

Governor Steve Sisolak  
*Chairman*

Susan Brown  
*Clerk of the Board*



Attorney General Aaron D. Ford  
*Member*

Secretary of State Barbara K. Cegavske  
*Member*

## STATE OF NEVADA BOARD OF EXAMINERS

209 E. Musser Street, Room 200 / Carson City, NV 89701-4298  
Phone: (775) 684-0222 / Fax: (775) 684-0260  
<http://budget.nv.gov/Meetings>

### MEETING MINUTES

**Date and Time:** March 10, 2020, 10:00 AM

**Location:** Old Assembly Chambers of the Capitol Building  
101 North Carson Street  
Carson City, Nevada 89701

**Video Conference Location:** Grant Sawyer Building  
555 East Washington Avenue, Suite 5100  
Las Vegas, Nevada 89101

**MEMBERS PRESENT:**  
Governor Steve Sisolak  
Secretary of State Barbara Cegavske

**MEMBER ABSENT:**  
Attorney General Ford

**STAFF PRESENT:**  
Susan Brown, Clerk of the Board  
Dale Ann Luzzi, Board Secretary

**OTHERS PRESENT:**  
John Borrowman, Deputy Director, Department of Corrections

## 1. Call to Order / Roll Call

**Governor:** Good morning. I would like to call to order today's meeting of the State of Nevada, Board of Examiners for March 10, 2020. Could I ask the Clerk to take a roll, please?

**Board Secretary:** Good morning, Governor.

**Governor:** Good morning.

**Board Secretary:** Governor Sisolak?

**Governor:** Here.

**Board Secretary:** Madam Secretary?

**Secretary of State:** I'm here.

**Board Secretary:** Attorney General Ford will not be attending the meeting today as he's traveling.

Let the record reflect, we do have a quorum.

**Governor:** We have a quorum.

## 2. Public Comment (The first public comment is limited to comments on items on the agenda. No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item. The Chair of the Board will impose a time limit of three minutes).

**Governor:** *Public Comment* - this is the first time set aside for Public Comment. Anyone wishing to address the Board on any item on today's agenda, please step forward, identify yourself for the record and comments will be limited to three minutes.

**Secretary of State:** Nobody in Vegas, Governor.

**Governor:** Hearing and seeing none.

## 3. Approval of the February 18, 2020 Minutes (For possible action)

**Governor:** Moving on to item number 3, *Approval of the February 18, 2020 Minutes*. Secretary, do we have a motion for approval?

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

**Governor:** Any discussion on that motion? Hearing and seeing none. All in favor signify by saying aye. Are any opposed? The motion passes.

**4. State Vehicle Purchases** (For possible action)

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.

| <b>AGENCY NAME</b>                                                                 | <b># OF VEHICLES</b> | <b>NOT TO EXCEED:</b> |
|------------------------------------------------------------------------------------|----------------------|-----------------------|
| Department of Administration – Enterprise Information Technology Services Division | 2                    | \$78,690              |
| Colorado River Commission                                                          | 1                    | \$49,734              |
| <b>Total</b>                                                                       | <b>3</b>             | <b>\$128,424</b>      |

**Governor:** Item number 4, *State Vehicle Purchases*.

**Clerk:** This morning there are 2 items on the agenda. Item 1 for vehicle purchases from the Department of Administration, Enterprise Information Technology Services Division has been withdrawn.

The second request is from the Colorado River Commission for one replacement vehicle, not to exceed \$49,734. This vehicle meets the age requirements in SAM and funds for the vehicle are included in the agency budget. Are there any questions on this item?

**Secretary of State:** I move for approval, Governor.

**Governor:** We have a motion for approval. Any discussion on that motion? Hearing and seeing none. All in favor signify by saying aye. Are any opposed? The motion passes.

**5. Authorization to Contract with a Current and/or Former State Employees**  
(For possible action)

Board action under this item only grants permission to the employing agency. Current and former employees are still subject to all ethical requirements of NRS Chapter 281A, specifically including subsection 550 which restricts certain former employees and state agencies.

**Department of Administration – Purchasing Division**

Pursuant to NRS 333.705, subsection 1, the Department of Administration, Purchasing Division requests authority to contract with former employee Penelope Hampton to perform revenue projection oversight and training on a part-time basis to the Department of Taxation through Master Service Agreement #18404 with HAT Limited Partnership, dba Manpower.

