in time in order to be ready to go by October 1.

**Deb Saha:** Right.

**Governor:** So I'm sorry. There really wasn't a question in that, but...

**Deb Saha:** No, no, I agree.

**Governor:** So do you -- anything else with regard to this report? What is your -- when you talk about going to a federal exchange, do you have any opinion as to what is better between a federal exchange and importing another state based exchange?

**Deb Saha:** I think from just pure number of successfully implementations, there are a number of states that are using federal FFM solution, and by -- based on what we know, we don't see too many PR or press reports talking about whether it's failures or challenging or not. So from the perspective of just how many states have adopted, there are perhaps more on the federal side than on the state side.

**Governor:** Yeah, but I don't want to get in the weeds too much, but I do have to ask you this question is, I don't know if going to a federal exchange is realistic because that would have a severe impact on the carriers because there are different rules associated with the carriers and their participation in a federally based exchange. So we may not even -- if we move to a state -- or a federal run exchange, we may not have the carriers to provide the coverage.

**Deb Saha:** Yeah, that's an important point. I think from a federal -- if we go down the FFM perspective, the adoption of carriers is important. And if you try to transfer another state's solution, that will also some impact to the carriers, making sure that everything works. I think there are some things that can be done, probably some gates where you go through every so often, frequently and making sure all the stakeholders are successfully adopting it or in the process of adopting.

**Governor:** Okay. Board members, do you have any questions for these gentlemen?

**Attorney General:** No, Governor.

**Secretary of State:** I do not, Governor.

**Governor:** Okay. Thank you very much.

**Deb Saha:** Thank you.

**Governor:** Hello, sir, if you'd identify yourself.

**Daniel Green:** Yes, Daniel Green with Xerox State Healthcare.

**Governor:** Green?

**Daniel Green:** Green just like the color.

**Governor:** Okay. All right. And what's your title or position with Xerox?

**Daniel Green:** Oh, I'm a member of the operational management team for Nevada HIKS (sp?). So I'm 100 percent dedicated to this effort.

**Governor:** Okay. So you've had the benefit of listening to my questions for Mr. Fisher as well as for the individuals at Xerox. I guess I'd begin with let's hear your side.

**Daniel Green:** Yes, have the benefit. And we respect and appreciate the due diligence both the Exchange and Deloitte has done. We had actually commissioned an independent globally recognized firm to do our own internal assessment, and there happened to be a lot of alignment of the findings, and we've actually started work, if not actually completed work on many of the actual findings. So I'm proud to say that we've been addressing it with due diligence.

If I back up from that, I believe that the roughly 10,000 members that have enrolled during the special enrollment period, and we have about 4,000 more families that are pending payment. It's a normal part of the cycle where they have selected a plan and their payment due date is upcoming. So we're optimistic that we'll increase those enrollment figures. We're at approximately 36,000 enrolled members at the moment. And we have approximately 46,000 total members that have gone through the eligibility process and have been determined to be eligible for qualified health plan. And we've had about 190,000 individuals who have gone through the process and have been determined to be potentially eligible for Medicaid or CHIP. It's high volume operation. And we're proud about the individuals that have been able to successfully execute it and we think that we're on a very good trend towards addressing the specific issues and being ready for an open enrollment period.

**Governor:** Okay. That was really vague. So have you had a chance to review this report?

**Daniel Green:** I have.

**Governor:** And you said you had an internal assessment done as well?

**Daniel Green:** Correct.

**Governor:** Have you shared that with the state?

**Daniel Green:** I don't believe all of the details of that assessment have been shared with the state.

**Governor:** Do you intend to share it with the state?



**Daniel Green:** We do intend to share it with the state. I know many of the individual findings have been shared, but it hasn't been a formal report, Governor.

**Governor:** And do you accept all the contents of this report?

**Daniel Green:** There are specific items where we believe that there are provisions that have been made or implemented that were findings. We do accept and respect the effort and the findings, yes, and we are actionable even if that particular finding, I believe that there 38 items in the report, and we provided response to the Exchange last Friday where we think there's some additional context that that finding is either dated or we've already addressed. But we provided a point for point response to the Exchange Board last Friday.

**Governor:** Okay. And I apologize for my cynicism, but -- and you're new to me, I haven't had a chance to chat with you, but you've put it, "We're addressing it with due diligence." I think it was Mr. Vidello (sp?) said, "We're working on it." And I've met with some of the executives of your company and this has been a constant narrative, "We're working on it. It's going to get better." And we're still where we are. And even with these numbers that we talk about, that's -- that you've talked about today, it's only a fraction of where we were supposed to be and what the number was going to be. And we still have accounts or media accounts of frustration by the carriers, frustration by individuals that are supposed to be insured and don't have their cards and need care. And this has been an ongoing problem. And now, you've heard -- well, let me stop there. So have you had the opportunity to review some of these recent media accounts?

