

Governor Brian Sandoval
Chairman

James R. Wells, CPA
Clerk of the Board



Attorney General Adam Paul Laxalt
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
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<http://budget.nv.gov/Meetings>

MINUTES

Date and Time: March 14, 2017, 10:00 AM

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

Video Conference Location: Grant Sawyer Building
555 E. Washington Avenue, Ste. 5100
Las Vegas, Nevada 89101

MEMBERS PRESENT:

Governor Brian Sandoval
Attorney General Adam Paul Laxalt
Secretary of State Barbara Cegavske
James R. Wells, Clerk of the Board

OTHERS PRESENT:

John Terry, Assistant Director of Engineering, Department of Transportation
J.D. Decker, Administrator, Department of Industrial Relations
Brett Kandt, Chief Deputy Attorney General, Attorney General's Office
Reesha Powell, Deputy Administrator, Division of Child and Family Services

1. Call to Order / Roll Call

Governor: Good morning ladies and gentlemen, I will call the Board of Examiners Meeting to order. All members are present.

2. Public Comment (No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically include on an agenda as an action item)

Governor: We'll move to agenda item number 2 which is Public Comment. Is there any member of the public present here in Carson City that would like to provide public comment to the Board? I hear and see none. Is there anyone present in Las Vegas that would like to provide public comment to the Board? I hear and see none.

3. Approval of the February 14, 2017 Minutes (For possible action)

Governor: We'll move to agenda item 3 which is the approval of the February 14, 2017 meeting minutes. The Secretary of State has advised that she was not in attendance.

Attorney General: I move to approve

Governor: The Attorney General has moved to approve the meeting minutes of February 14, 2017 meeting. I second the motion. The motion passes 2-0.

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 EXCEED:	TO
Nevada Department of Wildlife	1	\$28,676	
Total	1	\$28,676	

Governor: We'll move on to agenda item number 4 which is State Vehicle Purchase. Mr. Wells.

Clerk: Thank you, Governor. Item number 4 requests one vehicle. It is the Department of Wildlife requesting a replacement vehicle for a Warden, who is based in Eureka County, which has become too costly to repair. Funding for this vehicle will come from savings from the purchase of new trucks in the current biennium from what was originally budgeted for those new vehicles. There are representatives from the Department available to answer any questions the Board may have.

Governor Sandoval: Thank you, Mr. Wells. I have no questions. Any questions or discussion on the motion? If there are no questions, the Chair will accept a motion to approve the State Vehicle Purchase identified in agenda item number 4.

Attorney General: Move to approve.

Secretary of State: Second.

Governor: The Attorney General has moved for approval. The Secretary of State has seconded the motion. The motion passes 3-0.

5. Request Reimbursement from the Statutory Contingency Account

(For possible action)

Pursuant to NRS 293.253(6), the Secretary of State requests \$279,588.17 from the Statutory Contingency Account to reimburse county clerks for the cost of publication for statewide ballot measures from the 2016 general election.

Governor: We'll move to agenda item number 5 which is a Request for Reimbursement from the Statutory Contingency Account. Mr. Wells.

Clerk: Thank you, Governor. Pursuant to NRS 293.253(6), the portion of the cost of publication in a County newspaper which is attributable to publishing the questions, explanations, arguments, rebuttals and fiscal notes of proposed constitutions, constitutional amendments or statewide measures is a charge against the State and must be paid from the Reserve for Statutory Contingency Account upon recommendation by the Secretary of State and approval by the Board of Examiners. This item requests approval of \$279,588.17 to reimburse the 17 Counties for these costs which were incurred in the November 2016 election cycle. Representatives from the Secretary of State's Office are available to answer any questions the Board Members may have.

Governor: Thank you Mr. Wells. I may not need the Secretary of State's Office to answer this question but this is routine, is it not?

Clerk: Correct. This is a routine expense based on any questions that are proposed. The State has to bear the burden of the cost of publications.

Governor: That's the point I'm making. This isn't an extraordinary expense that wasn't expected. Okay. Board members, any questions on this agenda item? I hear none. Is there a motion to approve the Secretary of State's request for \$279,588.17 from the Statutory Contingency Account to reimburse County Clerks for the cost of publication for statewide ballot measures from the 2016 General Election?

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. Is there a second?

Secretary of State: Second.

