STATE OF NEVADA
State Administrative Manual

State Administrative Manual (SAM)

Revised

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STATE ADMINISTRATIVE MANUAL

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0000 Introduction

The **State Administrative Manual** (SAM) is a compilation of policy statements concerning the internal operations of State government. Policies are based on authorizing statute or other approved regulations, although policies may be established in the absence of specific statutes where particular guidance and instructions are necessary for agencies to conduct business. This manual is published for use as a guide in conducting the State's business, and individual departments or divisions within the Executive Branch of state government may not establish policies that contradict or supersede the State Administrative Manual, except where expressly outlined in this document. Departments, divisions, agencies, or other organizations of state government that require more detailed information should reference the applicable statutes that are cited following many of the policy statements, reference specific statutes pertaining to the department, agency or office, or contact the Budget Division of the Governor's Finance Office.

This edition of SAM replaces all previous editions.

Questions or comments regarding SAM should be directed to:

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0002 Purpose

The **State Administrative Manual** (SAM) presents to all State agencies a single reference source for policies, procedures, regulations and information issued by the Legislature, the Board of Examiners, the Governor's Finance Office, the Department of Administration and other contributing agencies.

0004 Jurisdiction

SAM is an official publication of the Governor's Finance Office and is issued under authority of the Governor and the Board of Examiners (NRS 353.040). The Governor instructs all State executive agencies to comply with the provisions of this manual to promote economy and efficiency in the government of the State of Nevada.

0006 Exceptions

Deviations from this manual are permitted only upon approval of the Board of Examiners for the agency requesting the exception. Exceptions approved for one agency may not be used by other agencies without Board of Examiners' approval.

Constitutional agencies with broad powers (e.g., the Nevada System of Higher Education) are expected to follow these regulations when not in conflict with the Constitution, Nevada Revised Statutes or Board of Regents' regulations.

0100 Board of Examiners Policies

0102 Placement of Items on the Agenda

Any Board of Examiners (BOE) member is entitled to place items on the agenda; and any Constitutional Officer of the State of Nevada may request items to be placed on the agenda upon the Clerk of the Board's determination that the item is legal and within the jurisdiction of the Board of Examiners.

0104 Agency Attendance and Notification

BOE agenda action items (items preceded by an asterisk on the agenda) require attendance by appropriate agency staff to present their items (NRS 353.035). Agencies must also be prepared to present information regarding leases, contracts, and Master Service Agreements, which may be pulled on a case by case basis. Any Board member who wishes to pull an agenda item for discussion, particularly items generally taken on a consent basis such as leases, contracts, and Master Service Agreements, shall notify the Clerk of the Board prior to the BOE meeting of the items he/she wishes to be pulled for discussion. The Clerk of the BOE or his or her designee shall notify the appropriate agency of any agenda item(s) that has been identified by a member of the Board as an item for discussion. Any agency with an item pulled for discussion should have the appropriate staff member(s) present at the BOE meeting to respond to Board Members' questions.

The agency is not required to attend the BOE meeting if an agency's only agenda items are leases, contracts, Master Service Agreements, or information items and they are not contacted by the Clerk of the Board or his/her designee regarding additional item(s) identified for discussion.

0106 Distribution of Meeting Materials

The Clerk of the Board must disseminate meeting materials to each member of the Board no less than 5 working days before the meeting unless notified by the Clerk or his designee.

0108 Sole Source Contracts

If a sole source contract is placed on the agenda, the contract materials provided to the Board members must include the sole source or non-competitive procurement approval request. Agencies must attach this in CETS in the tab marked "Addl. Info" and the document should be attached in the "Supporting Info (Prints on BOE Agenda)" area.

0110 Retroactive Contracts

If an agency has submitted a retroactive contract for inclusion on the action item agenda, the agency must attach a memorandum explaining why the contract should be approved retroactively. The memorandum must be on agency letterhead and must be attached in CETS in the tab marked "Addl. Info" and the memo should be attached in the "Supporting Info (Prints on BOE Agenda)" area.

0200 Travel

NRS 281.160 outlines the State's statutes regarding travel and subsistence for State officers, board and commission members, contractors, and employees, hereinafter referred to collectively as "employees".

0204 Board of Examiners' Travel Policy

In accordance with NRS 281.160(7) the Board of Examiners shall establish the rate of reimbursement employees are entitled to receive while transacting public business. This rate must be the same as the comparable rate established for employees of the Federal Government. However, certain State policies may differ and supersede the established federal guidelines or policy. It is the Board of Examiners' policy that travel should be by the least expensive method available when such factors as total travel time, salary of employee, availability of agency cars or Fleet Services Division cars, and costs of transportation are considered.

NRS 281.160 (6) allows an agency to adopt a rate of reimbursement less than the amounts specified in NRS 281.160 (1) where unusual circumstances make that rate desirable. An agency adopting such rates, must submit their proposed policy to the Board of Examiners for approval. The lesser rates may not be adopted until such approval.

A person employed by an agency that has adopted a lesser reimbursement rate shall be reimbursed in accordance with the agency's policies. Employees are eligible for per diem, lodging and/or vehicle rental reimbursements only if they are 50 miles or more from their official work station, unless the Board of Examiners has approved a policy for a given department that permits travel reimbursements within 50 miles of the assigned duty station.

Advanced planning for travel will allow for the purchase of airline tickets at discounted rates.

0206 Agency Policies Regarding Travel

Because of the variety of situations faced by State agencies, it is important for State agencies to adopt agency-specific policies. The Board of Examiners instructs all agencies to carefully review travel requirements and to adopt detailed policies consistent with the Board of Examiners' travel policy and within the legislatively approved travel budget authority. These policies should address, but may not be limited to, the following situations:

1. The hours and conditions during which an employee will be allowed to claim meals;

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2. Overnight lodging, vehicles and per diem allowances within fifty (50) miles principal duty station, if approved by the Board of Examiners;
3. Combining State business and personal travel;
4. Out-of-State travel requests;
5. Employees traveling as members of non-state agencies;
6. Use of private aircraft;
7. The conditions under which an employee will be allowed to claim mileage while using the employee's personal vehicle; and
8. If approved by the Board of Examiners, the conditions under which an employee will be allowed to claim reimbursement for lodging, meals and incidentals while camping inside or outside of established campgrounds while on official State business.

0208 Agencies' Adoption of Lesser Travel Reimbursement Rate

0210 Agency Accounting for Travel Expenses

All travel expenses of State employees will be charged to the budget account specifically appropriated or authorized to provide for the employees' salary and/or travel expenses. The director of the department paying for the travel. must approve exceptions to this rule in advance of the travel.

0214 Travel Status

Employees in travel status shall receive reimbursement that matches the rates established by the U.S. General Services Administration(GSA) for the employee's primary destination. Maximum per diem reimbursement rates for lodging, meals, and incidental expenses are established by city/county and vary by season. State employees are directed to the GSA's website http://gsa.gov and the link "Per Diem Rates" under the "Travel" drop-down menu to locate the most current rates. Employees may receive reimbursement for breakfasts even though continental breakfasts are provided. Employees shall not claim full meals furnished to them during a conference, meeting, or other work function on their reimbursement request.

For out-of-state travel, employees are required to submit a Travel Request for approval prior to making any travel arrangements.

Upon approval of the department head, agencies may make exceptions to the rate of reimbursement for lodging when the following applies:

a. Lodging is procured at a prearranged place such as a hotel where a meeting, conference or training session is held or;

b. Costs have escalated because of special events; lodging within prescribed allowances cannot be obtained nearby; and costs to commute to/from the nearby location exceed the cost savings from occupying less expensive lodging.
c. If the condition(s) above exist, agencies may apply the following rules to the rate of reimbursement for out-of-state travel:

In-State Travel

1. 150% of the standard Continental United States (CONUS) federal per diem rate for non-surveyed sites; or

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Out-of-State Travel

1. 175% of the federal per diem rate for surveyed out-of-state sitesor;
2. 300% of the standard CONUS federal per diem rate for non- surveyed out-of-state sites.

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0216 Air Transportation between Las Vegas and Reno

State agencies travelling between Reno and Las Vegas are to use the Southwest Airlines corporate Internet booking tool, SWABIZ. State agencies can obtain information about SWABIZ from the State Purchasing Division's website athttp://purchasing.nv.gov. Due to the fluid nature of the travel industry, changes to the State's travel program will be announced to State agencies via All Agency Memoranda, as well as postings on the State Purchasing Division's website.

0217 Bonus Flight Points

Most commercial airlines maintain customer loyalty programs which allow for the accumulation of free bonus flight points to travelers based on miles flown or the amount of the fare as an inducement to travel with that airline. Any bonus flight points or other rewards received by State agencies or State employees as a result of State-paid air travel shall, whenever possible, be used by the agency to meet State travel needs.

0218 Use of Rental Cars

The Fleet Services Division must be used for all in-state motor vehicle travel when an agency car is not available. Employees should not independently rent vehicles for in-state use; instead, they must utilize the Fleet Services Division. When traveling out-of-state, rental cars are to be rented from the State-contracted companies. Visit the Purchasing Division's website for the names of these companies and the guidelines on how to access these contracts. When renting from these companies, it is not necessary to purchase collision damage waivers, as these protections are already included in the negotiated overriding agreement. Should an employee be required to rent a vehicle outside of these agreements, he/she should, if possible, rent the vehicle using the State sponsored credit card, which provides coverage for physical damage to the rented car.

0220 Travel Reimbursement

All claims for travel reimbursement to an individual should be filed on a "Travel Expense Reimbursement Claim"(TE) form, as developed by each department. TE forms may not contain claims for expenses associated with travelers other than the traveler indicated on the form, even if the traveler paid for the other travelers' expenses. All areas of the TE form must be completed, including:

- start and end times of journey;
- destination;
- purpose of trip;
- official station; and
- authenticated signatures.

If applicable, hotel bills noting the employee name, date(s) of stay, and breakdown of costs by day are required for all lodging expenses. If lodging was paid for through a travel website (Expedia, Travelocity, etc), the travel website receipt shall accompany the hotel bill. In addition to the reimbursable lodging rates, employees may be reimbursed for lodging taxes and fees. Lodging taxes are limited to the taxes on reimbursable lodging costs. For example, if the maximum lodging rate is $50 per night, and the traveler elects to stay at a hotel that costs $100 per night, the traveler can only claim the amount of taxes on $50 which is the maximum authorized lodging amount. Meals will be reimbursed in accordance with the meals and incidental expense (M&IE) allowance for the primary destination. Receipts are not required for the M&IE allowance. Pursuant to SAM 0206 the hours and conditions to which employees are allowed to claim meals must be included within each agency's travel policy.

Employees may be reimbursed for the following.

1. Actual expenses incurred for parking or vehicle storage fees for private automobiles and commercial transportation costs (i.e., taxi, shuttle, etc.). Receipts are required.
2. Other miscellaneous reimbursable business related expenses including: use of Internet services, computers and other business machines,, conference room rentals, and official telephone calls/service. Receipts are required.
3. Laundry cleaning/pressing services if the employee's official business related hotel stay is four (4) consecutive nights or longer. Receipts are required.
4. A meal rate approved by the Board of Examiners for employees traveling outside the United States, commensurate with the U.S. Department of State's meal allowances for foreign cities as listed in the U.S. Department of State's publication, Maximum Travel Per Diem Allowance for Foreign Areas. The current foreign per diem rates can be accessed at the U.S. Department of State's website.
5. Using his/her own personal vehicle for the State's convenience, at the standard mileage reimbursement rate for which a deduction is allowed for travel for federal income tax. The Governor's Finance Office, Budget Division, shall issue an All Agency Memorandum periodically reflecting the current rate in effect at that time.
6. Using his/her own personal vehicle for his/her own convenience at one-half the standard mileage reimbursement rate.

7. Using his/her own personal vehicle for any miles driven in excess of his/her normal commute while on official State business. An employee's normal commute is the roundtrip mileage between the employee's residence and his/her official duty station.
8. The standard credit card fee for cash advance transactions is reimbursable by the State to the employee for every authorized advance obtained through the use of an ATM. Said expense should be treated for budgeting purposes as any other travel expense, and should be limited to one (1) per authorized trip.
9. Additional bank ATM facility charges relating to obtaining an authorized advance from an ATM are also reimbursable by the State to the employee, and should be limited to one (1) per authorized trip.
10. Interest charges incurred due to delays beyond the control of the traveler will be travel expenses reimbursable by the employee's agency.

The claimant's signature on the TE form attests to the accuracy of the claim. A supervisor, manager, or designee must sign the TE form approving the appropriateness of the travel. Travel claims must be submitted within one month of completion of travel unless prohibited by exceptional circumstance. An employee cannot sign as the authorizing signature on any travel voucher made out in his/her own name unless that employee is the head of the agency. All TE forms must be retained either by the travelers' agency or fiscal agency if electronic or facsimile copies are used for payment purposes pursuant to SAM 2616 (Supporting Documentation for Expenditures).

Alternate documentation and/or procedures which provide at least the level of control described in this section are acceptable, but the documentation must be specified in the agency's approved travel policy. For the purposes of this chapter, a fiscal agency is an organization that performs accounting transactions and budgeting functions for a given department, division, agency, or office within the Executive Branch of State government.

0222 Reimbursements for Meals Purchased for Firefighters, Patients, Wards, or Inmates

The Nevada Division of Forestry, when providing firefighters meals per NRS 472.110, may request reimbursement for trips that are directly related to the provision of fire meals for firefighters when the cost of the meal in total is less than or equal to the State per diem rate.

State officers or employees who purchase meals for people in their custody are entitled to reimbursement for the actual cost of such meals, within the limits established for State employees. A receipt for each meal purchased must accompany claims for reimbursement. If a State agency sends an unchaperoned or unguarded client to an institution for treatment or care by public conveyance, an employee of the agency may advance an allowance for meals at the same rate allowed State employees. Reimbursement for such advance shall be made upon a regular travel claim, with the receipt waived.

