

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: June 9, 2020, 10:00 AM

Location:

Pursuant to the Governor's Emergency Directive 006, there will be no physical location for this meeting. This meeting can be viewed on YouTube. The link will not go live until 10:00 am

https://www.youtube.com/channel/UCF8zpKli9VhMDNVq_GsEYuQ/live

**Please do not call for the collaboration code if you have not been contacted by your Executive Branch Budget Officer to do so.
Thank you.**

Conference Call Line

775-687-0999 or 702-486-5260
Please call 775-684-0222 for collaboration code

MEMBERS PRESENT:

Governor Steve Sisolak
Attorney General Aaron Ford – on the phone
Secretary of State Barbara Cegavske – on the phone

STAFF PRESENT:

Susan Brown, Clerk
Dale Ann Luzzi, Board Secretary

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 Tuesday, June 9, 2020. Could I ask the Clerk to take the roll, please?

Board Secretary: Yes. Governor Sisolak?

Governor: Here.

Board Secretary: Attorney General Ford?

Attorney General: Here.

Board Secretary: Secretary of State Cegavske?

Secretary of State: I'm here.

Board Secretary: Let the record reflect, we do have a quorum.

Governor: Thank you.

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: Thank you. Item number 2 is *Public Comment*. This is the first time set aside for public comment. Anyone wishing to address the Board, please identify yourself for the record. Comments will be limited to three minutes. Do we have anyone on the phone? Do we have any written public comments? Okay. No public comment.

3. Approval of the May 12, 14 and 19, 2020 Minutes (For possible action)

Governor: Do we have a motion, item number 3 for *Approval of the May 12th, 14th and 19th Minutes?*

Secretary of State: Move for approval. This is Barbara.

Attorney General: Move approval. Second.

Secretary of State: We both did it.

Governor: We have two motions for approval. Any discussion on that motion? Seeing and hearing none, all in favor signify by saying aye. [ayes around] 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.

AGENCY NAME	# OF VEHICLES	NOT TO EXCEED:
Department of Agriculture	1	\$42,118
Total	1	\$42,118

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

Clerk: There is one request for one vehicle in this agenda item. This request is from the Department of Agriculture to purchase one replacement vehicle for \$42,118. The vehicle being replaced has met the age and mileage requirements in SAM. This vehicle is being purchased with federal funds. Are there any questions on this item?

Governor: Do we have any questions on item number 4? Do I have a motion on item number 4?

Attorney General: None here. Move approval.

Governor: We have a motion on the floor for approval. Any discussion? Hearing and seeing none, all in favor signify by saying aye. [ayes around] Motion passes.

5. Authorization to Contract with a Current and/or a 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.

Governor’s Office – Athletic Commission

Pursuant to NRS 333.705, subsection 1, the Commission requests authority to contract with Charvez Foger a current Ombudsman with the Department of Business and Industry, to provide inspector services at unarmed combat events.

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

Clerk: Item 5 includes one request to contract with a current employee pursuant to NRS 333.705(1). This request is from the Athletic Commission to contract with a current employee to provide inspector services at unarmed combat events. This individual is currently employed with the Department of Business and Industry and will provide these services outside his normal work hours. Are there any questions on this item?

Governor: Do we have any questions on item number 5? Seeing none. Do I have a motion?

Attorney General: Move approval.

Governor: We have a motion for approval, any discussion on that motion? Hearing and seeing none, all in favor signify by saying aye. [ayes around] Motion passes.

6. Request for Designation of Bad Debts (For possible action)

Department of Business and Industry – Division of Industrial Relations

Pursuant to NRS 232.605(2), the Advisory Council requests that the Board of Examiners designate the following debts as bad debts, as they have been determined to be uncollectible:

Business and Industry, Division of Industrial Relations	\$1,753,539.55
Occupational Safety and Health Administration Fines/Penalties	\$67,358.82
Uninsured Employer Claim Account	\$1,175,915.38
Worker’s Compensation Administrative Fines and Premium Penalties	\$510,265.35

Governor: Item number 6, *Request for Designation of Bad Debts*.

Clerk: Item number 6. 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. In this case, pursuant to NRS 232.605, the Department of Business and Industry, Division of Industrial Relations’ Advisory Council, shall request the Board of Examiners to designate such amount as a bad debt that the Division determines is impossible or impractical to collect.

This item includes one request to designate debts as bad debts under the provisions of NRS 232.605. The request is from the Division of Industrial Relations to designate \$1,753,539.55 as bad debt for the purpose of removing these debts from the State’s books. The agency has worked with the Controller’s Office on debt collection efforts. This has no impact on the general fund. Are there any questions?

Governor: Yeah, do we outsource this to a private collection agency?

Clerk: In this case, the agency itself, the Division of Industrial Relations has a process that they follow and then they turn it over to the Controller's Office who has a vendor that they use, a contractor that they use for additional debt collection efforts.

Governor: Okay. So, what success have we had with that vendor?

Clerk: I'm going to say that there's been about \$100,000 collected in bad debt in the current fiscal year. And just—I'm ballparking that because I did look at this the other day. I would have to do some more research and get that information for you.