Governor: Second by the Secretary of State. The motion passes 3-0.

6. Approval to Pay Stale Claim (For possible action)

Pursuant to NRS 353.097, subsection 4, a stale claim must be approved for payment from the State Claims Account by the State Board of Examiners. The Board has authorized the Clerk to approve state claims under \$50,000 on behalf of the Board. The following Stale Claims are being submitted to the Board of Examiners for approval:

Governor: We'll move on to agenda item number 6 which is an Approval to Pay a Stale Claim. Mr. Wells.

Clerk: Thank you Governor. Item 6 is a request from the Department of Education to pay a late invoice to a school district pursuant to NRS 353.097. This invoice is from the Lyon County School District for the English Language Learner Rural Program. The invoice was received by the Department of Education on January 30th for the fiscal year ending June 30, 2016. Funds from this program do balance forward. If the claim is approved, it would be paid from the balance forward funds in the School Remediation Trust Fund. There are representatives available from the Department to answer any questions the Board may have.

Governor: I have no questions. I know we talked about this, I believe it was with White Pine, in terms of educating the respective school districts on deadlines, in terms of seeking reimbursement.

Clerk: You are correct Governor. We've had discussions with the Department regarding the timing of the billings from the school districts. I've been informed that Lyon County School District, in particular, has been late in submitting some of the invoices for the different programs.

Governor: But the money is still in the pot. In terms of, it's been reserved. So again, this isn't an extraordinary expense. It was an anticipated one.

Clerk: That's correct. The money from this program did carry forward from the prior fiscal year so there is money to pay for this invoice, which would've been based on their allocation for the prior fiscal year.

Governor: I don't have any other questions. This is more of a comment, but this is a significant amount of money for the Lyon County School District. I would imagine they're eager to get this sum.

Clerk: I would agree. This is a fairly significant amount for Lyon County School District.

Governor: All right then, Board Members any questions or comments? If there are none, the Chair will accept a motion to approve the payment of a stale claim in the sum of \$166,312.14 from the School Remediation Trust Account payable for the Rural English Language Learner Program to the Lyon County School District.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. Is there a second?

Secretary of State: Second.

Governor: Second by the Secretary of State. The motion passes 3-0.

7. Approval of Payment For The Cash Management Improvement Act

(For possible action)

The State Controller requests approval of payment to the U.S. Treasury in an amount not to exceed \$21,526 from the General Fund. This is the highest possible payable liability for 2016. The U.S. Treasury is reviewing the report and should have a final liability figure by March 16th. Payment to the U.S. Treasury is required by March 31st.

Governor: We'll move on to agenda item number 7 which is the Approval of Payment for the Cash Management Improvement Act. Mr. Wells.

Clerk: Thank you, Governor. Item 7 is a request from the State Controller pursuant to Section 82 of Senate Bill 514 from the 2015 Legislative Session to authorize a payment not to exceed \$21,526 to the US Treasury for interest owed under the Cash Management Improvement Act (CMIA). The CMIA ensures efficiency and equity between the time that federal funds are drawn down and expended, with the State incurring an interest liability if it draws funds too early and the federal government incurring a 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 2016. The US Treasury is currently reviewing the report submitted by the State Controller and should provide a final determination by March 16th. If the calculations by the State Controller are accepted by the US Treasury, the federal government will owe the State \$62,074. Last March the Board approved a payment not to exceed \$5,481 for the fiscal year 2015 and the final amount was a payment from the federal government to the State, in the amount of \$8,796. There are representatives from the State Controller's Office available to answer any questions.

Governor: Thank you, Mr. Wells. You're very thorough. I have no questions. Any questions Board Members? I hear no questions. The Chair will accept a motion for approval of payment for the Cash Management Improvement Act in the sum of \$21,526.

Attorney General: Move to approve.

Secretary of State: Second.

Governor: The Attorney General has moved for approval. The Secretary of State has seconded the motion. The motion passes 3-0.

8. Authorization to Approve a Provider Agreement (For possible action)

Department Health and Human Services – Division of Child and Family Services

The division is requesting Board of Examiners' approval of the following provider agreement form to enable them to enter into an agreement with providers of:

- Emergency Shelter Care

Governor: We'll move on to agenda item number 8, Authorization to Approve a Provider Agreement. Mr. Wells.