Agencies may, with the approval of the Clerk of the Board of Examiners, which is appealable to the Board of Examiners, set up petty cash accounts to reimburse employees for meals purchased for

firefighters, patients, wards or inmates. A receipt for each meal purchased must accompany claims for reimbursement to the petty cash account.

0226 Travel Advances from the Agency Budget Account

In the event an advance is not available through the use of the State sponsoredcredit card, a State employee may be advanced money to cover anticipated travel expenses from the agency budget account at the discretion of the agency or, in the case of a temporary budget restriction, the State Controller.

Only State officers and employees may receive a travel advance. Independent contractors are not eligible to receive travel advances. The agency head, or his/her designee, must approve employees' written requests. The amount advanced must be justified by the circumstances. Travel advances constitute a lien upon the accrued wages of the requesting employee. (NRS 281.172, 281.173)

The procedure for obtaining a travel advance through the agency budget is:

1. If the administrative head or his/her designee approves the request, the agency shall process a voucher for a cash advance for travel in the approved amount in the same manner as other claims against the State are processed.
2. Unless approved by the Budget Division in advance, all cash advances for travel issued by the administrative head or his designee must be charged to the budget account to which money was appropriated or authorized for expenditure for the travel.
3. If the administrative head or his/her designee cannot process a cash advance for travel because of a temporary budget restriction, the administrative head may, with the approval of the Budget Division, forward a copy of the request and approval to the State Treasurer.
4. The administrative head or his/her designee must reconcile cash advances to actual travel taken.

0230 State Sponsored Credit Cards for Official Travel Only

The State Department of Administration has contracted with a provider of credit card services for travel related expenses. The State sponsored credit card is for official State travel only. The credit cards are for official use only, and they should only be used to pay for travel related expenses.. Employees must contact their agency's designated Travel Card Administrator (TCA) to request approval. The payment of the credit card bill is the responsibility of the individual to whom the card is issued and payment in full is due monthly. It is the State agency's responsibility to monitor employees' credit card activity on a monthly basis. Information regarding the State sponsored credit card program can be found on the Purchasing Division's website under the "Credit Card Programs" link within the "State Contracts" section.

0234 Claims and Payments When Credit Cards Have Been Used

When an employee who has used a State sponsored credit card for State travel expenses submits a claim for reimbursable expenses, all agencies must process the claim timely to preclude the employee from incurring an interest charge on the credit card account. Claims must be filed by the traveler within five days after returning from travel status. The employee's agency should take no more than two working

days to process the claim. Interest charges incurred due to delays beyond the control of the traveler will be travel expenses reimbursable by theemployee's agency.

Whenever an employee uses a State sponsored credit card issued for authorized cash advances and/or travel expenses and the receipt of his/her travel reimbursement may be delayed more than five working days after the date of the initial submission of the travel reimbursement claim, the administrative head or his/her designee may issue to the employee, for payment to the issuer of that credit card, a cash advance in the amount of the total travel expenses charged on the State sponsored credit card.

Payment of the credit card bill is the responsibility of the employee to whom the credit card has been issued and payment is due in full monthly. If a State sponsored credit card bill is not paid timely, NRS 281.1745 authorizes the State to withhold from an employee's paycheck the amount required to pay any delinquent balance.

0236 Disposition of State Sponsored Credit Cards upon Employee's Change of Employment Status

When an employee who has been issued a credit card for official State travel expenses transfers to a different agency or leaves State service, the employee's agency's
Travel Card Administrator shall suspend the card within 5 days and cancel the card after the current statement cycle. If the employee is moving to a new agency, rather than leaving State service altogether, it is at the discretion of the employee's new agency to determine if a travel card will be required in their new position.

0238 Travel & Moving Expenses on Transfer or Hire of Employee

1. NRS 281.167 defines the State's minimum requirements for authorizing reimbursement of travel and moving expenses with regard to the transfer or hire of State employees. All requests for payment of travel expenses, subsistence allowances and moving expenses must be submitted to the Clerk of the Board of Examiners before obligations are incurred. An estimate of costs to be incurred must be provided with the request and include the following, at a minimum.A listing of the individual(s) being considered for reimbursement.
2. An explanation of the purpose of the reimbursement including:
    1. For new hires:
        1. an explanation detailing the position's critical need and why this need cannot otherwise be filled.
    2. For transfers, one of two criteria must be met:
        a) An explanation of how the transfer is for the convenience of the State and not for the convenience of the employee, <u>or;</u>

b) An explanation of the critical need being met by the transfer, including an explanation of why this need cannot otherwise be filled.

3. The dates the obligations will be incurred.
4. A detailed estimate of the total expenses including an itemization of travel costs, per diem rates and moving expenses.

Upon approval by the Clerk of the Board, claims are submitted for payment in the same manner as other travel claims against the State from the agency's funds and must include a copy of the approved request. Receipts must support all moving expense reimbursements. Agencies must ensure that funds are available within their existing budgets.

0240 Reimbursement Eligibility

To be eligible for reimbursement, the following conditions must be met:

1. The transferring or hiring agency head must approve moving reimbursement, or in the case of a permanent employee who is transferring between State agencies, the head of the agency, board or commission accepting the employee.
2. The payment of moving expenses must be justified. For transfers, it must be less expensive for the agency to pay moving expenses than to pay the employee per diem and travel expenses for new duty station assignments of short duration.
3. The relocation must occur within six months of transfer or appointment.
4. Except for people newly hired due to critical need, the employee must have achieved permanent status within the agency, thus being permanent to the agency rather than permanent in position classification.
5. Where citing “convenience of the State” as justification for the transfer or hire pursuant to SAM 0238, the agency must show that the transfer is for the convenience of the State and not for the convenience of the individual.
6. The move must be for more than fifty (50) miles between duty station or home address, whichever is less.
7. Subject to all other conditions of eligibility, the State may, on behalf of those current State employees with demonstrated financial hardship, pay a vendor directly for moving expenses incurred. For example, the State may pay the common carrier directly for moving of household goods in lieu of reimbursement to the employee. All requests for a direct payment to a vendor shall be submitted as part of the request for payment to the Clerk of the Board of Examiners before obligations are incurred.
8. Departments must have policies related to allowances for moving household goods by common carrier, rental truck or trailer, and mobile home.
9. An agency may, with the approval of the Board of Examiners, establish a rate of reimbursement less than the amounts specified in 0248 and 0250 for per diem and mileage for moving

0248 Per Diem and Subsistence Allowances for Moving

Allowable per diem and subsistence allowances:

1. Per Diem will be paid for the actual days in transit not to exceed six (6) days. The employee may elect to utilize a portion of the total day allocation to locate suitable housing before the move, with prior approval from the agency head.

   Per Diem and mileage rates allowable for location of housing will only apply to the employee and spouse and will be reimbursed at the established in-State rates.

2. Allowable per diem shall be equal to regular travel status for the employee and family members.
3. Allowable lodging will be approved as follows:
   a. For the employee: Established in-State rates per the GSA schedule.
   b. For the spouse: Three-fourths (3/4) the amount allowed the employee up to the actual.
   c. For each additional member of the family: Age twelve or over, three fourths (3/4) of the employee allowance up to the actual; under age twelve, one-half (1/2) of the employee allowance up to the actual.
4. Receipts are required for lodging if the family accompanies the employee.

0250 Mileage Allowance for Moving

In addition to the allowances for moving household goods, an agency may pay one-way personal vehicle mileage from the old to the new place of residence for a maximum of two personal vehicles. The actual miles travelled are reimbursable at the rate established for use of a personal vehicle at the State's convenience.

0256 Interview Expenses

NRS 281.169 allows an agency to pay for the travel and per diem expenses of the three most highly rated applicants, for a permanent position with that agency, incurred while those applicants interview for that position. All requests for travel and per diem expenses must be submitted to the Clerk of the Board of Examiners before obligations are incurred. An estimate of the costs to be incurred must be included with the request and include:

1. A list of the individual(s) being considered for reimbursement;
2. The purpose of the reimbursement;
3. The dates the obligations will be incurred; and
4. A detailed estimate of the total expenses including an itemization of travel costs and per diem rates.

Upon Board of Examiners' approval, claims are submitted for payment in the same manner as other travel claims and must include a copy of the approved request. Agencies must ensure that funds are available within their existing budgetsNo reimbursement may be made to an applicant who has been offered the position and declined.

0300 Cooperative Agreements and Contracts

0302 Cooperative Agreements/Interlocal Contracts

Cooperative Agreements and Interlocal Contracts are contracts between public agencies to provide services or facilities to one another or to the public in accordance with the "Interlocal Cooperation Act." (NRS 277.080 to 277.180)

0304 Definitions of Public Agency

Definition of Public Agency

Public Agency means:

1. Any political subdivision of this State, including without limitation, counties, incorporated cities and towns including Carson City, unincorporated towns, school districts and other districts.
2. Any agency of this State or of the United States.
3. Any political subdivision of another State.
4. Any Indian tribe, group of tribes, organized segment of a tribe or any organization representing two or more such entities.

State includes any of the United States and the District of Columbia.

0306 Cooperative Agreements

A cooperative agreement is an agreement between two or more public agencies for the "joint exercise of powers, privileges and authority," including, but not limited to law enforcement. (NRS 277.080 to 277.170)

0308 Contents of Agreements

1. Any agreement made pursuant to NRS 277.110 that establishes a separate legal or administrative entity to conduct the joint or cooperative undertaking shall specify:
    a. The precise organization, composition and nature of such entity and the powers delegated thereto.
    b. The duration of the agreement.
    c. The purpose of the agreement.
    d. The manner of financing such undertaking and of establishing and maintaining a budget.

    e. The method or methods to be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination.
    f. Any other necessary or proper matters.
2. Any agreement so made which does not establish such an entity shall contain:
    a. The provisions enumerated in paragraphs B to F, inclusive, of subsection 1.
    b. Provision for an administrator or joint board responsible for administering the undertaking. In the case of a joint board, public agencies that are parties to the agreement shall be represented.
    c. The manner of acquiring, holding and disposing of real and personal property used in such undertaking. Any agreement must be in writing.

0310 Approval of Cooperative Agreements

1. Cooperative agreements become effective only upon:
    a. Ratification by appropriate official action of the governing body of each party to the contract as a condition precedent to its entry into force. Cooperative agreements ranging in cost from zero to $1,999 require approval of the agency head; cooperative agreements ranging in cost from $2,000 to $49,999 require the approval of the Clerk of the Board of Examiners, or designee, on behalf of the Board of Examiners; and cooperative agreements totaling $50,000 or more require the approval of the Board of Examiners; and
    b. Ratification by appropriate ordinance, resolution or otherwise by law on the part of the governing bodies of the participating public agencies.
2. Cooperative agreements shall be submitted to the Attorney General before becoming effective for determination of proper form and compatibility with the laws of this State. If the Attorney General does not disapprove an agreement within 30 days after its submission, the failure to disapprove constitutes approval.
3. Cooperative agreements must be recorded with the county recorder of each county in which a participating political subdivision of this State is located, and filed with the Secretary of State.
4. Cooperative agreements dealing in whole or in part with services or facilities over which an officer or agency of this State has control must be submitted to that State officer or agency for approval or disapproval as to all matters within his/her or its jurisdiction before the agreement's entry into force. This requirement is in addition to the requirement of submission and approval by the Attorney General.

A Contract Summary Form must accompany all cooperative agreements submitted for review and approval.

0312 Administrative Support of Cooperative Agreements

Any public agency that has entered into a cooperative agreement may support the administrative joint board or other legal or administrative entity created pursuant to NRS 277.080 to 277.170 in any one or more of the following ways:

1. By appropriating funds;
2. By selling, leasing, giving or otherwise supplying property; or
3. By providing such personnel or services as may be within its legal power to furnish.

0314 Interlocal Contracts

Any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of its public agencies is authorized by law to perform. (NRS 277.180)

Interlocal contracts are distinguished from cooperative agreements in that cooperative agreements are for the "joint exercise of powers, privileges and authority" by public agencies and interlocal contracts are agreements by public agencies to "obtain a service" from another public agency.

Agencies are advised to work closely with the Attorney General to ensure compliance with the statutes governing any cooperative agreement or interlocal contract entered into pursuant to NRS 277.080 through 277.180.

0316 Approval of Interlocal Contracts

If an agency of this State is a party to the interlocal contract, the interlocal contract must be approved by the Attorney General as to form and compliance with law.

Interlocal contracts must be ratified by appropriate official action of the governing body of each party to the contract as a condition precedent to its entry into force. Interlocal contracts ranging in cost from zero to $1,999 require approval of the agency head; interlocal contracts ranging in cost from $2,000 to $49,999 require the approval of the Clerk of the Board of Examiners, or designee, on behalf of the Board of Examiners; interlocal contracts totaling $50,000 or more require the approval of the Board of Examiners.

A Contract Summary Form must accompany all interlocal contracts submitted for review and approval.

0318 Board of Examiners' Requirements

All State agencies are required to file one copy of any approved cooperative agreement or interlocal contract with the Clerk of the Board of Examiners.

The approval of the Board of Examiners and the Office of the Attorney General is required on cooperative agreements and interlocal contracts pursuant to SAM sections 0310 and 0316.

0320 Independent Contractors

1. The determination as to whether an individual performing services for the State should be treated as an independent contractor or as a State employee is an important one. That determination can affect the individual's status in several regards, including:

a. His/Her treatment by the Internal Revenue Service for tax and Social Security withholding purposes;
b. His/Her treatment by the U.S. Department of Labor for purposes of overtime calculation under the Fair Labor Standards Act;
c. His/Her treatment by the insurance companies providing workers' compensation coverage relative to coverage for on-the-job injury; however, if the contractor qualifies as a sole proprietor as defined in NRS Chapter 616A.310, and has elected not to purchase industrial insurance for himself/herself, the sole proprietor must submit to the contracting State agency a signed and notarized affidavit so stating.
d. His/Her treatment by the Employment Security Department in the determination of unemployment benefits; and
e. His/Her treatment by the courts in determining possible liability to the State of Nevada for his actions.