**Daniel Green:** I have.

**Governor:** And have those been taken care of?

**Daniel Green:** Well, there's one bucket of work is what I would characterize as carriers. It's a true statement that historically as well as even the last eight business days there were challenges. And specifically that we didn't send EDI files. Without diving too into specifics, but the specific transmission protocol that gets consumer enrolled and/or transfers the actual payment. So there have been challenges there. And prior to April 29<sup>th</sup> I would've felt better sitting here saying the trend. April 29<sup>th</sup> through last Thursday on the actual EDI transmissions, we did not send them on a day to day basis. We caught up with four business days on Friday, and as of yesterday all the files for that period of time have been successfully transmitted.

So from a day to day basis, the tracking and the cycling of the individual EDI files, part of our new governance structure happens to be an area that I'm personally responsible for within the project. So as of April 29<sup>th</sup> I would've been happy to be displaying a better trend. It was a bad couple days. And we've caught up and we do expect on a day to day basis that we'll be tracking that, and actually it's a specific Board request that we provide that on a day to basis to them as well as the carriers.

**Governor:** And as I say, you know, we talk about it on a technical level, but there are people that are affected by this, and that people, individuals, Nevadans that need care that are going to the doctor's office and aren't getting it because they're not recognized as being insured, although

they've paid their premiums. So that's one of my many concerns is those people who may be in a health crisis and right now they can't get the care that they need. So what are you doing to fix that?

**Daniel Green:** I agree. That's 100 percent priority for a consumer who's done what they need to do to be enrolled or to be receiving services. We do have a dedicated team that follows up on individual requests to the point of actually conducting -- it's not (inaudible) the ideal way, but conducting what's called a manual enrollment. And with the -- really I want to tip my hat to the carriers. In the situation of a manual enrollment, there are carriers -- all of the carriers at one point or another who have effectuated enrollment based upon a -- I don't want to say a call. By no means do I mean it not formalized, but I do mean it as there are circumstances where just by virtue of timing the necessary data and the necessary funds need to get where they need to get in order to make sure somebody has services. And we do have a dedicated unit to do that. So we follow-up on each one of those HIKS IDs -- or, I'm sorry, consumer IDs. I call them HIKS IDs on a project. But the consumer's identification in the system.

**Governor:** So what -- there's a decision that has to be made by the Board between now and the end of the month. What can you say today that would give confidence to that Board and me and to the other members of this Board of Examiners that we can trust you to get it done so that it goes smoothly, Xerox to get it done on October 1?

**Daniel Green:** Well, I think that there are a couple points. One is, as I mentioned, we have a globally recognized professional services firm that we've brought in, as I mentioned, as part of that assessment, but instituted in essence a new governance structure. And without getting into project management institute and the details of all the best practices, it's a substantially increased program governance on our side, meaning additional senior management talent and additional structures, including an integrated master project schedule, which is down to the (inaudible) chart level and specific provision along those lines so that our tracking and our advanced warning of not implementing a certain function is much better, much more efficient and much quicker.

So number one is the due diligence. And I don't mean to be vague, Governor, about that. I mean that the governance structure, you know, for offline sessions and things like that is very detailed. And it is something that has been implemented just in the past month and a half. And we've gotten down to the point of a detailed integrated schedule. And it leads up to what we've characterized to the Board just recently as a sort of top three priority in terms of what I characterize by working level as opposed to the executive level is carrier reconciliation. We've met with each of the characters and we'll continue to do so. And we've established a roadmap that says we will true up all of the consumers that have been communicated to you or potentially not communicated to you. And that's a transaction by transaction, consumer by consumer review of the data that we have shared with the carriers back to January 1. And we're going through that process and we anticipate we'll be done with that process by the end of June. I think July 2<sup>nd</sup> is our current date on our integrated master schedule.

**Governor:** There's a master schedule for a task list, in other words, that you're going to get done?

**Daniel Green:** Correct.

**Governor:** Have you shared that task list with the Exchange or representatives of the Exchange?

**Daniel Green:** We've shared components of it. We have not shared the entire GANT (sp?) chart. That's on our action item list for early next week, if not later this week. We have shared a roadmap for certain items including the carriers reconciliation, and we do have a specific set of punch list that's discussed. But as far as the complete GANT chart, we have not walked through that and we plan to do that with the Exchange and other members as appropriate.

**Governor:** It's just me talking, but I would think you would want the Exchange representatives to have that because it would be important to me in my calculus whether we're going to keep Xerox as to what your plan is to fix all of this.

**Daniel Green:** Understood.

**Governor:** Now, there's also -- and you may not be the right person to talk about this, but as you're aware, Xerox and the state have been sued, and there's a class action lawsuit associated with this. I mean, there are a lot of folks that they're representing that we've just talked about that are suing because they don't have their insurance cards and they've paid their money and -- have you been working, again, to get those things resolved? Because that has created possible liability for the State of Nevada.