Clerk: Thank you, Governor. Item 8 is a request from the Department of Health and Human Services, Division of Child and Family Services (DCFS), for the Board to approve a new provider agreement for emergency shelter care. The new agreement would be used to provide emergent, transitional and short-term care, usually not to exceed 30-days, to youth in care and custody of DCFS. Emergency shelter care is provided until long-range plans can be made for a child that cannot be maintained in his or her own home or due to disruption of a subsequent out of home placement. There are representatives from the Division available to answer any questions the Board may have.

Governor: Thank you, Mr. Wells. I have no questions- just a comment. This is another one of those examples of efficiency that may allow for a child to get into a home sooner rather than later and not have to wait for approval from this Board. I think it's a very noble opportunity to help the system- any questions or comments? Hearing none, the Chair will accept a motion for authorization to approve a provider agreement as provided in agenda item number 8.

Attorney General: Move to approve.

Secretary of State: Second.

Governor: The Attorney General has moved for approval. The Secretary of State has seconded the motion. That motion passes 3-0.

9. Authorization to Contract With a Current and / or Former Employee
(For possible action)

A. Department of Health and Human Services Division – Division of Aging and Disability Services Division

Pursuant to NRS 333.705, subsection 1, the division requests approval to contract with former employee, Michelle McGuire, to administer Autism therapy for the division's Autism Treatment Assistance Program and the Nevada Early Intervention Services program. Ms. McGuire is anticipated to work approximately 20 hours per week through June 30, 2018.

B. Department of Transportation

Pursuant to NRS 333.705, subsection 1, the department requests authority to contract with former employee Mr. Hossein Hatefi who is employed by Stantec Consulting Services, Inc. Stantec is proposing using Mr. Hatefi as a bridge inspector and trainer for NDOT Agreement P085-16-011.

Governor: We'll move on to agenda item number 9 which is Authorization to Contract with a Current and/or Former Employee. Mr. Wells.

Clerk: Thank you Governor. Item 9 includes two requests to contract with current and/or former employees pursuant to NRS 333.705, subsection 1.

The first request is from the Department of Health and Human Services, Division of Aging and Disability Services, to contract with a former licensed psychologist who left state service in May 2015. The former employee would administer autism therapy on behalf of the Autism Treatment and Assistance and Nevada Early Intervention Services Programs. The former employee is a licensed psychologist who specializes in the behavior therapy for children and adolescents and fills a need for a difficult to recruit position. The contractor will be reimbursed through a vendor at a rate of \$125 per hour for approximately 20 hours per week for the period of March 14, 2017 through June 30, 2018.

The second request is from the Department of Transportation to allow an existing contracted vendor to use a former staff engineer as a bridge inspector and trainer on the Nevada Bridge Inspection Program. The former employee meets Federal Highway Administration requirements and understands the bridge inventory process and Federal Highway Administration data submittal criteria. The former employee retired in January of this year but did have influence over the contract with this vendor as he was one of five members of the evaluation committee that awarded the contract to the vendor in calendar year 2015.

Representatives from the Departments are available to answer any questions the Board Members may have.

Governor: Thank you. I have no questions on 9A but I do have comments and questions on 9B. Before I ask somebody from NDOT to come forward, here are my concerns with regard to 9B. As you mentioned Mr. Wells, I believe it's Mr. Hatefi, is that how you pronounce that? He left state service on January 20th of this year, so not long ago. He was also on the selection committee for the procurement in the

hiring of this vendor for whom he now is employed. The other issue is on page 3, paragraph 3, he gave the Department a two-week notice prior to his retirement. His paperwork was not submitted until the day before his retirement and the Structures Division wasn't able to recruit for his replacement.

Something that I've talked about historically is if there's an anticipated retirement that you prepare somebody to step up, which we don't have now. Historically, I don't recall us approving one where the individual was part of the procurement process and a member of the selection team. Mr. Wells, remind me of when that selection took place.

Clerk: I don't have the exact date Governor, but the contract went into effect on July 1, 2015. It would've been some time in the spring of 2015, calendar year 2015.

John Terry: John Terry, Assistant Director of Engineering for NDOT. Everything you said is what happened. The employee retired from NDOT. Yes, he was on the selection committee. We try to avoid that situation. If we know somebody is going to retire, we wouldn't have them on a selection committee. It did happen. He was one of the five in that particular case. Yes, he'll be doing a very similar role to what he did with NDOT, under the consultant that we do bridge inspections with, both in-house and consultant services.