2. The following is the definition of an independent contractor under NRS 284.173(2):

   "An independent contractor is a natural person, firm or corporation who agrees to perform services for a fixed price according to his/her or its own methods and without subjection to the supervision or control of the other contracting party, except as to the results of the work, and not as to the means by which the services are accomplished."

3. There are several additional factors that should be balanced to determine whether the State, as an employer, has such control over the worker so as to render the relationship one of employment rather than that of independent contract.
   a. The following factors indicate the creation of an employer-employee relationship rather than that of an independent contractor:
      i. The lack of any completion date, time limit or unit of work designation;
      ii. The employer's right to hire and fire the person holding the contract;
      iii. The payment of a regular salary;
      iv. The delegation to the contractor of administrative powers over employees; and/or
      v. The level of control over the means and manner of accomplishment of the work.
   b. A person is not an independent contractor simply because there is an agreement designating him/her as such or because the employer permits him/her considerable discretion and freedom of action. If a person performs services subject to the will and control of the employer, that person is an employee and his/her salary must come from the salary category.
   c. Agencies unsure whether or not an employee-employer relationship exists in a potential contract should request the assigned Deputy Attorney General to review the contract for compliance with the provisions of NRS 284.173.
4. An independent contractor is not provided the following:
   a. Withholding of income taxes or Social Security by the State;
   b. Participation in group insurance plans which may be available to employees of the State;
   c. Participation or contributions by either the independent contractor or the State to the Public Employees' Retirement System;
   d. Accumulation of vacation or sick leave; or
   e. Coverage for unemployment compensation provided by the State.
5. Agencies contemplating the use of State employees as independent contractors must adhere to the following conditions:

a. Contracts with State employees must meet the criteria for independent contractors outlined above.
b. All State permanent employees must devote full time attention and effort to State employment during official duty hours and not to contractual obligations. (NAC 284.766)
c. A State employee shall not enter into a contract with the State in any capacity that may be construed as an extension of his/her assigned duties or responsibilities to the State (NAC 284.754).
d. Contracts with public officers or employees are prohibited in instances in which the officer or employee "has a pecuniary interest." (NRS 281.221)
e. A member of any board, commission or similar body engaged in the profession occupation or business regulated by such board or commission and faculty members of the Nevada System of Higher Education, may bid on or enter into a contract with any governmental agency if he is not part of the development of contract plans or specifications, and if he/she is not personally involved in opening, considering or accepting offers. (NRS 281)
f. A public officer or employee may bid or enter into a contract with any governmental agency if the contracting process is governed by rules of open competitive bidding, the sources of supply are limited, and if he/she is not personally involved in opening, considering or accepting offers. (NRS 281)
g. An employee may be disciplined for a violation of NAC 284.738, "Conflicting Activities." An appointing authority has the power under the regulations to define which activities are in conflict with functions of an agency. (NAC 284.650)
h. State employees employed by one agency may lawfully work on contract for another State agency while on annual leave from the first agency.
    i. Agencies contracting with State employees must provide a written justification as to why this individual was selected and a written description of the proposed work and the employee's normal job duties so the Board can make a determination as to whether or not the contract can be construed "as an extension of assigned job duties." The Board's favorable consideration of such requests would be assisted if the contract service and regular employment of the contractor benefit different agencies, or will be under the supervision of different individuals.

6. Travel expenses, per diem and other expenses may be paid to an independent contractor if provided for in the contract and must conform to the procedures and rates allowed for State officers and employees. It is the policy of the Board of Examiners to restrict contractors to the same rates and procedures allowed State employees.
7. While proposed independent contracts are reviewed by the Attorney General as to form under NRS 284.173 (5), that review is only as to the terms of the relationship that appear in the writing presented for review. If the actual relationship between the worker and the State later changes and does not comport with that writing, such as if the State subsequently provides office space, secretarial help or requires the worker to report to a supervisor, the nature of the agreement may well become one of employment and not contract. For this reason, it is important for agency heads to monitor the actual work relationships of persons hired pursuant to NRS 284.173 to ensure that an independent contract relationship is truly present under the above referenced standards. If there is some doubt as to that relationship, consult your assigned deputy attorney general.

8. If the services of an independent contractor are contracted to represent an agency of the State in any proceeding in any court, the contract must require the independent contractor to identify in all pleadings the specific State agency that he/she is representing.
9. Any person, firm or corporation who performs work under any contract with the State must furnish the State agency with a certificate of the insurer or other evidence certifying that the contractor has complied with the provisions of law regarding providing workers compensation coverage. NRS Chapters 616A to 616D, inclusive. (616B, 616C)

0321 Warranties for All Contracts

It is the Board of Examiners recommendation that, in the negotiations of all contracts, warranties as set forth in the model contract form approved by the Attorney General, remain as stipulated unless negotiated with the assistance of and approved by the agency's Deputy Attorney General.

0322 Independent Contract Review

1. Contracts must be ratified by appropriate official action of the governing body of each party to the contract as a condition precedent to its entry into force. Contracts ***under $2,000*** require the approval of the agency head or designee; contracts ranging in cost from $2,000 to ***under $50,000*** require the approval of the Clerk of the Board of Examiners (BOE), or designee, on behalf of the BOE; and contracts totaling $50,000 or more require the approval of the Board of Examiners. All revenue-generating contracts require approval limits consistent with the dollar thresholds as set forth herein. All contracts and amendments with current or former employees require BOE approval regardless of the contract amount. A current employee is a person who is an employee of an agency of the State; and a former employee is an employee of any agency of the State at any time within 24 months preceding the commencement date of the proposed contract. See SAM 0323 for requirements related to contracts with current or former employees.

No department, division or agency of the State shall enter into any contract with a person to provide services without ensuring that the person is in active and good standing with the Secretary of State.

1. The Board of Examiners shall review each contract submitted for approval and consider whether sufficient authority exists to expend the money required by the contract and whether the services that are the subject of the contract could be provided by a State agency in a more cost effective manner.
2. State agencies shall identify an internal, professional level position to function as a contract manager. This position would be responsible for facilitating the agency's RFPs, conducting complex agency solicitations or, in the event of decentralized agency purchasing procedures, the review and approval of agency solicitations and the resulting contracts for compliance with NRS Chapter 333, NAC Chapter 333, and SAM Chapter 0300. Agency contract managers must become certified through the State Purchasing Division's Contract Certification Class. Contract managers will be responsible for completing a comprehensive training course that will cover all aspects of the RFP process, informal solicitation process, law pertaining to the State Purchasing Act, contract negotiations, interlocal contracts and cooperative agreements and other topics

relevant to State contracting and reducing the State's exposure to risk. Contract manager certification classes are available in NEATS.

3. All contracts submitted to the Board of Examiners which are less than $50,000, and those contracts entered into by the State Gaming Control Board for the purposes of investigating an applicant for or holder of a gaming license MAY be approved on behalf of the Board by the Clerk of the Board of Examiners or his designee. The clerk's denial of a contract is appealable to the Board of Examiners. The appeal must be made in writing to the Clerk and include a full explanation and justification for the appeal. The appeal will be placed on subsequent Board of Examiner's Agenda subject to the same deadlines established for all other agenda items. Such contracts are not effective until signed by the Clerk.
4. All services provided to an agency by persons and/or firms falling under the definition of an independent contractor as enumerated in SAM 0320 must be supplied under a contract executed by the agency receiving the services. Examples of such services include, but are not limited to:
    a. Medical services (does not include employee physicals).
    b. Consultants.
    c. Training.
    d. Telephone answering services.
    e. Repair, replacement or installation of parts for automobiles and light trucks more than $5,000 and heavy equipment more than $15,000.
    f. Clipping services.
    g. Data Processing Services, including hardware maintenance (must be reviewed and approved by the Department of Information Technology before submittal to the Board of Examiners).
    h. Alarm System Monitoring (fire, burglar, etc.).
5. Whenever possible, agencies should anticipate and negotiate contracts for preventive services to eliminate the need for emergency services at some future date. Such contracts may include minor remodeling, repair or preventive maintenance work. The following rules must be considered in the preparation of such contracts.
    a. All such contracts are subject to the requirements of **SAM**.
    b. All such contracts must conform to the bidding requirements in **SAM 0338** and the minor remodeling, repair and maintenance requirements in **SAM 0338**.
    c. Funding must be available for payments against the contract.

0323 – Contracts with State Employees, Former State Employees and Secondary Employment

This section relates to current or former employees who contract with the State to provide services, and certain contracts with business entities who employ current or former state employees. Additionally, this section addresses the responsibilities of current employees who hold outside employment.

The contracting process for a department, division or agency of the State that intends to contract with a current or former State employee is a two-step process. The proposed relationship between the State and a current or former employee must be documented using the forms prescribed in this section and submitted to BOE for consideration. Subject to approval of the relationship by the BOE, the agency may then execute the contract and in accordance with current contract policy submit it to the BOE.

Definitions of Employee For purposes of this section:

1. Current employee is a person who is an employee of an agency of the State;
2. Former employee is a person who was an employee of any agency of the State at any time less than 2 years preceding the commencement date of the proposed contract.

Note: Employees of the Nevada System of Higher Education (NSHE), Boards and Commissions are considered State employees.

BOE Pre-Approval Required

Before any department, division or agency of the State may execute a contract for services with a current employee, a former employee, or a person employed by the Nevada Department of Transportation (NDOT) for transportation projects that are entirely funded by federal money and the term of the contract exceeds 4 years, the Board of Examiners (BOE) must give pre-approval for entering into a contract with that person. (As noted in section 5 below, contracts executed by NSHE, Boards and Commissions and certain other contracts do not require BOE pre-approval) This pre-approval does not constitute approval of the contract terms, but only approval to contract with the particular current employee or former employee.

The authorization form and contract to initiate the employment of the person must be submitted for review in accordance with SAM 0324. The authorization form and contract may be considered at the same BOE meeting; however they will be agendized as separate items. In the event the employment of the person is not approved by the BOE, the contract cannot be considered by the BOE and will be withdrawn from the agenda.

A limited exception exists for contracts less than four months determined by the department, division or agency to constitute an emergency situation necessitating a contract with a current or former employee.

A department, division or agency of the State may seek blanket pre-approvals from BOE for former employees who work in seasonal, intermittent or other temporary capacities if the person will be performing or producing services for which the business or entity is employed. For example, five seasonal snow plow drivers terminate their employment at the end of winter. The drivers are later hired by construction companies to drive trucks as part of contracts the companies have with a State agency; in this instance, BOE pre-approval for entering into each contract is required unless the State agency has a blanket pre-approval for the former employees.

Standards for Pre-Approval of Contracts with Temporary Employment Services and Current or Former Employees

If an agency will be using a temporary worker to be supplied through a contract with a temporary employment service, and that person is a current or former state employee, the Board of Examiners shall not approve the use of the temporary worker unless the Board of Examiners determines that:

1. The person provides services not provided by any other employee of the agency or for which a critical labor shortage exists; or
2. A short-term need or unusual economic circumstance exists.

The Board of Examiners will apply these standards to all proposed contracts for services involving current employees or former employees.

Contracts Potentially Requiring BOE Pre-Approval

Contracts affecting current or former employees and requiring Board of Examiners pre-approval may take the form of:

1. A direct contract between a department, division or agency of the State and a current employee or former employee.
2. A contract with a business or any other entity that employs a current or former employee who will be performing or producing the contracted services
3. A contract with a temporary employment service that provides a former state employee to the State to perform services as a temporary worker.

A person who is a current or former employee may not evade the intent of this section by performing contract work for the State through creation of a corporation or other business entity.

Exemptions

The requirements for BOE pre-approval of contracts with current employees or former employees do not apply to the following contracts:

1. A contract with a current employee or former employee for 4 months or less, where the executive head of the department/division/agency determines an emergency exists that necessitates the contract. (Note: a copy of the contract and a description of the emergency must be submitted to the BOE. BOE shall review the contract and the description of the emergency and notify the department, division or agency utilizing this emergency exception whether the BOE would have approved the contract).
2. Contracts with Professional engineers employed by the Department of Transportation for a transportation project entirely funded by federal funds.
3. Contracts with Nevada System of Higher Education, or a board or commission of the State
4. Contracts with a person employed by an entity, which is a provider of services for Medicaid, and which provides services on a fee for service basis or through managed care.
5. Contracts for $1 million or more entered into:
    a. Pursuant to the State Plan for Medicaid established pursuant to NRS 422.271
    b. For financial services
    c. Pursuant to the Public Employees' Benefits Program
6. Contracting Agency Requirements

Complete Contract Authorization – The agency must complete an Authorization form (available on the Purchasing Division's website) requesting authorization to contract with a current or former employee and receive approval from the BOE before entering into a contract for services with a current employee or former employee, or with an entity that will be having a current employee or former employee perform the contracted services.