**Daniel Green:** I'm aware of the lawsuits. I'm frankly not the right guy to speak to them. From an operational level, yes, I do say the components that are part of that or any other finding, those are the items that are on that integrative master schedule that I reference. So they are deliberate points about acceptable outcomes and timeframes, and those are specific examples with consumers who haven't been effectuated or haven't had the data transmitted appropriately to make sure that the carrier recognizes the enrollment. Those are specific follow-up items. It's a different part of Xerox that will deal with all the legal side of that.

**Governor:** Are you running -- is Xerox running any other exchanges in the United States?

**Daniel Green:** No, we're not running an exchange with this configuration where we operate the core system, no.

**Governor:** Is there any similarly situated systems that are operating in other states by Xerox?

**Daniel Green:** We operate a call center, the call center component of the Commonwealth of Kentucky. But as far as other state based exchanges, no.

**Governor:** There's nothing? What do you guys do in Florida?

**Daniel Green:** There was a private exchange that Florida -- testing my history. Florida Health Choices is the organization. It's a private exchange. There were initial sets of activities to have carriers join and offer services, in essence, similar to a shop market, so a private exchange. The governor there made the choice not to move forward with the state based exchange. And it's a set of activities that at this particular point we don't have carriers or enrollees going through that process.

**Governor:** Okay. Well, Mr. Green, I apologize in terms -- I'm just frustrated. This has been going on since October. And frankly I don't feel like it's getting better. And I've been having conversations with representatives of Xerox since December. And every time I talk to them or representatives of the company, "We're putting more resources. We've got a plan. We've got a checklist. It's going to get better. We think, you know, that by such and such time we should be okay." And here we sit, it's May 13th and we still have problems. And now the state is in a terrible position because we have the choice of staying with Xerox and frankly questioning whether you can get it done. And we have a short amount of time to do it, five months. And there are pages and pages of issues that have to be addressed. So that's option one.

Option two is to dismiss Xerox and seek another state based exchanged. But as we've heard today, I don't know if that's a realistic option because of the RFP process. And there's frankly some risk there because we don't know if that one's going to work or if it can be implemented in time. And then the third is this federal exchange which will upset the carriers and, again, I'm not confident that that will work out well. So I worry this and, again, you may not be the question, but there's a provision in the contract with Xerox that allows Xerox to walk away from this. Is it Xerox's intent to stay with the State of Nevada?

**Daniel Green:** It's news to me on the contract element. But what I can say is...

**Governor:** Maybe it's not 30 days, but there is...

**Daniel Green:** Well, no, all I can say, Governor, is at a personal level it would -- I wouldn't sit here if I didn't think that we could get it done. I recognize I'm one of a list of folks that you have seen from Xerox and by no means disrespect to any of those, but I wouldn't be sitting here if I didn't think it was a deliverable plan.

**Governor:** Mm-hmm.

**Daniel Green:** And, you know, proof's in the pudding in terms of our ability to respond to you and to the Exchange with outcomes that can be tangibly, you know, see it, touch it, feel it.

**Governor:** And you took the words right out of my mouth, the proof is in the pudding, and right now there's no proof, and it's May 13<sup>th</sup>, and we've been going for seven months, almost eight months. And, you know, I'm at a loss of words. And I appreciate that you've said that you've got the plan, but that's all we have right now is a plan. And we have nothing to look back at to say, wow, that's something that we can plant a flag in and say, "This is great." So, you know, here's a chance for you if there's anything else that I've missed to say something on behalf of Xerox.

**Daniel Green:** Well, I can say on behalf of Xerox we're proud about the Nevadans that are enrolled. And we've processed -- it's close to \$15 million worth of payments through the process and we do have folks that are receiving services and it's enlightening to hear public comment at some of the Board meetings that things are going well and happy to receive to services and Nevada's forward thinking, and all of those items are good to hear from a Xerox perspective. We're proud about that. We know we got things that we need to work on.

**Governor:** A lot of things, yeah.

**Daniel Green:** Understood, Governor.

**Governor:** Okay. Board members, do you have any questions that you'd like to ask?

**Attorney General:** No, Governor.

**Secretary of State:** No, Governor.

**Governor:** All right. Thank you very much, Mr. Green.

**Daniel Green:** Thank you for your time.

**Governor:** I see Mr. Willden and Mr. Fisher here. Mr. Fisher, if you'd come back. I mean, the two of you are in the eye of the storm. Is there anything that you heard today that you may have some comments on or that makes you feel any better about what the plan is moving forward, Mr. Fisher or Mr. Willden?