Governor: Thank you, Mr. Terry. I'm not being critical of you or the Department in any way. What, if any, is the jeopardy if we weren't to approve this? It would just mean that he couldn't provide those services to the State on behalf of Stantec.

John Terry: Yes Governor, I would agree with that. We would fall behind a little bit on our bridge inspection and our reporting services because these are difficult positions to fill because it's sort of a specialty in terms of being qualified for bridge inspections.

Governor: And, Mr. Terry, it did put the Department in a bit of an awkward position given that you essentially got at most two weeks' notice and maybe a day's notice of his departure.

John Terry: Yes, Governor.

Governor: Where is NDOT in the process of trying to find a replacement for that position?

John Terry: Again, a little bit behind on the process but we started it as soon as possible and submitted that paperwork. I will say- we won't get a lot of applicants for that position because it was somewhat of a specialized position. I believe we will fill it. It will take a few months.

Governor: Just a couple of months then.

John Terry: That's my estimate.

Governor: Okay- questions or comments from other Board Members? Mr. Attorney General, go ahead.

Attorney General: I would just ask, is there another person available that they would be able to subcontract with, as far as you're aware of, to be able to help fill the gap until you all hire?

John Terry: Two things to answer your question. I don't believe it's a one-for-one replacement in terms of he left and we're adding this consultant. This is an ongoing consultant that needs additional help to do that. As to whether they could find another qualified person within the State to do these, it would be difficult, but it would be possible.

Attorney General: We've contracted with them and presumably they've said they can provide this service. They're going to have to make it work, right?

John Terry: Yes, I would agree with that. If we were to deny this, it would be difficult for them but they have a contract with us to deliver a service and they would have to still deliver that service.

Governor: Just a final question for me Mr. Terry. You said it might delay some inspections, but in no way will this compromise public safety; will it, if we weren't to approve this? I mean, we do have the best bridges in the nation, right? That's what you told me at the DOT meeting a few months ago.

John Terry: No, it would not endanger public safety. It would endanger, potentially, our ability to fill out the federal requirement for the bridge inspections and we would fall behind on the two-year mandate to have every bridge inspected. But no, it's not a public safety issue.

Governor: As General Laxalt alluded to, isn't that the responsibility of the vendor to be able to provide sufficient resources if we're contracting with them to do those bridge inspections?

John Terry: Yes, they're under a multi-year contract to provide those services to us. Would we shift additional to them because we lost this employee to do it in-house? We roughly do 50% of inspections in-house and 50% by consultants. It varies. We obviously have this three-month period where we would ask them to do additional work until our position could be filled. Other than that, yes, they're under contract to provide that.

Governor: Any other questions or comments? Again, Mr. Terry, I'm not being critical of you or the Department. This is just different than the ones we typically approve in terms of—there's usually—and I do understand that he was one of five or four on that approval process. But he still had a say in hiring Stantec, then goes to

work for them, even if there is an 18-month or less of a space of time, and doesn't give your Department the ability to respond and anticipate a vacancy because he gave no notice to the Department for that replacement. Those are all issues that concern me. Again, I want to make a record that it isn't going to compromise public safety if we weren't to approve this. That gives me some comfort that this isn't really an emergency. I can only speak for myself but it'd be my preference not to approve or support this agenda item. I don't know if there are any other comments from Board Members.

Attorney General: Governor. I'm not going to support it as well. I don't know whether we need to still vote.

Governor: What are the options, Mr. Wells?

Clerk: You could do three things. You could approve it. You could deny it, in which case the vendor would have to find another alternative person to provide the services to the State. Or, you could defer it and consider it at a later date. Those are the three options.

Governor: Again Mr. Terry, I'm not being critical of the Department. In fact, this Board has approved several requests from NDOT in these types of situations. This has some unique facts that trouble me. Having said that, first I'll take a motion to approve the contract with a current and/or former employee as provided in agenda item 9A for the Department of Health and Human Services, Division of Aging and Disability Services.

Secretary of State: Moved for 9A.

Governor: Secretary of State has moved to approve 9A, is there a second?

Attorney General: Second.

Governor: The Attorney General has seconded the motion- any questions or discussion on the motion? The motion passes 3-0.