**Governor:** Moving on to item number 5, *Authorization to Contract with a Current and/or Former State Employee.*

**Clerk:** This item includes 1 request to contract with current and/or former employees. This request is from the Department of Administration, Purchasing Division to contract with a former employee to perform revenue projection oversight and training for the Department of Taxation. This individual will be employed by Manpower through MSA#18404. Are there any questions on this item?

**Secretary of State:** Not from me and I move for approval, Governor.

**Governor:** We have a motion on the floor for approval. Is there any discussion? Hearing and seeing none. All in favor signify by saying aye. Are any opposed? The motion passes.

**6. Approval of Payment to the Secretary of the U.S. Treasury Pursuant to the Cash Management Improvement Act** (For possible action)

The State Controller requests approval of a payment to the U.S. Treasury in an amount not to exceed \$484,484 from the General Fund. This is the highest possible liability payment for 2019. The U.S. Treasury is reviewing the report and is expected to have a final liability amount by March 16, 2020. Payment to the U.S. Treasury is required by March 31, 2020.

**Governor:** Item number 6, *Approval of Payment to the Secretary of the United States Treasury, pursuant to the Cash Management Improvement Act.*

**Clerk:** Item 6 is a request from the State Controller pursuant to Section 85 of Assembly Bill 543 from the 2019 Legislative Session to authorize a payment not to exceed \$484,484 to the U.S. Treasury for interest owed under the Cash Management Improvement Act. The Cash Management Improvement Act ensures efficiency and equity between the time that federal funds are drawn and expended with the State incurring an interest liability if it draws funds too early and the federal government incurring liability to the State if the State uses its funds for federal program purposes.

The amount shown is the highest possible state liability for Fiscal Year 2019. The U.S. Treasury is reviewing the report submitted by the State Controller and should provide a final determination by March 16, 2020. If the calculations by the State Controller are accepted by the U.S. Treasury, the federal government will owe the State \$2,066. Last March, the Board approved a payment not to exceed \$255,302 for Fiscal Year 2018 and the final amount was a payment to the federal government of \$226,753.

Are there any questions on this item?

**Secretary of State:** I have none and I'll move for approval, Governor.

**Governor:** We have a motion on the floor for approval.

I just want to make the record clear that this was an expected amount, an amount not to exceed \$484,484. If the calculations are accurate, it's \$2,066.

**Clerk:** That is correct.

**Governor:** Is there any further discussion on the motion? Hearing and seeing none. All in favor signify by saying aye. Are any opposed? The motion passes.

**7. Request for a Recommendation of Approval to the Interim Finance Committee for an Allocation Amount from the Contingency Account (For possible action)**

**Department Of Business and Industry – Office of the Labor Commissioner**

Pursuant to Nevada Revised Statute NRS 353.268, the Office requests the Board's recommendation to the Interim Finance Committee for an allocation of \$71,465 from the Interim Finance Committee Contingency Account to cover costs for Fiscal Year 2021 related to the Task Force on Employee Misclassification from the passage of Senate Bill 493 in the 2019 Legislature.

**Governor:** Item number 7, *Request for Recommendation of Approval to the Interim Finance Committee for an Allocation Amount from the Contingency Account.*

**Clerk:** This item includes 1 request for a positive recommendation to the Interim Finance Committee Pursuant to NRS 353.268. The General Fund contingency account has an approximate balance of \$26.8 million to cover unanticipated costs for the remainder of the 2019-2021 biennium. If this item is approved the remaining balance in the account will be approximately \$26.7 million.

This request is from the Department of Business and Industry, Office of the Labor Commissioner in the amount of \$71,465 to continue to cover costs related to the Task Force on Employee Misclassification arising from the passage of Senate Bill 493 of the 2019 Legislative Session.

Are there any questions on this item?

**Governor:** Do you have any questions?

**Secretary of State:** No, I don't have any.

**Governor:** None.

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

**Governor:** We have a motion for approval on item number 7. Is there any discussion? Hearing and seeing none. All in favor signify by saying aye. The motion passes.