**Steve Fisher:** Well, I'm glad -- I haven't seen it yet, but I'm glad to hear there is a project plan. That is something that -- when I came onboard nine weeks, that was something I asked for, you know, a full length encompassing project plan because there wasn't one. So I'm glad to hear that Dan stated that there is, but I haven't seen the plan yet. It sounds like I'll be seeing it here shortly.

**Governor:** Okay. Mr. Willden, any observations?

**Mike Willden:** Governor, I would just probably summarize, I think you hit the nail on the head that proof is in the pudding in my humble opinion. From the seat I sit in there hasn't been performance or there's been poor performance. I mean, we can go through four or five issues and I'm always not shocked, but, you know, every week's a new week. And it's many issues from enrollment to premium aggregation to problems with how the APTC's been applied to the carrier issues and so the proof is in the pudding. Xerox needs to perform. And I frankly haven't seen it, their performance to the level that we need. The state based exchange has -- transferring another state based exchange has risks. There are states doing that. With an RFP, I don't think we could make the next open enrollment period, and so you'd have to look at whether there's an exemption or a different process. I always forget the term. It's not (inaudible), but whatever...

**Unidentified Male Speaker:** Professional exemption.

**Mike Willden:** Professional exemption. If a professional exemption applies, there's a chance to have a different set of tools in place with a professional exemption. But that has risks. And with regard to the FFM, the Federally Facilitated Marketplace, I really see an A and a B there. I think you're absolutely correct that with the current statute we couldn't go wholly to the FFM. But there is a possibility which is the Oregon approach that they keep control of the frontend, contract with the FFM to use their processing tools, and they keep control of the carrier piece. And that's an option to explore.

Money is a huge issue for us. There's I think about \$10 million of possible free federal money. I mean free as in it's already been awarded to us that we can reprogram. That discussion Mr. Fisher and other staff will have Thursday, and I hope I can be on that conference call. And the last thing I guess that I would say is there hasn't been adequate project management period. And we need to strengthen that. Several reports, whether it's the independent auditor or the Deloitte report, there has to be stronger project management, and we haven't got that task done.

**Governor:** Well, and I -- Mr. Willden, I know we've talked about this more, but -- and I've said it before, I don't feel like there are any good outcomes for us because there are so much risk associated with any of these alternatives or possibilities that we've talked about today. We have Xerox which hasn't performed well. We have the uncertainty of importing another system, and I don't want to have the conversation on October 1<sup>st</sup> where if we did that, "Well, Governor, if we'd had more time, we could've been able to do all these things and we simply didn't have enough time." And then you've got the federal exchange which will undermine everything that we've tried to do. So it's kind of having to pick the least or worst or the best of a lot of bad possibilities.

**Mike Willden:** Governor, I would add two other things. I think going forward I think there are two things at least in my observations, my recommendations to the Board whenever we're going to meet next week, the frontend needs to be rebuilt. Running the Medicare applications through the process we historically have done has created a huge backlog and lots of problems for the Medicaid problem, but we've been working through. I think we have to change that frontend process. The second thing is our attempts at premium aggregation have been dismal and we should turn that over to the carriers who are better suited to do that. So however we go forward, we have to keep our eye on that frontend and the backend of the system which haven't been working well.

**Governor:** Okay. Well, thank you. Thank you, gentlemen. And, Board members, I appreciate your indulgence. This is a really important issue and I thought that this was a good forum for us to learn and be updated on the status of the Exchange given that we were the ones that approved the contract in the first place. And so I appreciate everyone being here from Xerox and Deloitte and representatives from the Exchange and HHS. But do you have any other questions before I leave this Agenda item?

**Attorney General:** No, Governor. I just want to thank you for the discussion as well. It's been very, very informative and it's such an important issue, so I appreciate you bringing it before the Board.

**Governor:** Thank you. All right. Thank you, gentlemen.

## **18. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS**

**Governor:** All right. Let's move to Agenda Item 18, Public Comment. Is there any member of the public here in Carson City that would like to provide comment to the Board? Is there any member of the public in Las Vegas that would like to provide comment to the Board?

**Secretary of State:** Doesn't appear so, Governor.

## **\*19. FOR POSSIBLE ACTION – ADJOURNMENT**

**Clerk's Recommendation:** I recommend approval.

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

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**Comments:**

**Governor:** All right. Is there a motion for adjournment?

**Attorney General:** Move for adjournment.

**Secretary of State:** Second.

**Governor:** All in favor say aye. Aye.

**Attorney General:** Aye.

**Secretary of State:** Aye.

**Governor:** This meeting's adjourned. Thank you very much.

**Respectfully submitted,**

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JULIA TESKA, CLERK

**APPROVED:**

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GOVERNOR BRIAN SANDOVAL, CHAIRMAN

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ATTORNEY GENERAL CATHERINE CORTEZ MASTO

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SECRETARY OF STATE ROSS MILLER