Governor: We'll move on to 9B which is a request for an authorization to contract with a current and/or former employee by the Nevada Department of Transportation. Is there a motion to deny?

Attorney General: Move to deny.

Governor: The Attorney General has moved for denial. Is there a second?

Secretary of State: There's a second.

Governor: Second by the Secretary of State. That motion passes 3-0.

10. Request to Write Off Bad Debt (For possible action)

A. Business and Industry, Division of Industrial Relations - \$860,027.67

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

- Mechanical Section Fees/Fines - \$400
- Occupational Safety and Health Administration Fines/Penalties - \$403,870.53
- Uninsured Employer Claim Account - \$238,484.22
- Workers' Compensation Administrative Fines and Premium Penalties - \$217,272.92

B. Nevada Gaming Control Board – Nevada Gaming Commission - \$8,956.39

Pursuant to NRS 463.123(2), the Nevada Gaming Control Board requests the approval to remove \$8,956.39 in delinquent debt from the Nevada Gaming Commission's records.

Governor: We'll move to agenda item number 10 which is a Request to Write-Off Bad Debt. Mr. Wells.

Clerk: Thank you Governor. Most State agencies turn their uncollectable debt over to the State Controller who has the authority to request the Board of Examiners to 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. Prior to the passage and approval of Assembly Bill 14 from the 2015 Legislative Session, the Division of Industrial Relations' Advisory Council and the Nevada Gaming Commission, by the affirmative vote of a majority of their respective members, could remove from their records the name of a debtor and the amount of tax, penalty or interest owed by a debtor, if after a period of three years for the Division of Industrial Relations (DIR) or five years for Gaming Commission they remained impossible or impractical to collect. Assembly Bill 14 amended the respective statutes and requires the DIR Advisory Council and 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 two requests to designate bad debts under the provisions of Assembly Bill 14. The first request is from Department of Business and Industry,

Division of Industrial Relations to designate \$860,027.67 as bad debt for the purpose of removing the debts from the State's books. The second request is from the Nevada Gaming Control Board to designate \$8,956.39 as bad debt for the purpose of removing the debts from the State's books. Last year, these agencies requested the designation of \$1,145,068 and \$108,293 respectively as bad debts and those were removed from the State's books after the Board's approval last year.

There are representatives from the agencies available to answer any questions the Board Members may have.

Governor: Thank you, Mr. Wells - just a question on the cover letter to remind me or refresh my memory on the process. It says the Division of Industrial Relations requested and received a unanimous vote of the Advisory Council, the approval to request that certain bad debts of the DIR be forward to the Board of Examiners. Who is that Advisory Council?

Clerk: Governor, I don't know who sits on the Advisory Council, but that's the statutory advisory council. There is a representative in Las Vegas who can answer from the Division of Industrial Relations.

J.D. Decker: Good morning Governor, Board Members- J.D. Decker for the record, Administrator for the Division of Industrial Relations. The DIR Advisory Council that's set forth in the statute meets once a year and consists of 5-7 members who are appointed by your office.

Governor: I was going to say, I probably appoint them. I'm more interested in the process. Is it a similar process to what we're having today, that Council would review those debts and their collectability and such and make that recommendation here?

J.D. Decker: J.D. Decker for the record. That's correct Governor. The Advisory Council reviews and approves the debt prior to our recommendation to the Board of Examiners.

Governor: The point being, there's been a thorough vetting process with regard to the collectability of those debts.

J.D. Decker: Correct.

Governor: All right, thank you very much. Board Members- any questions on this agenda item?

Attorney General: I have a question Governor.

Governor: Okay. Mr. Attorney General.

Attorney General: It's my understanding that somehow the Controller's Office was part of this debt collection process. I'm just curious, we've approved the Controller

writing off the debt over the past months. I'm curious why they're not writing off as opposed to you guys?

J.D. Decker: J.D. Decker for the record. Attorney General Laxalt, the answer to that, I would imagine, involves the requirement that the Advisory Council review and approve the debt prior to the authority to bring it to this Board. Because it requires Advisory Council approval, I would imagine that the Controller's Office doesn't have the authority to bring it before the Board of Examiners.

Governor: Mr. Smack, I see you here, do you want to clarify? Just for the record, Mr. Smack of the Controller's Office has concurred with Mr. Decker's statement in terms of process.