Contract Approval Process - If the contract is going to be with a:

- Current employee
- Former employee
- Person who is employed by the Department of Transportation for a transportation project, which is entirely federally funded, and the term of the contract is over 4 years
- Business employing a current or former employee who will be performing or producing the contracted services

The following flowchart summarizes steps to be performed

Flow Chart

7. Additional Requirements For Current Employees
    a. Time Keeping
        i. State time tracking - Current employees, during the pay period they perform contract or provider agreement work with the State, must include in their time sheet notes for each day, the specific times they used flex, sick, compensatory time, annual leave, etc. If contract work is performed during their standard shift, the employee must document the specific times in the notes and explain how this was performed during flex time, compensatory leave, annual leave, or non-state paid time.
        ii. Contract time tracking - The contracted employee must document all time (date and time of day) spent working on the contract and include it in the invoice. Additionally, the employee must provide a supervisor approved copy of their State time sheet with their invoice.
    b. Contractor Oversight
        i. Current employee's supervisor's responsibilities - The employee's supervisor must compare the employee's NEATS time sheet to the times per the contract invoice to ensure contract work was not done during state time. The supervisor must sign the time sheet and the invoice certifying that contract work was performed during flex time, compensatory leave, annual leave, or non-state paid time.
        ii. Contracting agency's responsibilities - The Contract Monitor must reconcile the current employee's approved NEATS time sheets to the times noted on the invoices to ensure contract work was performed during flex time, compensatory leave, annual leave, or non-state paid time.
    c. Secondary Employment
        i. Any employee with secondary employment must complete a Secondary Employment Disclosure form (available on the Purchasing Division's website) and submit it for approval by the agency head. When an employee obtains or has a change in their secondary employment, they must submit a Secondary Employment Disclosure form within 30 days of acceptance and must renew the Disclosure by July 1st of each year. The agency head must review the form for conflicts with State employment. Approved forms should be filed in the employee's personnel file.
        ii. Secondary employment includes but not limited to contracts with the State, work with temporary employment agencies, and provider agreements.

0324 Independent Contract Review Procedure

The following procedures should be adhered to when submitting a contract for review:

1. Contracts should be submitted to the Clerk of the Board of Examiners by the deadline established by the Clerk and disseminated to State agencies via agency memorandums.
2. Each contract must include a clause that specifically states that the State is not obligated under the agreement before approval by the Board of Examiners.
3. The contract should consist of the Attorney General's approved contract form for independent contractors, the State's solicitation and the successful vendor's proposal. Any negotiated items or clarifications should be reduced to writing and incorporated into the contract document as a separate attachment. It is important, when listing the order of the attachments within a contract, to give consideration to the order of precedence to prevent potential conflict in the terms.
4. Three copies of the contract must be submitted; each copy must include signatures of the Attorney General or representative, the responsible agency representative and the contractor. The signature requirement may be met in counterparts and with facsimile and/or electronically scanned copies of the signature page. Contract distribution is as follows: one copy for the Fiscal Analysis Division of the Legislative Counsel Bureau; one copy to be returned to the agency; and one copy for the independent contractor. Access to all submitted proposals shall be made available by the soliciting agency and will be retained for the life of the contract or six (6) years, or for a period of time as determined by the soliciting agency's records retention schedule, whichever is longer.
5. The Board of Examiners requests agencies to substantiate all contracts entered into with former employees who would perform work similar to their State employment.
6. Bidding requirements for contracts are outlined in NRS Chapter 333, NAC Chapter 333, and **SAM 0338**.
7. Board of Examiners' policy is to review and approve contracts prior to the services being rendered. Agencies are to present contracts in a timely manner and prior to the obligation of State funds. Contracts with a retroactive effective date, e.g., work commenced prior to the Board of Examiners' approval date, must be accompanied by a memorandum clearly justifying the circumstances.
8. All contracts involving information systems must be reviewed and approved by the Department of Informational Services prior to submittal to the Board of Examiners.
9. All applicable contracts placed on the agenda for Board approval or the Clerk of the Board approval must provide satisfactory proof from the Secretary of State's Office (SoS) that the contractors have a current Nevada State Business License (SBL), and if they are a Nevada corporation, LLC, LP, LLP, or LLLP, or non-profit corporation, that their corporation is active and in good standing. Satisfactory proof may include one of the following: from the contractor; a copy of the certificate of good standing or of an unexpired business license or a print-out from the SoS free Business Entity Search showing active status. Additionally, if they are a corporation, LLC, LP, LLP, or LLLP, or non-profit corporation based out of state, they must be registered as a foreign equivalent in Nevada, in active status and in good standing. Any business, except non-profit organizations organized pursuant to NRS Chapters 82 Non Profit Corporations and Chapter 84 Corporations Sole that qualifies for an exemption from the business license requirement must file a notice of exemption which will be on record with the SoS's Office.

0325 State Agencies, Boards, and Commissions with Independent Contracts for Outside Legal or Professional Services

Professional services shall include consultation or representative services within the professional's area of educational expertise performed by licensed practitioners as defined in NRS Chapter 439A, attorneys, accountants, engineers, architects, or experts (by education or experience) for judicial or administrative proceedings. It is the policy of the State of Nevada to limit and monitor costs associated with the hiring of professional and expert services, including private attorneys who provide services to the State as independent contractors. Accordingly, all such contracts including those entered into between the State, its agencies, boards and commissions, must include the following contract terms. Further, no such contract may extend beyond a two-year term without review and approval of the Board of Examiners.

1. Notification of Attorney General's Office - Contractor shall notify and consult with the Attorney General's Office promptly regarding all significant developments in regard to any potential legal matters or legal services provided under this contract. Should litigation involving potential liability for the State commence or significantly change during the term of this contract, the Attorney General's Office shall be immediately informed in writing. Contractor shall promptly advise the Risk Management Division of the Department of Administration regarding changes in the status of litigation that may have a fiscal impact on the State.
2. Copies of Work Products Provided to Attorney General's Office - Contractor shall promptly provide the Attorney General's Office, 100 N. Carson Street, Carson City, NV 89701-4717, with copies of final versions of the written work product relevant to any legal matter, including correspondence and executed counterparts of any original pleadings or other matters of importance. Contractor shall also provide to the Attorney General's Office written, quarterly reports summarizing significant developments in regard to the subject matter of the contract and significant services performed under the contract.
3. Work Product the Property of the State - All work products of the Contractor resulting from this contract are the exclusive property of the State. If any work remains in progress at the termination of this agreement, the Contractor shall surrender originals of all documents, objects or other tangible items related to the work to the Attorney General's Office.
4. Conflicts of Interest - Contractor shall not accept other representation or work known to be in direct conflict with the subject matter of the contract without prior written approval of the Attorney General's Office and all attorneys will consult with the Attorney General's Office regarding potential conflicts of interest, at all times acting in accordance with the Nevada Rules of Professional Conduct,

   Supreme Court Rules 157 - 159

5. Copies of professional liability insurance will be attached to the contract with proof of policy of professional liability insurance for errors and omissions that is issued by an admitted insurance company authorized to transact insurance in the State of Nevada or by an insurance company authorized to transact surplus lines in the State of Nevada in an amount not less than $1 million, or as otherwise determined or waived by the Division of Risk Management, Department of Administration, 201 S. Roop Street, Suite #201, Carson City, NV 89701.
6. Billing - In the absence of an agreed upon flat rate or per diem, contractor shall submit monthly billings for work performed, billing only for actual time spent performing a task, and not for unit

charge (e.g., no automatic billing of one-third hour for a phone call that may take only five minutes). In every case all billings shall describe all work performed with particularity and by whom it was performed. Billings shall be attached to payment vouchers and processed, as are other claims against the State. Such billings are subject to the following guidelines:

a. Unless otherwise agreed in advance, it is expected that only one professional from contractor's organization will attend meetings, depositions and arguments and other necessary events, although a second person may be needed for trials and major hearings or meetings;
b. Charges for professional time during travel will not normally be reimbursable unless the time is actually used performing professional services or as otherwise arranged in advance.

In addition, the State will not pay:

c. Fees for the training of personnel incurred as a result of staffing changes or increases during the term of the contract;
d. Fees for time spent educating junior professionals or associates;
e. Fees for more than ten hours of work per day for any individual, except during trial or another extraordinary event.

7. Expense Statements - If the contract provides for specific reimbursement for expenses, contractor shall submit monthly statements to the Contracting Agency itemizing all expenses for which reimbursement is claimed. Certain disbursements will not be paid unless agreed to in advance. These include:
   a. Secretarial or word processing services (normal, temporary, or overtime);
   b. Photocopy expenses of more than 15 cents per page;
   c. Photocopy costs in excess of $2,000 for a single job;
   d. Any other staff charges, such as meals, filing, proofreading, regardless of when incurred;
   e. Computer time (other than computer legal research specifically authorized in advance).

   The State will not reimburse expenses for the following:

   a. Local telephone expenses or office supply costs;
   b. The costs of first-class travel (travel arrangements should be made in advance to take advantage of cost-effective discounts or special rates).

8. Disputes - In the event that a civil action is instituted to collect any payment due under this contract or to obtain performance under this contract, the State as a prevailing party shall recover, as the court deems appropriate, reasonable attorneys' fees and all costs and disbursements incurred in such action.

0326 Independent Contracts Not Requiring Board of Examiners' Review

The following types of contracts need not be filed with or approved by the Board of Examiners:

1. Contracts executed by the Department of Transportation for any construction or reconstruction of highways.
2. Contracts executed by the State Public Works Division or any other department or agency for any construction or major repairs, which includes without limitation anticipatory repairs such as remodeling or maintenance, of State buildings, or State improvements (i.e., dams, boat ramps, camp grounds), including its leaseholds, if the contracting process was controlled by the rules of open competitive bidding. (**SAM 0338** and **1908**)
3. Contracts executed by the Housing Division of the Department of Business & Industry.
4. Contracts executed with business entities for any work or maintenance or repair of office machines and equipment. (Does not include computer hardware, computer hardware maintenance and computer software, or items listed in **SAM section 0330**
5. Contracts entered into by the Nevada System of Higher Education.
6. Contracts for similar services provided by the same contractor within the same fiscal year which if combined would not exceed $1,999.
7. Repair, replacement and installation of parts on automobiles and light trucks, including aircraft, heating and air conditioning refer to **SAM 1552**
8. Computer software maintenance that consists of the following: license agreements, right to download updates remotely and/or off site technical support.

0328 Lease Contracts

State Offices - The Administrator of the State Public Works Division has the authority to lease and equip office space outside of State buildings whenever sufficient office space cannot be provided within State buildings. No such office space lease may extend beyond the term of one (1) year unless it is reviewed and approved by the Board of Examiners regardless of the total cost. (NRS 331.110). The exception is leased space used strictly for storage. In this instance, agencies may directly negotiate their own leases and they are subject to the same approval thresholds as operating leases. The Attorney General shall approve each lease entered into pursuant to this section as to form and compliance with law.

Land - The Division of State Lands acquires and holds all lands and interests in land owned or required by the State except:

1. Lands or interests used or acquired for highway purposes;
2. Lands or interests the title to which is vested in the Board of Regents of the Nevada System of Higher Education.
3. Office buildings leased by the Administrator of the State Public Works Division; or
4. Lands used or acquired for the Legislature or its staff.

Equipment - The Purchasing Administrator has sole authority to contract for equipment unless otherwise specifically provided by law (NRS 333.150). Agencies requiring equipment lease contracts should contact the Purchasing Division. (**SAM 1500**)

NRS 353.500 to NRS 353.630 outline provisions of law related to the purchase of real or personal property via installment purchase agreements or lease-purchase agreements. These agreements contemplate the State taking ownership of the property at the end of the agreement term. Lease-purchase agreements are also referred to as capital leases. NRS 353.580 exempts these types of agreements from Board of Examiners approval.

Conversely, an operating lease agreement is an agreement where ownership of the property does not transfer to the State at the end of the agreement term. Operating leases are not exempt from Board of Examiners approval.

Lease contracts must be ratified by appropriate official action of the governing body of each party to the contract as a condition precedent to its entry into force. Operating leases ranging in cost from zero to $1,999 require approval of the agency head; operating leases ranging in cost from $2,000 to $49,999 require the approval of the Clerk of the Board of Examiners, or designee, on behalf of the Board of Examiners; operating leases totaling $50,000 or more require the approval of the Board of Examiners.

If a lease contains an option to take ownership of the property at some later date but the decision to take ownership has not been made, the lease should be treated as an operating lease and forwarded to the Board of Examiners for approval in accordance with the thresholds contained in this section.

A Contract Summary Form must accompany all operating leases submitted for review and approval.

0330 Minor Remodeling, Repair, and Maintenance Contracts

Contracts are required for all minor remodeling, repair and maintenance work and must be submitted to and approved by the Board of Examiners unless exempted in **SAM 0326**.

Contractors, as defined by NRS 624, must be licensed before they can submit a bid or proposal on any minor remodeling, repair and maintenance work, pursuant to NRS 624.700 unless specifically exempt under NRS 624.031.

All buildings requiring minor non-structural remodeling, repair and maintenance work requiring the use of outside labor and having an estimated cost of less than $5,000 that will NOT be executed by the Public Works Division may be negotiated by the agency controlling the building. (**SAM 1908**) Where the building is under control of the Buildings and Grounds Section of the State Public Works Division, see **SAM 1004**.

All non-structural repairs costing more than $5,000 and less than $25,000 must have at least three bids or proof that the bids have been requested from at least three firms. All project requirements and specifications must be submitted in writing to all prospective bidders.

> Exception: On jobs the agency estimates to cost between $5,000 and $25,000, the agency may negotiate work on a time and material basis if it submits statements by at least two reputable firms licensed to perform the work that the job cannot be bid.

Non-structural remodeling, repair and maintenance work is defined as work estimated to cost less than $25,000 for which an agency has budgeted funds, and which does not affect the safety of the building and does not change, in any manner, its structural elements. If an agency has questions, it should contact the Public Works Division.

Examples of jobs that may be included under this section, and requiring contracts, are as follows:

1. Asphalt repair
2. Electrical repairs
3. Floor refinishing/repair
4. Landscape services
5. Painting of buildings/rooms
6. Plumbing repairs
7. Repair of heat plant boilers over $15,000.00
8. Repair of refrigerators/freezers
9. Repair/replacement of air conditioners over $15,000.00
10. Repair/replacement of bathroom tiles
11. Replacement of broken windows
12. Exterminator services
13. Maintenance and/or repair of elevators

Solicitation Requirements: Refer **to SAM 0338.**

0332 Recording Construction Contracts

State construction contracts must be in writing, signed by the contracting parties and delivered to the Secretary of State. The Secretary of State files and records the contracts in the State's agreement and contract book. This does not apply to contracts for maintenance or with independent contractors.