**8. Request for Designations of Bad Debts** (For possible action)

Pursuant to NRS 463.123(2), the Nevada Gaming Control Board requests the approval to remove delinquent debt from the Nevada Gaming Commission's records.

**Governor:** Item number 8, *Request for Designation of Bad Debts*.

**Clerk:** Most State agencies turn their uncollectable debt over to the State Controller who has the authority to request the Board of Examiners write off bad debt that has become impossible or impractical to collect. Bad debt under the purview of the State Controller cannot be removed from the State's books unless the Board of Examiners designates the bad debt as uncollectable.

NRS 463.123 requires the Gaming Commission to report the debt determined to be impossible or impractical to collect to the Board of Examiners for the designation of bad debt. Upon such designation, the Clerk shall notify the State Controller to remove the debt from the State's Books.

This item includes 1 request to designate debts as a bad debt under the provisions of NRS 463.123. The request is from the Nevada Gaming Control Board to designate \$44,688.56 as bad debt for the purpose of removing the 5 debts from the State's books.

Are there any additional questions on this item?

**Secretary of State:** I have none and I just want to tell you, Governor, that your staff answered all my questions again, so I have nothing to bring up now. So, thank you very much for that and I will move for approval.

**Governor:** Thank you very much. We have a motion on the floor. Is there any discussion? Hearing and seeing none. All in favor signify by saying aye. The motion passes.

I want to say to those that are present in Las Vegas or Carson City, we're moving through this quickly but we do have an extensive briefing ahead of this meeting, individually, where staff usually answers our questions and thus makes it a little easier during the meeting. So, that is the reason.

**9. Approval of Proposed Leases** (For possible action)

**Governor:** Item number 9, *Approval of Proposed Leases*.

**Clerk:** There are three leases under agenda item 9 for approval by the Board this morning, are there any questions on any of these items?

**Secretary of State:** I have none, Governor. I'll move for approval.

**Governor:** We have a motion for approval. Is there any discussion on that motion? Hearing and seeing none. All in favor signify by saying aye. The motion passes.

**10. Approval of Proposed Contracts** (For possible action)

**Governor:** Item number 10.

**Clerk:** Item number 10 includes 28 contracts for approval by the Board this morning. Are there any questions on any of these items?

**Governor:** I'm going to throw you a curve here. It's more of a comment on number 19. Do we have anybody here from the Clark County School District or Department of Corrections?

This is more of a comment than it is a question. This is my understanding – a program that Corrections has worked with our school district for our re-entry of our inmates, our trustees, do we have any statistics on the success or the viability of this program?

**John Borrowman:** Good morning. Thank you. Deputy Director, Brian Williams, was unavailable today and I apologize for that but he did put some information together for us to represent this particular request.

We do track the success of this program. It is not the only school district in the State that provides this service to inmates within the Department of Corrections but this particular one is from Clark County, for the Youthful Offender. These are the people that are under the age of 21 and we do provide credits, not only toward their education but also high school equivalencies and high school degrees, as well as vocational certificates earned. We had enrollments of over 200 in 2017, just under 300 in 2018 and currently, around 144 up through the end of Fiscal Year 2019 in this particular program, not including all the school districts.

We have given, say in 2019, with 144 enrollees: 253 credits towards their education; 10 of them earned high school equivalencies; 12 of them earned high school degrees; 11 of them earned vocational certificates.

**Governor:** Well, I just want to, not just specifically as it relates to the contract and participation but want to thank you for the program in general. That it's helping, especially our youthful offenders get some education while they're incarcerated so that hopefully we will not see them back in our facilities again and reduce recidivism. So, I think this is an investment on the front end that is well spent in terms of return for the families and the individuals that are affected by the services that you're providing. So, on behalf of my office, thank you for what you're doing.

**John Borrowman:** Thank you.

**Governor:** Do you have any questions, Secretary?

**Secretary of State:** No, as I said, Governor, your staff did an excellent job of answering my questions and I find it very interesting that you and I had similar questions on this one. So, thank you for stating that.

**Governor:** It's my pleasure, thank you. It's an important function and I appreciate that. Do we have a motion on this one?

**Secretary of State:** Yes, I move for approval, Governor.

**Governor:** We have a motion for approval on item number 10. Is there any discussion? Hearing and seeing none. All in favor signify by saying aye. The motion passes.