Attorney General: Thank you Governor.

Governor: You're welcome. Any further questions or comments with regard to agenda item number 10? I hear none. The Chair will accept a motion to approve the request to write off bad debt by the Division of Industrial Relations in the sum of \$860,027.67 and the Nevada Gaming Commission in the amount of \$8,956.39.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. Is there a second?

Secretary of State: Second.

Governor: Second by the Secretary of State. The motion passes 3-0.

11. Request to Exchange Land (For possible action)

Pursuant to NRS 323.100, the State Land Registrar may, with the approval of the State Board of Examiners and the Interim Finance Committee, exchange state lands or interests in land for any other lands or interests in land.

Department of Conservation and Natural Resources Division of State Lands

The Department of Conservation and Natural Resources, Division of State Lands, proposes to exchange 62 acres of State of Nevada land located in Elko County near the Nevada Youth Training Center (NYTC) with 62 acres of private owned land immediately adjacent to the NYTC. The private landowner would also pay \$125,000 for the difference in land value as determined by an independent appraisal per NRS 323.100.

Governor: We'll move on to agenda item number 11 which is a Request to Exchange Land. Mr. Wells.

Clerk: Thank you Governor. This item is a request from the Department of Conservation and Natural Resources, Division of State Lands for the Board to approve the exchange of 62 acres of State land located in Elko County near the Nevada Youth Training Center for 62 acres of private land that is adjacent to the center along with \$125,000 for the difference in land value as determined by an independent appraisal. All parties concur with the exchange which must also be approved by the Interim Finance Committee before it can be finalized. There are representatives from the Division of State Lands available to answer any questions the Board Members may have.

Governor: Thank you, Mr. Wells. I have no questions. Not very often do we get a win-win scenario. This is one where Elko is going to benefit because of its proximity to the City on that Parcel C and the State is going to benefit because of Parcels A and B's proximity to the facility. Did you say, we're going to net still another \$100,000 out of the deal as well?

Clerk: That's correct. There's a \$2,000 per acre difference in the appraised price. It amounts to \$125,000 that will be deposited in the General Fund.

Governor: Thank you, Mr. Wells, - any further questions or comments from Board Members? I hear none. The chair will accept a motion to approve the request to exchange land as provided in agenda item number 11.

Attorney General: Move to approve.

Secretary of State: Second.

Governor: The Attorney General has moved for approval. The Secretary of State has seconded the motion. The motion passes 3-0.

12. Victims of Crime Fiscal Year 2017 2nd Quarter Report and Fiscal Year 2017 3rd Quarter Recommendation (For possible action)

Pursuant to NRS 217.260, the Board of Examiners estimates 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 2nd quarter fiscal year 2017 Victims of Crime Program report states all approved claims were resolved totaling \$2,589,715.36 with \$1,106,675.62 paid out of the Victims of Crime Program account and \$1,483,039.74 resolved through vendor fee adjustments and cost containment policies.

The program anticipates future reserves at \$14.4 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 3rd quarter of FY 2017.

Governor: We'll move on to agenda item number 12 which is the Victims of Crime Fiscal Year 2017, 2nd Quarter Report and Fiscal Year 2017, 3rd Quarter Recommendation.

Clerk: Item 12 is a request from the Department of Administration's Victims of Crime Program. Pursuant to NRS 217.260, that statute requires the Board of Examiners to estimate the available revenue and anticipated claims costs for the State Victims of Crime Program. This item includes a report on the claims paid for the 2nd quarter of Fiscal Year 2017, as well as a recommendation to pay Priority 1, 2 and 3 claims at 100% for the 3rd quarter of Fiscal Year 2017. The Program anticipates having a reserve at the end of the third quarter of FY 17 of approximately \$13.3 million after covering all of their expenses and a 45-day operating reserve. There are representatives of the Victims of Crime program available to answer any questions the Board may have.

Governor: Thank you Mr. Wells. I really applaud the work that the Victims of Crime program does and the account is as healthy as or even healthier than it's ever been. It's always nice to be able to say that we're able to pay those claims at 100%. Obviously, these are individuals that need it pretty badly. Just applaud the work and keep it up. Any questions or comments from Board Members? If there are none, the Chair will accept a motion to approve the Victims of Crime Fiscal Year 2017 2nd quarter report as well as the Fiscal Year 2017 3rd quarter recommendations.