0333 State Building Vending Machine Contracts

Any future contract, renewal of a contract, or amendment of a contract with a vendor who supplies to a State building a vending machine that dispenses soft drinks in aluminum cans must include:

A provision that requires the vendor to provide a bin or other suitable receptacle for the collection of empty cans; and

A provision that requires the vendor to periodically collect the empty cans for delivery to an appropriate recycling center or nonprofit organization that collects cans.

0334 Volunteers in State Service

Volunteers in State service should be treated like contract employees and a contract should be processed. If the volunteer is treated like an independent contractor, then see **SAM 0320**. If there is a question as to whether or not the volunteer is or should be treated like an independent contractor, contact the Risk Management Division or your Deputy Attorney General.

If the volunteer is not an independent contractor consider the following legal ramifications of using volunteers in programs directed by public agencies:

1. Most persons who volunteer their services and participate in a program sponsored by the State of Nevada are not automatically covered by worker's compensation coverage. Certain types of "volunteers" are specifically defined by law to be "employees" and must be covered. (NRS 616A.160 Volunteer Peace Officers)
2. Volunteers MAY be covered by Workmen's Compensation under NRS 616A.130
    a. "The process of discretionary coverage under NRS 616.067 is a two-step process by design. Initially, an insurer must make a determination that such volunteers are to be 'deemed' employees, and secondly, the employing organization must elect coverage and comply with the provisions of Chapter 616 of NRS." (AGO 80-15) Applications for volunteer coverage can be obtained by calling Risk Management.
3. When a volunteer is covered under workers' compensation the State "is relieved from other liability for recovery of damages or other compensation for those personal injury, unless otherwise provided by the terms of Chapters 616A to 616D, inclusive, of Nevada Revised Statutes otherwise provided." (NRS 616B.612)
4. The State may be liable for the negligent acts of its volunteers who injure third parties.
5. The Attorney General may be responsible for defending a volunteer who is sued in civil proceedings relating to that person's voluntary service.
6. In most cases, the State will be liable and the volunteer will be entitled to a defense if the alleged wrongful act of the volunteer was done under the direction and control of the State, in good faith, in furtherance of the State's business and within the course and scope of the public duty assumed by the volunteer.

0336 Amendments to Contracts

All contracts requiring Board of Examiners' review may be amended if such an amendment is deemed to be in the best interest of the State. Amendments include, but are not limited to, additional money or time required to complete the scope of work of the of the contract, any change in the basis of payment for the contract or any substantive change to the scope of work which would affect the anticipated results of the contract.

Except for those contracts waived under SAM 0326, all amendments to contracts require Board review and approval. Such review may determine that it is in the best interest of the State to have a new contract with another contractor rather than amend the contract with the current contractor. The Clerk or his designee may, on behalf of the Board, approve amendments that which extend the time of the contract with no additional money and amendments that increase the contract by less than $50,000. Amendments increasing the total amount of the contract above $50,000 will need to be submitted to the Board of Examiners. The Clerk may also approve contract amendments that change the scope of work if such a change is deemed to not adversely affect the State's interest.

All amendments must include language that clearly identifies the applicable change/revision; i.e., amount of monetary increase and new maximum amount, change of effective/termination date from 00/00/00 to 00/00/00, etc.

Amendments should be submitted in the following format: one copy of the amendment with a copy of the original contract, complete with any prior amendments to the contract and all attachments (e.g. the State's solicitation, contractor's response, etc.) attached as Exhibit A. All remaining copies of the

amendment should be submitted with a copy of the original contract and any prior amendments attached as Exhibit A.

Three copies of the amendment must be submitted for Board of Examiners' approval. Each copy must include signatures of the Attorney General or representative, the responsible agency representative and the contractor. The signature requirement may be met in counterparts and with facsimile and/or electronically scanned copies of the signature page. Contract distribution is as follows: One copy for the Fiscal Analysis Division of the Legislative Counsel Bureau; one copy to be returned to the agency; and one copy for the independent contractor.

A Contract Summary Form must accompany each copy of the contract amendments submitted for review and approval.

0338 Solicitation Requirements

Proposals and Bids

Particular attention should be given to proposals and bids. Except as provided in subsection (3), an agency shall, whenever possible, solicit and review at least three bids or proposals for each contract.

Because the State Purchasing Act, NRS Chapter 333 is applicable to all procurements within the scope of NRS 284.173, a published Request for Proposal (RFP) (or authorized alternative publication) shall be the required form of agency-direct solicitation for contracts of $25,000 per fiscal year or more primarily for services (materials, supplies, or equipment provided as an integral part of a RFP for services need not be solicited separately by the Purchasing Division). An agency must work with the Attorney General's Office, the Risk Management Division and should consult with the Purchasing Division, or if structural the Public Works Division, in constructing a solicitation document for services. An agency using the RFP process must request a query of the Purchasing Division's database when developing a mailing list for the solicitation. An agency may request posting of the solicitation document on the Purchasing Division's website at http://purchasing.state.nv.us.

Pursuant to NRS 333.165, except as otherwise provided by statute, the Purchasing Administrator shall contract for services whose estimated value is $100,000 or more, and may authorize an agency to contract for such services if he determines that to do so would be in the best interest of the State.

Prior to releasing any solicitation, an agency should define its needs, giving consideration to the development of the Scope of Work, identifying deliverables and deadlines.

The Request for Proposal process:

This process is applicable to solicitations of service or service with goods whose estimated contract value is $25,000 per fiscal year or more. Agencies must use the approved RFP template, which may be obtained at the State Purchasing Division's website at http://purchasing.state.nv.us. Prior to an RFP being released, the evaluation criteria must be determined and listed in the RFP document in order of

importance; weight factors for the evaluation criteria must be established and maintained confidential until a contract has been awarded; and the evaluation committee should be identified and appointed by the agency head. Additionally, it is at this time that agencies should have the draft RFP reviewed by their Deputy Attorney General for approval of the document as to form and content and seek minimum insurance limit requirements from Risk Management. The minimum insurance limits are to be entered into the Contract for Service of an Independent Contractor, which is then appended to the RFP document for the vendor's information.

When establishing the timeline for the RFP, it is recommended that the amount of time from the date the RFP is released until the proposal submission deadline (proposal opening) be six to eight weeks. The minimum timeline as recommended by the State Purchasing Division is four weeks.

RFPs must be advertised one time in a paper of general circulation. Consideration should be given as to whom the agency is trying to target for this solicitation, i.e., services in rural Nevada should be advertised in a paper serving that area.

Agencies need to allow for a question and answer period within the RFP timeline. The agency must receive all questions in writing, placing them anonymously into an RFP amendment with the subsequent State response to the questions. This RFP amendment is then forwarded to all prospective vendors who submitted questions and made available to any other interested parties. The template for an amendment to the RFP is available from the Purchasing Division.

The RFP opening is public; the only information that is made available is the names of the vendors who submitted proposals. Submitted information is confidential and should only be shared with the evaluation committee members. Evaluation committee members are to evaluate the technical proposal individually, with the contract monitor setting a group evaluation committee meeting in order for there to be a consensus meeting to rank the technical proposals. The next step in the group meeting is to present and score the cost proposals. This may be done at the same meeting; however, when dealing with difficult or complex scopes of work it may require an additional meeting. The outcome of these meetings is the determination of the overall ranking after factoring in the technical proposal and cost proposal scores. The highest-ranking vendor is then issued a letter of intent to contract, at which time the negotiation process may begin.

Following successful negotiations, a contract is drafted which incorporates the State's solicitation (RFP), the contractor's response and any written negotiated or clarified items. Agency policy determines the order that signatures on the contract are obtained. A contract that has been signed by the agency's Deputy Attorney General, the awarded vendor and the agency head is then ready to be submitted to the Budget Division for placement on the Board of Examiners' agenda. When the contract with all required attachments is submitted to the Budget Division, the agency must issue a Notification of Award (NOA). Pursuant to NAC 333.170, the Notification of Award is comprised of a notice posted in three public locations and a letter to the unsuccessful vendors notifying them of who was awarded the contract and the contract amount. The ten-calendar day appeal period, as defined in NRS 333.370, begins the day the notice is posted and the letters are sent. It is at this time that all information pertaining to the solicitation becomes public information. Agencies must be diligent in protecting any information labeled by the vendors as confidential and giving them timely access to any requested information. Templates for the Notification of Intent and Notification of Award letters may be obtained from the State Purchasing Division's website at http://purchasing.state.nv.us.

The contract summary form requires an explanation of why the contractor was selected. (**SAM 0344**) Each proposal by a proposed independent contractor shall include in the proposal a complete disclosure, or a written affirmation of the lack thereof, of any alleged significant prior or ongoing contractual failures, any civil or criminal litigation or investigation pending which involves the vendor or in which the vendor has been judged guilty or liable regarding either a State or federal contract. The State of Nevada reserves the right and discretion to reject any proposal or terminate any contract upon notification of any past, current or future abuse of any government contract.

The Informal Solicitation (or Quote) Process:

This process is applicable to solicitations of services or services with goods whose estimated contract value is more than $1,999 but less than $25,000 per fiscal year. Agencies may obtain a template for an informal solicitation from the State's Purchasing Division website at http://purchasing.state.nv.us. Prior to a solicitation being released, the evaluation criteria that will be used to evaluate all proposals received must be determined. It is at this time that the evaluation committee should be identified. Additionally, agencies should consider having the draft solicitation reviewed by their Deputy Attorney General for approval of the document as to form and content and seek minimum insurance limit requirements from Risk Management. The minimum insurance limit requirements are to be entered into the Contract for Services of an Independent Contractor Contract, which is then appended to the solicitation document for the vendor's information.

When establishing the timeline for the solicitation, it is recommended that the contract monitor determine a reasonable amount of time from the date the solicitation is released to the date the potential vendors are required to submit their proposals.

It is recommended that agencies contact the Purchasing Division to request a query of the Purchasing Division's database to assist in the development of a mailing list.

Agencies should allow for a question and answer period within the solicitation timeline. The agency must receive all questions in writing, placing them anonymously into a response letter, with the subsequent State answers to the questions. This letter is then forwarded to all prospective vendors who submitted questions and made available to any other interested parties.

The solicitation opening is public; the only information that is made available is the names of the vendors who submitted proposals submitted information is confidential. Proposals may be evaluated based on lowest responsible vendor or by an evaluation committee. Evaluation committee members are to evaluate the proposals individually, with the contract monitor collecting the score sheets and tabulating the totals. The highest-ranking vendor is contracted, at which time the negotiation process may begin.

Following successful negotiations, a contract is drafted which incorporates the State's solicitation, the contractor's response and any written negotiated or clarified items. Agency policy determines the order that signatures on the contract are obtained. A contract that has been signed by the agency's Deputy Attorney General, the awarded vendor and the agency head is then ready to be submitted to the Budget Division for placement on the Board of Examiners' agenda. Upon delivery of the signed contract to the Budget Division, all information pertaining to the solicitation becomes public information. Agencies must be diligent in protecting any information labeled by the vendors as confidential and giving then

timely access to any requested information. A template for the Notification of Intent to contract may be obtained from the State of Nevada Purchasing Division.

Solicitation of Contracts

It is the Board of Examiners' general policy that contracts be solicited at least every four years. A contract which is determined by the Purchasing Administrator to be a sole source, a contract specifically authorized by legislative act or a contract contingent upon prior approval by a federal agency shall be solicited at least every four years in the absence of any longer or shorter authorized period under State or federal law.

- A "sole source" shall mean any contractor who, at the time of entering the current contract, was reasonably believed to be the only known qualified source.
- A "qualified source" shall be one meeting or exceeding the minimum statutory, regulatory, and published or solicited minimum contractor qualifications.
- For each respective contract an "only qualified available source" shall be deemed to mean:

    a. The only qualified respondent to a State initiated quote solicitation, proposal solicitation or notice of intent to bid:
    b. The only qualified respondent to a published RFP;
    c. The only qualified source otherwise demonstrable in fact.

Exempted Independent Contractors

Solicitations are not required for services performed by independent contractors exempted by law. Proposals may be evaluated based on lowest responsible vendor or by an evaluation committee. (NRS 625.530) or as determined by the Purchasing Administrator pursuant to regulation. (NAC 333.150 (2)(a)(b)

Remodeling, Repair, and Maintenance

Minor non-structural remodeling, repair and maintenance contracts, projects exempt pursuant to NRS 341.141 through 341.148 or State non-building projects.

All minor non-structural remodeling, repair and maintenance work requiring the use of outside labor and having an estimated cost of less than $5,000 may be negotiated by the agency either on a single quotation basis or on a time and material basis without the necessity of formal bidding.

Repairs costing more than $5,000 and less than $25,000 must have at least three bids or proof that the bids have been requested from at least three firms. All project requirements and specifications must be submitted in writing to all prospective bidders.

> Exceptions: On jobs the agency estimates to cost between $5,000 and $25,000 the agency may negotiate work on a time and material basis if it submits statements by at least two reputable firms licensed to perform the work that the job cannot be bid.

Projects estimated to cost $25,000 but less than $50,000 must be advertised once a week for at least two consecutive weeks in a local newspaper.

Projects that cost $35,000 or more must be protected by a performance and payment bond as required by NRS 339.025. If a general contractor has been awarded a contract, each of his/her subcontractors who will perform work on the contract that exceeds $50,000 or 1 percent of the proposed project, whichever amount is greater, shall also be required to furnish a bond in an amount to be fixed by the Public Works Division as required by NRS 339.025.