**11. Approval of Proposed Master Service Agreements** (For possible action)

**Governor:** Item number 11, *Approval of Proposed Master Service Agreements*.

**Clerk:** There are 11 Master Services Agreements in agenda item 11 for approval by the Board this morning. Are there any questions on any of these items?

**Governor:** I do not have any questions. Do you have any questions?

**Secretary of State:** I have none and I'll move for approval.

**Governor:** We have a motion for approval on item number 11. Is there any discussion? Hearing and seeing none. All in favor signify by saying aye. The motion passes.

**12. Information Item – Clerk of the Board Contracts**

Pursuant to NRS 333.700, 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). Attached is a list of all applicable approvals for contracts and amendments approved from January 18, 2020 through February 14, 2020.

**Governor:** Item number 12, Information Item, *Clerk of the Board Contracts*.

**Clerk:** There were 40 contracts under the \$50,000 threshold approved by the Clerk between January 18, 2020 and February 14, 2020. This item is informational only. Is there any additional information requested for any of these items?

**Governor:** I do not have any but I did have some and you answered all my questions. So, do you have any, Madam Secretary?

**Secretary of State:** No, ours were taken care of and I want to thank Susan and her team again, for helping through all of our questions.

**Governor:** I do too and I want to acknowledge to the folks that are here, you might just see Susan and her team here making us look good and they do but they are terrific and very efficient in providing information to us when we have questions and they always get back to us immediately.



So, this is an information item, thank you very much.

### **13. Information Item and Reports**

#### **Statewide Quarterly Overtime Report – Fiscal Year 2020 2nd Quarter**

Pursuant to NRS 284.180, the Department of Administration, Division of Human Resource Management must prepare and submit quarterly to the Budget Division of the Office of Finance a report regarding all overtime worked by employees of the Executive Department during the quarter. The Budget Division shall transmit quarterly to the Board of Examiners the report and the analysis of the Budget Division regarding the report. The Budget Division submits the 2nd Quarter Overtime Report and analysis for Fiscal Year 2020.

**Governor:** Item number 13.

**Clerk:** Item number 13 - this informational report in agenda item 13 is on overtime and accrued compensatory leave for the second quarter of Fiscal Year 2020. My staff summarized the report into a two-page summary, so I will not read all of the details but will hit a few highlights.

For the first half of Fiscal Year 2020, overtime pay and compensatory (comp) leave accounted for a total of approximately \$25.66 million, which is 4.55% of total pay, this is a slight increase from Fiscal Year 2019. The Department of Corrections had the highest amount of overtime and comp time at \$4.37 million or 9.7% of their base pay for the second quarter. This is an increase from the same period last year of \$1.15 million, followed by the Department of Health and Human Services at \$2.73 million or 3.19% of base pay. This was a slight decrease from the same period last year. These two agencies accounted for 56% of the overtime for the quarter.

At the Department of Corrections, overtime and comp time at the seven locations on page 2 accounted for 84.7% of the total overtime for the Department. By event code, the highest four causes on page 2 accounted for 85.5% of the overtime at the Department of Corrections for the 2nd quarter, Fiscal Year 2019. At the Department of Health and Human Services, the four event codes on the bottom of page 2 accounted for 77.2% of their overtime.

Are there any questions on this item?

**Governor:** There are none and I appreciate you bringing to my attention some of these totals and we're working with the agencies to reduce this overtime, when possible. Do you have any questions, Secretary?

**Secretary of State:** I do not, thank you.

**Governor:** Thank you. That's an information item.

**14. Public Comment** (This public comment period is for any matter that is within the jurisdiction of the public body. No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item. The Chair of the Board will impose a time limit of three minutes.)

**Governor:** Item number 14 is *Public Comment*. Anyone wishing to address the Board on any item, please step forward, identify yourself for the record and comments will be limited to three minutes. Do we have any in Las Vegas?

**Secretary of State:** No, none in Las Vegas.

**Governor:** Hearing and seeing no one.

Do we have a motion for adjournment?

**Secretary of State:** So moved.

**Governor:** We have a motion on the floor. All in favor signify by saying aye. The motion passes, we are adjourned, thanks for coming everybody.