Governor: Do we have representation from Controller's Office on the phone? They're not in attendance? Okay. Do we have a motion on this one?

Secretary of State: Governor? Governor, this is Barbara Cegavske. In the past, when we've talked about this being on the Board of Examiners', this is something that sometimes they turn over and sometimes they do it internally. We asked a lot of questions about this and your staff got us the information. So, I'm okay with making a motion to approve, but I do want you to know that a lot of its exhausted because sometimes the people have moved.

Governor: Right.

Secretary of State: But, what we did find out is, sometimes, they get a new business license. And so, we would want to make sure that they hadn't done that or that they're working under another name.

Governor: Okay. Well, if we could follow up with the Controller's Office if she could make herself available to answer those questions and provide that information. I think it would be helpful. Okay. Do we have a motion on this item?

Secretary of State: Yes sir, I made a motion and I'll stick with it.

Governor: We have a motion on the floor, any discussion? Hearing and seeing none. All in favor, signify by saying aye. [ayes around] 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 Public Safety – Dignitary Protection

Pursuant to NRS 353.268, the Division requests the Board's recommendation to the Interim Finance Committee for \$23,000 from Contingency Account to cover costs associated with providing dignitary protection to the Governor.

Patient Protection Commission

Pursuant to NRS 353.268, the Commission requests the Board's recommendation to the Interim Finance Committee for an allocation of \$241,065 from the Interim Finance Committee Contingency Account, to cover projected costs for fiscal year 2021 related to the Patient Protection Commission arising from the passage of Senate Bill 544 in the 2019 Legislative Session.

Department of Corrections

Pursuant to NRS 353.268, the Nevada Department of Corrections (NDOC) requests the Board's recommendation to the Interim Finance Committee for \$1,318,680 Inmate Driven expenditure categories.

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

Clerk: This item includes three requests for a positive recommendation to the Interim Finance Committee Pursuant to NRS 353.268. The General Fund contingency account has an approximate balance of \$18 million to cover unanticipated costs for the remainder of the 2019-2021 biennium. If these items are approved the remaining balance in the account will be approximately \$16.4 million.

The first request from the Department of Public Safety has been withdrawn.

The second request is from the Governor's Office, Patient Protection Commission for \$241,065 to continue to cover costs for the Patient Protection Commission arising from the passage of Senate Bill 544 of the 2019 legislative session.

The third request is from the Department of Corrections for \$1,318,680 to cover non-medical related costs, such as increased food costs. Total ask for NDOC from the contingency account year to date is \$8.3 million.

Are there any questions on any of these items?

Governor: Do we have any questions on item number 7? Do we have a motion?

Attorney General: I'll move approval.

Governor: We have a motion for approval, any discussion on that motion? Hearing and seeing none, all in favor signify by saying aye. [ayes around] Motion passes. Thank you.

8. Requests for the Allocation and Disbursement of Funds for Salary Adjustments (For possible action)

The 2019 Legislature, through Assembly Bill 542, made appropriations from the General Fund and the Highway Fund to the Board of Examiners to meet salary deficiencies that may be created between the appropriated money of the State's respective departments, commissions, and agencies and the salary requirements for the personnel of those departments, commissions, and agencies. The Board of Examiners, upon recommendation of the Director of the Governor's Finance Office, may allocate and disburse amounts, from the appropriate fund, to the departments, commissions and agencies of the State for the purpose of paying personnel salary deficiencies.

The following department, commission and agency requests for allocations from the General Fund and/or Highway Fund salary adjustment accounts are recommended by the Director of Finance:

BA#	BUDGET ACCOUNT NAME	GENERAL FUND ADJUSTMENT	HWY FUND ADJUSTMENT
1036	Attorney General's Office – Crime Prevention	\$11,052	
	Total	\$11,052	
2691	Department of Agriculture – Nutrition Education Programs	\$2,720	
	Total	\$2,720	
4738	Department of Public Safety – Dignitary Protection	\$15,419	
	Total	\$15,419	

Governor: The next item is item number 8, *Request for Allocation and Disbursement of Funds for Salary Adjustments*.

Clerk: Sections 4, 5, 6 and 7 of Assembly Bill 542 from the 2019 Legislative Session appropriated Salary Adjustment funds to the Board of Examiners to cover the 3% cost of living adjustments effective July 1, 2019, which were not included in agency salary budgets.

An agency whose actual salaries exceed their budgeted amount due to these COLAs are allowed to request salary adjustment dollars from the Board of Examiners. This item requests access to those funds by:

- The Attorney General's Office – Crime Prevention Account to cover COLAs in the amount of \$11,052 in General Funds.
- The Department of Agriculture – Nutrition Education Program in the amount of \$2,720 in General Funds
- The Department of Public Safety – Dignitary Protection Detail in the amount of \$15,419 in General Funds.

The total General Fund request today is \$29,191. The legislature appropriated \$30.4 million in General Fund for this purpose.

Governor: Do we have any questions on item number 8? Do we have a motion?