Secretary of State: Move for approval.

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

Attorney General: Second.

Governor: Second by the Attorney General. The motion passes 3-0.

13. Leases (For possible action)

Governor: We'll move on to agenda item number 13, Leases. Mr. Wells.

Clerk: Thank you, Governor. There are four leases in agenda item 13 for approval by the Board this morning and no additional information has been requested by any of the members. I would like to note that lease number 4 is retroactive to March 1, 2017.

Governor: Thank you, Mr. Wells. I have no questions. Board Members?

Brett Kandt: If I may, Brett Kandt for the record, Board Counsel. I just wanted to point out for the record that with regard to lease number 4, in which the Board of Pharmacy is the State tenant, the explanatory memo that was submitted to the Board for that lease indicates that the Attorney General's Office reviewed the new lease document and approved it as to form and content. Just to clarify for the record, the Attorney General's Office pursuant to NRS 331.110, reviews and approves such leases as to form and compliance with the law. Decisions such as the location of the office, square footage, price per square foot, tenant improvements, are not within our purview. Just to clarify for the record.

Governor: Thank you, Mr. Kandt. Is there a motion to approve the leases presented in agenda item number 13?

Attorney General: Move to approve.

Secretary of State: Second.

Governor: Attorney General has moved for approval. The Secretary of State has seconded the motion. The motion passes 3-0.

14. Contracts (For possible action)

Governor: We'll move on to contracts. Mr. Wells.

Clerk: Thank you Governor. There are 29 contracts in agenda item 14 for approval by the Board this morning. Contract number 13 is subject to the approval of a 15-day Work Program which was submitted on March 8th and will be effective March 23rd. Members have requested additional information on the following: Contract number 18 between the Department of Health and Human Services Division of Child and Family Services and the University of Nevada, Reno.

Governor: Do we have representatives here with regard to contract number 18? Good morning. And, let me lead you a little bit in terms of, I asked for this contract to be held, not again, because I have a question regarding its value. I think it's important to have a public record because of the shortage of social workers and how this helps benefit, essentially the development of social workers in the State. Please proceed.

Reesha Powell: This is a request for a contract with the University of Nevada, Reno. UNR and UNLV together form a Nevada Training Partnership that provides all the training to our child welfare workers across the State. Last month, we came before you and you approved UNLV's contract so this month we're now asking for UNR's to be approved. They provide the training to all of northern Nevada and the rural region. I should say like, Washoe County Department of Social Services, as well as our DCFS, Division of Child and Family Services, rural staff.

It's a program that involves a 10-week training. They come in house and do an academy. It is five weeks in house and then five weeks on the job training that they alternate between the weeks. Then the Nevada Training Partnership also offers specialty and advanced course training for our child welfare social workers across the State.

Governor: How is the pipeline going? Are these programs fully subscribed, both at UNLV and UNR?

Reesha Powell: Yes. They have not received an increase in several years. This year we have tried to bump that up a little bit so that they can have additional staff and do some additional training as well as doing an online component. That is the one area that we have been missing is that people typically have to come to either Reno or Las Vegas to get any of their training, which as we know, can be very costly. These contracts will help us do more online training with staff in more of the rural areas.

Governor: From what I've read and heard, there's a particularly acute problem in the rural areas in hiring and retaining social workers.

Reesha Powell: There is, yes. I know we talked about that last month. We did go back after our time last month and did crunch some numbers. If I can just say, in 2016, we had a turnover rate of 17% of our social workers. It's a hard job. I don't know what else to say. We are going into people's homes and our workers are making decisions, split decisions at that very moment, about if the child can remain safely in that home or if they need to be removed. Once they are removed, if that happens, we then have to work toward reunifying the family. It's a difficult job. People don't always do it for a super long period of time. Any training that we can provide to them to help them learn the skills and education to help them do that job is better for, not just our staff, but also for the children of Nevada.

Governor: Thank you. It's a very noble vocation. I appreciate what you and all the social workers do.

Reesha Powell: Thank you.

Governor: Any questions or comments, Mr. Attorney General?

Attorney General: I'm not sure if you identified yourself for the record.

Reesha Powell: Reesha Powell with the Division of Child and Family Services.

Attorney General: Thank you, appreciate it.

Governor: Thank you. All right, any other questions or comments? Thank you very much.