The Public Works Division can assist agencies in drafting specifications and bid proposals, evaluating bids and preparing contracts.
Most contracts and agreements contain a schedule of insurance requirements and hold harmless (indemnification) provisions that affect the State's insurance or self-insurance. To ensure that the terms in the contracts or agreements provide adequate protection to the State, the proper insurance and hold harmless agreements should be reviewed by the Risk Management Division and must be previously approved by the Attorney General's Office and included in the bid documents or requests for proposals.

Compliance of RFPs and Solicitations

It is the Board of Examiners' policy that all RFPs or other solicitation documents for services comply with the model forms as approved by the Attorney General's office and available on the State Purchasing Division's website. Any appeal of a contract award must be filed in strict compliance with NRS 333.370 and NAC 333.170. In the case of an appeal of an agency-direct procurement, the Purchasing Administrator will promptly forward the notice of appeal to the contracting agency, which will be responsible for defending the contract award.

0340 Effective Dates of Contracts

Unless specifically exempt from Board of Examiners' review and approval, contracts entered into under the provisions of NRS 284.173 do not become effective without the prior approval of the Board. Therefore, agencies are to present contracts for Board review and approval before any work is started on the contract or any funds are obligated to the contract. Contracts presented to the Board with a start date prior to the date of Board approval will be denied unless sufficient written justification as to the reason for the delay accompanies the contract.

0342 Contract Forms

All contracts should conform to the form, terms and conditions set forth in the most current version of the Attorney General's contract for services of an independent contractor. This form can be found on the State Purchasing Division's website at http://purchasing.state.nv.us.

Agencies are encouraged to work closely with their Deputy Attorney General when drafting contracts and to use the most current version of the Office of the Attorney General's interlocal contract and cooperative agreements found on the Purchasing Division's website at http://purchasing.state.nv.us.

In the event an agency is proposing to use a contract form other than the approved contract for services of an independent contractor or enter into interlocal contracts that are in any way unusual in nature, these documents should be prepared with the joint cooperation of the agency and their Deputy Attorney General.

0343 Contract Logs and Database

Agencies shall maintain contract log sheets and enter data into the State Purchasing Division's Contract Database Management System for all agency contracts (BOE, Non-BOE, interagency and interlocal) of $2,000 and over. A contract log sheet should include the agency name, vendor name, approved budget and category authority (initial contract and all amendments), contract beginning and ending dates, and the total amount of the contract. Each payment should be recorded on the log and include the document number and the remaining balance. Travel payments must be detailed separately.

Agencies shall maintain this log as justification for each payment voucher. Contract data can only be entered into the Purchasing Division's contract database by certified contract monitors (see **SAM 0322, number 3**).

0344 Contract Summary Forms

The Contract Summary Form provides the BOE with an accurate description of the contract document. All information displayed on the summary form must agree with the contents of the contract. Completed Contract Summary Forms must be attached to all contracts and agreements submitted to the BOE. The Contract Summary Form is generated after all the pertinent contract data is entered into the Budget Division's Contract Entry and Tracking System (CETS). Instructions for entering contracts into CETS can be found on the Budget Division's website at:

http://budget.nv.gov/Manuals-Instructions/

0400 Records

0402 Agency Responsibility for Records

The head of each agency must make, receive and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions

of the agency. He/She is responsible and shall be held accountable to provide for effective controls over the creation, use, maintenance, security, distribution and disposition of these records by establishing a records management program.

The head of each State agency shall take the following actions to establish and maintain the agency's records management program:

1. Issue a directive establishing program objectives, responsibilities, authorities, standards, guidelines and instructions.
2. Control the creation, maintenance, use and distribution of agency records and information to ensure that the agency:
    a. Does not accumulate unnecessary records or gather data which do not pertain to the function of the agency;
    b. Adheres to a records retention and disposition schedule as mandated by NRS 239.080 and NAC 239.710 to 239.720;
    c. Does not create information system forms and reports that collect information inefficiently or unnecessarily;
    d. Annually review all existing forms and reports to determine if they need to be improved or dispensed with;
    e. Design forms for computer data entry or information gathering that are easy to complete, read, transmit, process, retrieve and does not gather information which does not pertain to the functions of the agency;
    f. Eliminates unnecessary reports, designs reports for ease of use, deletes information on reports which is not needed, and limit distribution of reports to reduce cost;
    g. Maintains its records in a cost effective format, which allows for the rapid retrieval and protection of the information;
    h. Provides for the security of electronic records consistent with the security and disaster recovery standards and procedures established by the Department of Information Technology;
    i. Establishes a written organized filing system which is standardized for all branches of the agency, provides for the supplies, personnel and equipment to properly run the filing system, and provides for an ongoing training program for staff in the use of the filing system;
    j. Provides for the transfer of records to the State Archives of historically valuable information in accordance with NRS 239.080, 239.090, 378.250, and NAC 239.760, and
    k. Establishes written procedures for the proper access or denial of access to the public or other governmental agencies of records which have been declared by law to be confidential.
3. Prior to the creation of electronic records, the head of each State agency must:
    a. Consult with the Department of Information Technology on the implementation of its strategic plan for information resources and information technology, the purchase and implementation of hardware and software, and the establishment of security and training programs consistent with NRS 242;
    b. Work with the State Records Management program of the Nevada State Library and Archives (NSLA) to ensure the proper use, maintenance, retention, preservation and disposal of that record, and to implement the procedures outlined in NRS Chapters 239 and 378, and NAC Chapter 239;

c. Establish a records retention and disposition schedule for the record series to be created, in accordance with NRS 239.080, NRS 378.255(3)(7), and NAC 239.710 to 239.720; and
d. Create a migration strategy and include this in a written plan for implementation to ensure that the information will be transferable to another format.

4. The head of each State agency must establish and be responsible and accountable for the implementation of written safeguards against the unlawful removal, misuse, damage, alteration, destruction or loss of records. An ongoing training program to teach staff in safeguarding records must be established. The training program must include:
    a. That records in the legal custody of the agency are not to be compromised or destroyed except in accordance with NRS 239.080 and NAC 239.715 to 239.722; and
    b. That penalties are provided in law for the unlawful removal, misuse, damage, alteration, destruction or loss of records as provided by NRS 205.4765 to 205.481, NRS 239.010 to 239.012, NRS 239.080 to 239.085, NRS 239.300 to 239.330, NRS 378.255(9)(a), NRS 281.180 to 281.190, and NRS 603.080 to 603.090.
5. The head of each State agency must ensure that records are protected from the unlawful removal, misuse, damage, alteration, destruction or loss. The head of each State agency must inform the Attorney General of any actual, impending or threatened unlawful act regarding records in the legal custody of an agency of which he/she is the head that comes to his/her attention. With the assistance of the Attorney General and the Assistant Administrator for Archives and Records, he/she shall initiate action as provided by NRS 378.255(9) to recover records that he/she knows or has reason to believe were unlawfully removed from his/her agency.
6. The head of each State agency shall take all measures possible to protect the records in his/her legal custody from a natural or other disaster. He/She shall be responsible and held accountable to procure the proper supplies, equipment and personnel to protect the records in his/her legal custody. If any damage comes to the records, this must be reported to the Assistant Administrator for Archives and Records. The Assistant Administrator for Archives and Records, as provided by NRS 378.255(6)(7), shall provide advice and all help possible in saving or restoring damaged records.
7. As part of the Emergency Management Plan required by the Division of Emergency Management of the Department of Public Safety, and as allowed by NRS 378.255(6) in cooperation with the State Archivist, the head of each State agency must prepare a disaster recovery plan for the records in the legal custody of the agency. The disaster recovery plan must include measures staff will take to recover records, regardless of physical format, after a disaster has occurred. The disaster recovery plan must provide for:
    a. A list of vital records, in order of importance, that efforts will be directed at to protect and recover;
    b. A list of staff assigned responsibilities and duties to be carried out in case of an emergency;
    c. A list of vendors capable of rendering help in emergency. For electronic records, agencies must follow the standards established by the Department of Information Technology;
    d. A list of equipment and supplies, with the location of each, which are to be used by staff in the recovery of records damaged or threatened by a disaster, and
    e. An ongoing training program for staff in disaster preparedness and recovery of damaged or threatened records.
8. “Officially Filed” means that records have been placed in the legal custody, care and keeping of a State agency.

9. Records that have been officially filed with a State agency are subject to the provisions found in NRS Chapter 239 and NAC Chapter 239and must be inventoried, appraised and included on a records retention schedule.
    a. When such records are transferred to the State Archives, legal custody is transferred to the State Archives as provided in NRS Chapter 378.
    b. If an approved records retention schedule provides for the destruction of such records, they may be destroyed subject to NAC 239.722.
10. If any agency in the regular course of business, has kept, received or made any official State record, and in the regular course of business has caused the same to be recorded, copied, reproduced on any photographic, Photostat, microfilm, micro card, miniature photographic, computer or other electronic recording, optical media, audio or audio-visual media, or any durable medium for so reproducing the original, the original may be destroyed in the regular course of business unless prohibited by law. The duplicate of such a record shall be deemed to be the original, and must be retained according to an approved records retention schedule.

0404 Records under Custody of the Secretary of State

The Secretary of State has legal custody of the following records:

1. Election laws and corporation laws of the State of Nevada that have been recorded, compiled, and distributed.
2. Official records of election returns, reports and results after final compilation.
3. Corporation records, trademarks, limited partnerships, etc.
4. All deeds and conveyances belonging to the State.
5. The official bond of the State Treasurer as approved by the Board of Examiners. (**SAM 0120**)
6. All written contracts to which the State is a party, unless required to be deposited elsewhere. See **SAM 0332**
7. A record of all commissions and appointments made by the Governor. The Secretary of State must attest to the Governor's signature thereon and affix the State Seal.
8. Files and records of licensed ministers.
9. Rules and regulations of executive agencies filed pursuant to provisions of the Nevada Administrative Procedures Act.
10. Securities agents and dealers licensing and registration records.
11. A record of all Notary Public appointments.
12. Statements of financial disclosure for Statewide and multi-county candidates and public officers. (NRS 281.561)
13. UCC financing statements and related documents, federal tax liens and utility filings.
14. After six years many of the records filed with the Secretary of State are transferred to the State Archives for preservation and research access. They remain in the legal custody of the Secretary of State. (NRS 378)

0406 Electronic Records

An **electronic record** is an official State record stored, accessed and retrieved through a machine readable system, whether by magnetic impulse, mechanical or electronic recording or other form of data

compilation. This includes all computer systems (e.g., floppy disks, optical disks, magnetic tape and hard disk) and audio-visual systems. (NRS 52.225 and 52.265)

State agencies producing electronic records must be careful to include the entire record or image. If such records are required as evidence in court, they are subject to the rules of evidence in NRS 47, 51 and 52. Specifically, NRS 47.120 dealing with "Remainder of writings or recorded statements" places doubt on partial submissions of records introduced as evidence and NRS 51.155 dealing with "Public records and reports" which may be declared hearsay because the "...source of information or method or circumstances of the investigation indicates lack of trustworthiness." State agencies must ensure that electronic records establish:

1. The date the record was produced;
2. The date any alterations were produced; and
3. Evidence the record was authorized for issue or signature.
4. The name of the person who authorized the record for issue or signature.
5. The name of the individual, business, organization or governmental entity that the record was sent.

The best way to ensure the "trustworthiness" of a computer record is to place the entire document, including images of signatures, onto the recording system.

Electronic records must be kept in records storage facilities described above and maintained at a year-round temperature range of between 70° and 75° Fahrenheit.

Many electronic mail systems automatically erase mail after the recipient has read it. Therefore, agency personnel must transfer such records to a medium that will ensure its retention until the authorized disposition date is met.

After the authorized disposition date has passed, agencies should take steps to destroy electronic mail records. Personnel should erase the information on the disk or tape rather than just deleting them. Only by erasure or by the use of a program, which will completely overwrite the data to be destroyed, can agencies protect against unauthorized access to record information approved for destruction.

The State Archives does not have the equipment or the software capable of reading the variety of electronic records. Each State agency is responsible for transferring the electronic record onto bond paper, microfilm or Computer Output Microform (COM) before being sent to the State Archives. Audio and audio-visual tapes and cassettes will be accepted.

0408 Electronic Imaging

Requirements for Electronic Imaging Systems:

1. All State agencies, including the Nevada System of Higher Education, are subject to the requirements in NAC Chapter 239, sections 765 through 845. These sections deal with specific requirements that must be met to operate Electronic Imaging Systems. These requirements were established to safeguard the information being recorded and provide for the continued access as

technology changes. Questions should be directed to the NSLA Records Management program in Carson City.

2. Prior to the beginning of operation of an Electronic Imaging System, a State agency must have the approval of a valid records retention schedule (see **SAM Section 2018**) in accordance with NRS 239.080, to have record series placed on that format. The words **This record may be placed on an electronic imaging system** must appear on the agency specific records retention schedule. This agency specific schedule must be approved by the State Records Committee (NRS 239.080) prior to the start of operation of the system.

Preservation of Long-Term Records:

In order to preserve long-term records (see NAC 239.630), which have been placed onto Electronic Document Imaging System, the security copy required by NRS 239.051 must be placed onto a **human eye readable** format. The following formats are considered to be human eye readable.

1. Microforms that meet the standards set in NAC 239.763;
2. Alkaline reserve paper (often referred to as **acid neutral**).

Therefore, all electronic document-imaging systems must be capable of supporting Computer Output to Microform (COM). NRS 239.051 also sets the guidelines for destruction of public records. Following these legal requirements will satisfy backup strategies for Electronic Document Management systems.