Secretary of State: Move for approval.

Governor: We have a motion for approval, any discussion on that motion? Seeing none, all in favor signify by saying aye. [ayes around] Motion passes. Thank you.

9. Approval of Proposed Leases (For possible action)

Governor: The next item is item number 9, *Approval of Proposed Leases*.

Clerk: There are six leases in agenda item 9 for approval by the Board this morning. Lease number 4 with the Department of Health and Human Services and Aging and Disability Services Division has been withdrawn. Are there any questions on any of these items?

Governor: No, I want to thank you for going over these leases with me in my briefing. I think we just need to be cognizant of the fact that as we're continuing in this downturn of the economy, these prices are coming down and I would hope that our negotiations reflect that. Questions?

Attorney General: None here.

Governor: Do I have a motion?

Attorney General: Move approval.

Governor: We have a motion on the floor, any discussion? All in favor signify by saying aye. [ayes around] Motion passes.

10. Approval of Proposed Contracts (For possible action)

Governor: Item number 10, *Approval of Proposed Contracts*.

Clerk: There are 55 contracts in agenda item 10 for approval by the Board this morning. Contract 17 Department of Tourism and Cultural Affairs and Certified Folder Display Service and Contract 42 Department of Health and Human Services, Division of Child and Family Services and Board of Regents, UNR School of Social Work have been withdrawn. Are there any questions on any of these items?

Governor: I do. I have questions on items number 7, 8, 9 and 10. Do we have a representative from the Treasurer's Office?

Attorney General: We can get them on the line, Governor.

Governor: Okay. I'm going to move to hold items 7, 8, 9 and 10. We'll vote on the rest of them. Can we do that? Okay. Do we have a motion on the rest of the items with a hold on 7, 8, 9 and 10 since the Treasurer's Office is not with us?

Secretary of State: So moved.

Attorney General: Move approval.

Governor: We have a motion on the floor. Any discussion on the motion? All in favor signify by saying aye. [ayes around] Motion passes. We'll bring those back at a future meeting when the Treasury can attend.

11. [Approval of Proposed Master Service Agreements](#) (For possible action)

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

Clerk: There are 5 master service 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 we have any questions on item number 11? Do we have a motion?

Attorney General: None here, so moved. Move approval.

Governor: We have a motion on the floor. Any discussion on the motion? All in favor, signify by saying aye. [ayes around] 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 April 21, 2020 through May 18, 2020.

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

Clerk: Item number 12, there were 55 contracts under the \$50,000 threshold approved by the Clerk between April 21, 2020 and May 18, 2020. Are there any questions on any of these items?

Governor: I do not have any questions. Do we have any questions on item number 12?

Secretary of State: None, Governor.

Attorney General: None here.

Governor: Okay. That's an information item.

13. Information Item and Reports

Statewide Quarterly Overtime Report – Fiscal Year 2020 3rd 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 3rd Quarter Overtime Report and analysis for Fiscal Year 2020.

Governor: Item number 13, information item and reports. *Statewide Overtime Report*, this is always a good one.

Clerk: This report is on overtime and accrued compensatory leave for the third quarter of FY 2020. My staff summarized the report into a two-page summary, so I won't read the details but I will hit a couple of highlights. For the first nine months of fiscal year 2020, overtime pay and comp leave accounted for a total of approximately \$36.86 million, or 4.45% of total pay, this is a slight increase from fiscal year 2019 or about \$1.2 million.

The Department of Corrections had the highest amount of overtime for the quarter and comp time at \$3.36 million or 8.74% of their base pay, followed by the Department of Health and Human Services at \$2.9 million or 3.81% of their base pay. These two agencies accounted for 55.8% of the overtime for the quarter.

Year to date, the Department of Corrections has incurred \$11.5 million in overtime compared to \$9 million for the same period last year or 9.43% of base pay while DHHS has incurred \$8.3 million of overtime and comp time or 3.52% of base pay. Those two agencies account for 53.7% of the overtime and comp time through the first three quarters of FY 2020.

At the Department of Corrections, overtime and comp time decreased by \$1 million from the prior quarter, and overtime and comp time at the seven locations on Page 2 accounted for 86.9% 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. Finally, 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: I do not have any questions on this. The overtime obviously continues to be high and problematic. Do we have any comments on that item?

Attorney General: None here, Governor.

Secretary of State: Not from me, Governor, thank you.

Governor: Okay. Thank you.

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, *Public Comment*. This is the second time set aside for 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 anyone? Seeing no one, we'll close public comments. Secretary Cegavske, I know you've got a busy day ahead of you.

Secretary of State: I do.

Governor: Best of luck.

Secretary of State: Thank you.

Governor: We have total confidence in you that it will turn out fine. And, again, we'll be a standard for the rest of the country. So, thank you for all your doing for us.

15. Adjournment (For possible action)

Governor: Do I have a motion to adjourn?

Secretary of State: Thank you, Governor, let's adjourn!

Governor: All in favor signify by saying aye. [ayes around] Motion passes. Thanks, everybody.