Reesha Powell: Thank you.

Governor: All right, I don't have any notes, Mr. Wells, were any of the other contracts held?

Clerk: That was the only one that I had received a request to hold.

Governor: All right then, the Chair will accept a motion to approve Contracts 1-29 as provided in agenda item number 14.

Attorney General: Move to approve.

Secretary of State: Second.

Governor: The Attorney General has moved for approval. The Secretary of State has seconded the motion. That motion passes 3-0.

15. Master Service Agreements (For possible action)

Governor: We'll move on to agenda item 15, Master Service Agreements. Mr. Wells.

Clerk: Thank you, Governor. There are five master service agreements in agenda item 15 for approval by the Board this morning. We did not receive any additional requests for information from any of the Members on the five items.

Governor: Okay, Board Members, any questions? Is there a motion to approve Master Service Agreements 1-5 as provided in agenda item 15?

Secretary of State: Move to approve.

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

Attorney General: I second.

Governor: Second by the Attorney General. That motion passes 3-0.

16. 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 25, 2017 through February 21, 2017.

Governor: We'll move on to agenda item 16 which is an information item for the Clerk of the Board contracts, Mr. Wells.

Clerk: Thank you Governor. There were 28 contracts under the \$50,000 threshold approved by the Clerk between January 25 and February 21, 2017. This item is informational, and we did not receive any additional requests for information from any of the Members.

Governor: Okay Mr. Wells, anything significant in there? I didn't see anything, but just anything that caught your eye?

Clerk: No Governor. These were all pretty routine contracts.

Governor: All right. Thank you. Any questions from Board Members on agenda item 16? There are none.

17. 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 which were inadvertently excluded from previous BOE meeting agendas that were approved November 28, 2016 through January 21, 2017.

Governor: We'll move on to agenda item 17 which is another information item, Mr. Wells.

Clerk: Thank you, Governor. We continue to work on our Contract Tracking System. Unfortunately, there were about 16 contracts that did not get on to the information items in previous agendas. The system looks at the contract BOE date as opposed to the date that it was approved by the staff in our office. We are working to correct the programming on that to prevent that from occurring in the future. This is primarily contracts that were approved in January and February of this year, that would've have been on the January and February information item list.

Governor: Thank you, Mr. Wells. As you said, there's a month delay, maybe two months at the most. It sounds like you have a system improvement to make sure that they're contemporary.

Clerk: We're working on it.

Governor: All right. Board Members, any questions with regard to the information item and the contracts contained in agenda item 17? There are none.

18. Information Item – Report

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

Pursuant to NRS 321.5954, the Department of Conservation and Natural Resources, 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. Also, pursuant to Chapter 355, Statutes of Nevada, 1993, at page 1153, the agency is 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 2nd quarter of fiscal year 2017.

Additional Information:

- 1989 Tahoe Basin Act
There were no transfers of lands or interest in lands during the quarter.
- Lake Tahoe Mitigation Program
The agency reports that there were no acquisitions of land or interest during the quarter.

Governor: We'll move on to agenda item number 18 which is another information item with regard to the Department of Conservation and Natural Resources, Division of State Lands. Mr. Wells.

Clerk: Thank you, Governor. This is an information report regarding lands or interests in lands that are transferred, sold, exchanged or leased under the Tahoe Basin Act Program, as well as a quarterly report on the status of real property or interests in real property transferred under the Lake Tahoe Mitigation Program which are required pursuant to NRS 321.5954 and Chapter 355, Statutes of Nevada, 1993 respectively. This report is for the quarter ending December 31, 2016 and there were no activities under these two programs for the quarter.

19. Public Comment (No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically include on an agenda as an action item)

Governor: Thank you, Mr. Wells. We'll move to agenda item number 19 which is public comment. Is there any member of the public present in Carson City that would like to provide public comment to the Board? I hear and see none. Any public comment from Las Vegas?

Las Vegas: No Governor.

Governor: All right. No public comment from Las Vegas.

20. Adjournment (For possible action)

Governor: Agenda item number 20, is there a motion to adjourn?

Secretary of State: So moved.

Governor: Secretary of State has moved to adjourn. Is there a second?

Attorney General: Second.

Governor: Second by the Attorney General. The motion passes 3-0. This meeting is adjourned.

DRAFT