File Headers: Legal Requirement:

In order to comply with the provisions of NAC 239.785, all records in their final form must be placed onto a non-proprietary TIFF format when imaged. This legal obligation allows for the image to be viewed in a universally accepted image format. Compliance will help to mitigate compatibility problems between systems. Conversion of documents to TIFF image formats will also help to reduce the potential that a document stored on a document management system could be altered without version and audit controls. New versions of documents should always be stored as new TIFF Images. Older versions should not be deleted without legal authority to do so and all versions should be cross-referenced.

0409 Electronic Records Committee

The Nevada Electronic Records Committee (NERC) is established under the authority of the Committee to Approve Schedules for the Retention and Disposition of Official State Records (NRS 239.073), known as the "State Records Committee," as a formal subcommittee. The mission of NERC is to develop standards and guidelines for the creation, maintenance, accessibility, and long-term preservation of electronic records created and received by Nevada State and local governments. General membership is open to any government employee in Nevada who is committed to working towards better electronic records solutions. The NERC creates a uniform and consistent set of Nevada policies and procedures for managing and preserving electronic records through their life cycle in an efficient, effective and economical manner; provides guidance and assistance to all governmental entities in Nevada on issues relating to public records in electronic formats; develops statewide procurement standards related to Nevada's electronic records infrastructure; conducts electronic records management training programs; and promotes the management of Nevada's public records in electronic format.

0410 CD Rom Records

Use of CD ROM Electronic Records

CD ROM, Compact Disc - Read Only Memory, technology is a high-density digital data storage format that permits read-only access to stored information and is usually read by a laser. CD ROM is an electronic form of creating, using and distributing records, and is subject to the provisions of NAC 239.760.

1. A State agency must:
    a. For records appraised with archival value, place the information on a format acceptable to the State Archives as provided by NAC 239.760(5), and transfer that format to the State Archives for preservation purposes. Records with other values may be placed on CD ROM format with this requirement.
    b. Provide for a security back-up copy that can be copied as required by NRS 239.051(3).
    c. Label each disc to identify the data contained and whether it is a security or use copy.
    d. Provide for copying the data to another disc for data that must be retained for more than seven years.
2. To provide for the security and preservation of the records, a State agency must provide a work and disc storage area that will keep the hardware, software and discs safe from unauthorized access, natural and other disasters. The area shall:
    a. Be restricted from smoking, eating or drinking near the equipment or discs.
    b. Be temperature controlled as provided by NAC 239.760(2).
    c. Be kept clear of electromagnetic machinery such as copy machines, TV sets, refrigerators and similar devises.
    d. Be protected with smoke detectors and fire suppression equipment.

0412 Archives and Records, State Library and Archives

The State Library and Archives Administrator is charged by statute to administer Archives and Records, appoints an Assistant Administrator for Archives and Records who is responsible for maintaining the Archives and Records programs, receiving materials into the Archives from State agencies deemed to be of historical value, and providing reference and research services. With the approval of the State Records Committee, material may be returned to the State agency from which received if determination is made that the material is not of historical value.

0414 Nevada System of Higher Education

The Board of Regents may establish archives and records management programs with records storage and archival facilities for each of the separate campuses of the Nevada System of Higher Education. The Board of Regents is encouraged to do this to provide for efficient preservation of and access to research and archival records within each campus location. Since each institution is the center of research functions, the records of that institution should remain with and be preserved by that institution. The Board of Regents shall furnish information relating to the operation of these programs, such as names, addresses and phone numbers, to Archives and Records.

The Nevada System of Higher Education records management programs shall be responsible for the inventory and appraisal of record series produced and stored by university agencies. These shall be placed upon forms authorized by the Archives and Records and shall be submitted for review and subsequent submission to the State Records Committee. (NRS 239.080)

The Board of Regents must provide for the protection of records of the Nevada System of Higher Education that have been appraised as having archival/research or permanent legal value in storage facilities that meet the minimum standards set by Archives and Records or transfer the records to Archives and Records for preservation in the State Archives.

All records management and archival programs established by the Board of Regents must adhere to the minimum standards.

Archives and Records shall preserve Board of Regents' records appraised as having research/archival and permanent legal values through an approved records retention schedule.

0416 Minutes of Public Bodies

The minutes of public bodies, whether of a public or closed meeting must be created in a written format. They have been declared by NRS 241.035 to be a **permanent** record. This does not mean that agencies are duty bound to preserve these records indefinitely and, in fact, State agencies should not consider themselves the permanent repository for such records. Special institutions, usually named **archives** or **special collections** have been set up and staffed to handle these types of records. By authority of the General Records Retention Schedule that was authorized by the State Records Committee in accordance with NRS 239.080 and NRS 241.035, such records may be transferred to an **archival repository** and NAC 239.850 describes where such records may be transferred. For Executive Branch agencies, other than the Nevada System of Higher Education, the institution to transfer these records to is the Nevada State Archives (see SAM 2038 and NAC 239.850).

0418 Sealing of Records

Procedures for Sealing of Records:

1. State agencies that have been required by NRS or by a Nevada court of record to seal records must do so as described in this section. This will ensure the security of the records and the compliance with court orders. These procedures will also ensure that these and any associated records (such as microfilm on the same roll) will still be legally acceptable as evidence in a Nevada court of record.
2. **Sealing** means to place the records in a file system not accessible to the general public, only to authorized staff. This can be done by designating a locked file drawer cabinet or a file cabinet in a locked room for deposit. Sealed records can also be sent to the State Records Center (see NAC 239.725 to 239.735).
3. Authorized staff includes the staff position(s) responsible for file maintenance, the agency's legal counsel and the agency appointing authority. The actual file contents may only be disclosed by order of the court. Authorized staff may review the record for administrative purposes. A log

must be kept with the record indicating who had access, for what purpose, when access was made and by what authority.

4. After receiving an order from the court, or upon expiration of the time and conditions set forth in law, the record must be physically removed from the office filing system, and a card placed in the file system stating what the file is that has been removed, the date it was removed and why it was removed (cite the court order or legal citation for removal of the record). Place the sealed file in an envelope or file folder that can be closed. Place the court order or a copy of the NRS citation authorizing sealing in the envelope or closable file with the record. On the outside of the envelope or file, place a label identifying the record (number and name of case) and wording to the effect: **Sealed by authority of (cite court order or legal citation). Access by authorized staff or by court order only.**
5. Create a special finding aid for sealed records, listing file name, case number and new location of the record and other data as needed in order to facilitate retrieval of the record. Authorized staff may disclose to the public that the agency has sealed records in their legal custody, but no other details, e.g., the name of the files and location.
6. If the record to be sealed is on a microfiche, microfilm jacket, aperture card or micro card: remove the microform from the file system and place it into a closable envelope as described in 1, 2 and 3 above. Replace the microform with an index card stating the name of the record removed, the date it was removed from the file system and why it was removed.

   If the record to be sealed is on roll microfilm, such as reel, cartridge or cassette: either remove the entire roll(s) from the file system as describe above, or if only a portion of the roll is to be sealed: cut the portion to be sealed out of the roll and place it in a closable envelop, etc. as described above. Targets, certification and a copy of the court order or citation must be microfilmed and spliced between the roll meeting all requirements found in ANSI/AIIM MS 19 and 42. Splicing must be done in accordance with ANSI/AIIM MS 18 standards.

7. Sealed records are not subject to disposition by the Records Retention Schedule described in NRS 239.080. Sealed records may only be disposed of by order of a Nevada court of record. Disposition may be destruction of the record or transfer to the State Archives. Contact the State Archives for appraisal prior to requesting disposition from the court. For purposes of appraisal, Archives and Records staff from the NSLA are considered authorized staff. Agencies should request court disposition for all files retained at least fifty (50) years.

0420 Vital Records

Vital records are official State records containing information required for a State agency to continue functioning during a disaster or to re-establish operations after a calamity has ended. Vital records contain administrative, fiscal, legal and archival values representing the particulars of obligations incurred by the State. Without these vital records, the daily business of an agency would stop and the public interest would be endangered because of:

1. Vulnerability to litigation that would endanger the operations of State government;

2. Vulnerability to the expenses of financial settlements (claims against the State from contracts, vendor service agreements, purchases and other charges);
3. Loss of revenue (license and service fees, taxes, investments, etc.);
4. Disruption of employment records, payroll and benefit services; and
5. Loss of information vital to the public health and well being (hazardous waste, law enforcement, fire safety, health and welfare services, etc.).

A vital records program prevents the loss of information critical to the continuing operation of State government. Archives and Records identifies vital records during the inventory process using the criteria established and may recommend that they be microfilmed with the security copy of the film stored in an off-site location (preferably in another city) remote from the site of the agency.

State agencies must give priority to the microfilming and protection of vital records within the limits of their budgets. If money is appropriated for microfilming or the storage of records, those identified as a vital record shall be dealt with first.

The Records Center must give priority to the storage of official State records that have been identified as vital records.

0422 Defunct Agencies

Any State official, upon notification of the pending abolishment of the agency by the Legislature, Governor or department head shall make provisions to protect the agency's records. The records of State agencies that have been abolished by law or administrative procedure shall be transferred to Archives and Records for appraisal and protection, unless otherwise provided (NRS 281.190). Archives and Records shall have legal custody of the records of defunct agencies. Records having administrative, legal and fiscal values shall be maintained in the Records Center until all requirements for disposition according to a valid records retention schedule have been met. Records appraised with research/archival value shall be transferred to the State Archives for preservation.

Upon reinstatement or reorganization of an abolished State agency, those records that have been appraised with legal, fiscal or administrative values and not destroyed may be transferred into the legal custody of that State agency. Those records appraised with research/archival value shall remain in Archives and Records for preservation in the State Archives (NRS 239.090).

0500 Insurance and Risk Management

0502 General

The Risk Manager is responsible for placing all insurance (except Group Life, Self-Insured Liability, and Accident and Health) required by the State of Nevada. The Risk Manager may also select deductibles and/or self-insurance when it is economically advantageous to do so. (NRS 331) The Risk

Manager is also responsible to promote and encourage loss prevention and may assign variable deductibles, with due notice, to agencies or specific locations to promote the loss prevention program.

0503 Self-Funded Liability Program

All self-funded liability claims are handled through the Attorney General's Office. This includes: general liability; automobile liability; watercraft liability; etc. The Attorney General's Office also sets rates and collects premiums for this program. For information regarding these programs, agencies should contact the Attorney General’s Office. Self-funded liability programs are not part of the Risk Management Division. Liability claims that have the potential to exceed the deductible level selected under the commercial excess liability insurance policy, if applicable, are administered through the Risk Management Division.

0504 Insurance and Self-Insurance

1. Property Insurance - This program combines self-funding and commercial insurance to provide blanket coverage on all State-owned buildings and contents; the contents of leased buildings for all physical loss or damage except as specifically excluded by the commercial property insurance policy; and contractor’s and mobile equipment. Property losses are subject to a $1,500 per occurrence deductible. The Risk Manager may increase the deductible at a specific location, with due notice to the agency, if an agency fails to implement loss prevention recommendations made by the commercial insurer, in a timely manner, that would prevent or minimize a loss. A $100 deductible is applicable to the Governor's Mansion. Contractor’s and mobile equipment losses are subject to a $5,000 per occurrence deductible. Agencies must report all changes related to their properties, property values and locations to the Risk Management Division within 60 days of a move, completion of remodeling or construction projects, purchase of or a move to a new leased location. The State Public Works Division shall notify Risk Management of all new construction projects at the beginning of the project and when they are completed or substantially completed and occupied. Building Plans must be submitted by SPWD to the State’s Property insurer for review in regard to the fire protection system and earthquake protection, prior to initiation of the construction project. Agency Heads are responsible to submit building plans to Risk Management for review by the State’s property insurer when lease purchase construction projects are initiated. , Facility Audit Reports from SPWD Agencies are responsible to review assigned building contents values at all locations during the biennial budget preparation process and to report changes or requests for appraisals to Risk Management prior to September 1 of each even numbered year. Changes in properties covered or property values, except for new construction/purchases, that are not reported to the Risk Management Division within 60 days will not qualify for adjustments to agency budgeted costs for property insurance for the applicable budget cycle.
    a. When reporting property information the following must be included:
    b. Budget account number;
    c. Department/division name;
    d. Building name, if applicable;
    e. Occupancy type (office, warehouse, dwelling, etc.);
    f. Street address or mile marker;
    g. City, zip code and contact phone number.

New construction and remodeling projects not handled by the State Public Works Division must be reported to Risk Management by the affected agency including square footage of occupied space, upon completion of the project.

PROPERTY CLAIMS

a. REPORTING LOSSES: Agencies must immediately report all losses and take prompt action to protect the property from further damage or loss. In the event of a loss estimated to exceed $25,000, agencies must contact Risk Management within 48 hours. Risk Management will contact the State's property insurer, who will dispatch a claims adjuster to the scene. Damaged property must be retained and all evidence related to the loss preserved until inspected by an adjuster. Property losses must be reported using the Property Loss/Damage Report form available at http://risk.state.nv.us under the property link; if the loss involves vandalism, theft, or other criminal activity, a copy of the police crime report must also be forwarded to Risk Management. Losses reported later than 90 days from the date of loss may not be covered. Losses that result from mysterious disappearance (no signs of forced entry or losses found during inventory) or resulting from known risks that have not been corrected may not be covered. Contested claims compensability determinations can be referred to the Risk Manager for review. The decision of the Risk Manager will be final and binding.
b. MAKING REPAIRS: Agencies are responsible to affect the repair or replacement process by contacting the appropriate parties as soon as possible. These contacts might include Buildings and Grounds Section of the State Public Works Division maintenance staff, State Purchasing Division, State Public Works Division, State Budget Office or outside contractors or vendors (following Purchasing and State Public Works Division requirements). Construction to repair or replace a major structural loss (in excess of $100,000) must be initiated within two years from the date of loss unless a written waiver is obtained from the Risk Manager.
c. PAYING FOR A LOSS: Agencies are responsible for a $1,500 per occurrence deductible or an alternate deductible identified by the Risk Manager. Risk Management will pay the lesser amount of the repair or replacement, excluding any betterment and subject to the exclusions contained in the commercial excess property insurance policy.
    i. When an agency pays for the entire loss out of its budget, Risk Management will reimburse it, less the deductible, after receiving proof of repair/replacement and evidence that the invoices have been paid by the agency (e.g. copies of competitive bids, copies of paid invoices, Vouchers Payable and "3.0" Report, or canceled check).
    ii. Risk Management can directly pay a repair/replacement vendor. In order to do this, it is necessary that Risk Management be forwarded a copy of related contracts or the original invoice and copies of all estimates, written documentation from the agency that the work has been completed in an acceptable fashion and the agency has paid Risk Management the appropriate deductible. However, it is the responsibility of the agency to complete all necessary paperwork required to affect the repair or replacement of the damaged or destroyed items. This would include any contracts, purchase requisitions, etc. Risk Management can be identified as the contracting agency if the contract is reviewed and approved by the Risk Manager. In the case of purchase requisitions, agencies should complete the form, except for the budget coding sections and the authorization signature and forward to Risk Management for completion. The form must be retained by the requesting agency if electronic or facsimile copies are used for payment purposes pursuant to SAM 2616.

iii. Repairs or replacement for significant structural property losses (exceeding $25,000) must be coordinated with the Risk Management Division and the State Public Works Division, unless a specific waiver is approved by the Risk Manager.

d. EMPLOYEE PERSONAL PROPERTY LOSS: State employees' personal property kept or maintained on State property will be considered to be "at their own risk" and to be covered by their own personal insurance.

e. Fine Arts/Exhibit Coverage - Coverage for Fine Arts/Museum exhibits are provided for under the State's Commercial property and contents insurance policy and self funded program up to a sub-limit of $10 Million, subject to certain exclusions. In order for the Institution (agency) to obtain coverage for that specialized property, agencies should provide an inventory of items and loan agreement with agreed values (if applicable) for the covered exhibit(s).

Claims filed under the commercial policy are subject to a policy deductible of $25,000. Agencies are responsible for a $1,500 deductible per occurrence. All losses should be reported to Risk Management as soon as possible, but not more than 90 days from the date of the loss. Reports of losses received beyond 90 days from the date of loss will not be covered. Mysterious disappearance losses (no sign of forced entry) or losses discovered during inventory may not be covered. When a loss involves vandalism, theft, or other criminal activity, a copy of the police crime report must also be forwarded to Risk Management.

For those pieces with a covered value greater than $25,000, the agency must keep the item until the outside insurance adjuster or other designated representative from Risk Management has had an opportunity to inspect it. All items that are not able to be repaired become property of the insurance company or State Risk Management. Items paid under the State's self-insured property program must be delivered to Risk Management and will be destroyed to prevent any future resale after full payment for the item is made to the Artist and/or Agency.

2. Boiler and Machinery - Provides blanket coverage for damage to boilers, pressure vessels, etc. at State-owned locations. Agencies are responsible for a $10,000 deductible. All losses must be reported to Risk Management immediately (within 48 hours) and all damaged equipment must be kept until Risk Management or its designee has had an opportunity to inspect it.

3. Computer Insurance - Coverage for computer loss exposures is provided for under the property and contents insurance policy. Agencies are responsible for a $2,500 deductible per occurrence. All losses should be reported to Risk Management as soon as possible, but not more than 90 days from the date of the loss. Reports of losses received beyond 90 days from the date of loss will not be covered. Mysterious disappearance losses (no sign of forced entry) or losses discovered during inventory may not be covered. When a loss involves vandalism, theft, or other criminal activity, a copy of the police crime report must also be forwarded to Risk Management. If an agency experiences repeated or multiple losses due to inadequate security or protection of equipment, deductibles may be adjusted or claims denied with due notice. All damaged equipment must be kept until the insurance company adjuster has had an opportunity to inspect it.

4. Commercial Crime Insurance - A Public Employees' Blanket Bond provides $6,000,000 coverage, subject to a $250,000 agency deductible for loss caused by any fraudulent or dishonest act committed by an employee acting alone or with others. The policy covers all employees except: those required by statute to furnish an individual bond; and employees of the Nevada System of Higher Education. Coverage for specific employees is automatically terminated upon discovery of their involvement in any dishonest act during current or prior employment, or having been canceled

under a prior bond. Potential claims must be reported to the Risk Manager as soon as possible so that reimbursement may be sought from the insurer.

5. Claims Procedures: Due to the sensitivity of an alleged employee dishonesty claim, the Risk Manager must immediately be notified of any potential claim. The Risk Manager will coordinate with the Attorney General's Office prior to filing a claim for losses with the insurance company.Aircraft Liability and Hull Insurance - Provides liability coverage on owned and non-owned aircraft, and physical damage coverage on fixed wing aircraft on scheduled craft, subject to various deductibles.
6. Watercraft - Liability protection for all State-owned watercraft is provided through the Attorney General's Office, as part of the self-funded tort claims liability program. There is no separate premium charge for this coverage. Liability claims relating to watercraft should be reported to the Attorney General's Office. Watercraft, related trailers and equipment may be covered for physical damage, subject to a $1,500 per occurrence deductible. This physical damage hull coverage, which is self-funded through the Risk Management Division, is optional and must be elected by any agency desiring coverage. Agencies should contact Risk Management to place this coverage.

7. Workers' Compensation - Pays compensation, medical and other benefits for job related injuries and illnesses subject to the requirements of NRS 616 and 617. Please refer also to SAM Section 0524.

8. Automobile Physical Damage - The State of Nevada self-funds its automobile physical damage exposures - there is no insurance company involved. As such, it is very important that agencies do as much as possible to minimize the cost of this program. The Risk Management Division will provide assistance and guidance, upon request, to agencies to help minimize costs and secure timely repairs to damaged vehicles. Outstanding claims will be reviewed every 30 to 60 days and followed-up as necessary. Agencies are billed for this coverage at the beginning of the fiscal year and again (for any changes which may have occurred throughout the year) before the end of the fiscal year.

    a. WHICH VEHICLES ARE COVERED? - Coverage for State-owned automobile physical damage (i.e. comprehensive and collision losses) is not required, but is offered as an option. Agencies must elect this coverage if they want their vehicles insured under this program. Certain vehicles, which are being commercially leased, on a long-term basis, may also be eligible for coverage under this program. Only vehicles for which this option has been elected will have their claims paid. Agencies not electing this coverage will be responsible for the entire amount of any loss to their vehicle. All State owned motor vehicles must be covered for automobile liability via the self-funded auto liability program, administered through the Attorney General's Office.

    b. HOW TO ADD OR DELETE A VEHICLE - Upon acquisition of a new vehicle, agencies have 31 calendar days during which time physical damage coverage will be automatically in force. Should a claim be filed on such a vehicle, the claim (subject to applicable deductibles) will be paid by Risk Management and premium for self-funded physical damage insurance will be assessed retroactively back to the date of acquisition. When agencies turn in vehicles to State Purchasing, insurance coverage will not be dropped until such time as the vehicle has been sold or until it has been reassigned to another State agency. Claims filed on newly acquired vehicles, which have not been added to the insured vehicle schedule after 31 days, will not be paid by Risk Management and will be returned to the agency for their handling.
        i. Agencies should send all changes (additions, deletions, coverage changes) for physical damage coverage and liability coverage to the Attorney General's Office,

Tort Claim Unit (tel.: 775-684-1263). Premium is assessed based on the date of acquisition. Even though the Risk Management Division administers the self-funded physical damage program, the Attorney General's Office maintains the master data base on the self-funded automobile fleet. Changes should be reported in writing and should include:

1. Year of the vehicle
2. Make of the vehicle
3. Model of the vehicle
4. Vehicle ID Number (VIN)
5. License Plate Number
6. Agency Name
7. Agency Budget Account Number
8. Type of change requested (e.g., add, delete, other changes)
9. Effective date of the change
10. Name and Telephone Number of Contact Person

c. DEDUCTIBLES - Insured vehicles claims, other than Nevada Highway Patrol, are subject to a $300 deductible for collision and comprehensive losses. Insured vehicles with the Nevada Highway Patrol are subject to a $500 deductible, effective January 1, 2002. Deductibles will be waived or reimbursed if another party caused the damage and Risk Management recovers the total amount of the loss. Alternate deductibles may be established, with due notice, at the discretion of the Risk Manager to promote loss prevention.

d. EXCLUSIONS - Claims will be denied if investigation reveals that the vehicle was not being used in the course and scope of employment or if the employee does not possess a current valid driver’s license or the employee was under the influence of alcohol, illegal drugs or prescription drugs with driving restrictions at the time of an accident, or the employee violates provisions within Nevada statutory or state administrative codes and the agency does not have or enforce adequate internal controls and procedures to prevent this type of activity. The Risk Manager will have the discretion to waive this exclusion if exceptional circumstances are presented. If a decision is made to cover the physical damage costs under these circumstances, the Risk Manager will seek reimbursement from the employee.

e. REPORTING PROCEDURES - Agencies must report any physical damage to covered vehicles that exceeds deductible amounts to the Risk Management Office as soon as possible, but not later than 90 days from the date of damage. Reports must be made utilizing the Vehicle Accident Form (Form RSK-001-available on our website), filled out as completely as possible and accompanied by three repair estimates. It is the responsibility of the agency to secure and forward to the Risk Management Office all police reports that relate to a claim. Claims involving another party, which could possibly result in a claim against the State, must also be reported to the Tort Claims Administrator in the Attorney General's Office.

f. GLASS REPAIRS - If the damage is such that a repair, rather than replacement, will take care of the damaged glass, agencies are encouraged to make the repair. These repairs usually cost between $30 and $50 and are 100% reimbursable. Multiple estimates are not required for glass repairs and the usual $300 comprehensive deductible is waived.

g. GLASS REPLACEMENT - The State of Nevada has agreements with several preferred vendors in various regions across the State. These agreements are intended to provide the State with consistently competitive pricing and reduce the administrative burden on State agencies.

   Agencies utilizing these vendors will not be required to obtain competitive bids for automobile glass replacement. For information regarding the participating vendors and other details of this program, please contact Risk Management. Agencies unable or unwilling to utilize preferred glass replacement vendors must obtain three (3) estimates for vehicle glass replacement and have the glass replaced for the lowest available cost.

   Exceptions to this rule may be made on a case-by-case basis in rural areas where there are not three available vendors. Because of the nature of glass replacement claims, agencies may obtain telephone estimates for windshield and other vehicle glass replacements. However, these estimates should still be documented for the file. Reimbursement of claims not utilizing contracted vendors must be made using a Windshield/Glass Loss Report Form RSK-001W, which also helps to document telephone estimates. These forms are available from Risk Management.

h. NUNMBER OF BIDS COLLISION DAMAGE - When a State vehicle has been damaged in a collision, it is the responsibility of the owner-agency to secure three (3) estimates for the repair of the vehicle, unless a waiver is received from the Risk Manager due to unique circumstances including but not limited to remote rural locations or specialty work. The repair must be made using the lowest responsible bid. Reimbursements will be made based on the low bid, when applicable and cannot include State of Nevada sales tax. Agencies doing their own repairs will be reimbursed for parts only, subject to the applicable deductible amount. In cases where contracts are required for repair work pursuant to State Purchasing guidelines and requirements, and the affected agency does not have sufficient funds to execute a contract for the repairs, Risk Management may advance the funds for the loss, less the appropriate deductible, to the agency. Any unused funds that were advanced to an agency must be returned to Risk Management as soon as possible.
i. ANOTHER PARTY IS LIABLE FOR THE DAMAGE - If the vehicle is insured by the State for loss against physical damage, Risk Management is available to assist agencies with recovering from the at-fault third party. When another party is responsible for the damage to a State vehicle, Risk Management will work with the involved agency and deal directly with the at-fault third party/his insurer for the repair of the damaged vehicle. In these situations the requirement to obtain three (3) estimates for repair of the vehicle may be waived. Risk Management would pay the loss and would then pursue recovery from the adverse party. If Risk Management makes full recovery from the adverse party, the agency would be reimbursed any deductible it may have paid. For claims that do not exceed the agency's deductible, the agency will work directly with the third party/his insurer for the repair and/or recoveries of monies spent for the repairs to the damaged State vehicle. In cases where the damage is being taken care of directly by the other party's insurer, without going through Risk Management, agencies must still provide an informational summary, including an accident report and repair costs, of the loss to Risk Management
j. PAYMENT TO VENDORS/REIMBURSEMENT TO AGENCIES –
   i. If the agency pays for the entire loss out of its budget, reimbursement of expenses will be made by Risk Management directly to the agency, less the deductible, after

receiving proof of repair/replacement, copies of the three (3) estimates, and evidence that the invoices have been paid by the agency (e.g. copy of paid invoices, Vouchers Payable, and "3.0" Report, or canceled check). Agencies doing their own repairs will be reimbursed for parts only, subject to the usual deductibles. Reimbursements are typically accomplished using a Journal Voucher (for those agencies in the State's accounting system) or a Voucher Payable/Check (for those agencies outside of the State accounting system).

ii. Risk Management can directly pay the vendor. In order to do this, it is necessary that we have the original invoice, written statement from the agency that the work has been completed in an acceptable fashion, copies of the three (3) estimates, and the agency has paid Risk Management the appropriate deductible amount. Risk Management must have the deductible before they can pay the vendor

k. TOTAL LOSS REPLACEMENTS - An insured vehicle will be deemed to be a total loss when the cost to repair it (according to the low estimate) is 80% or more of the Kelly Blue Book (mid range) actual cash value (ACV). When this is done, Risk Management will pay the agency the ACV and any related expenses (e.g., towing) that the agency has paid, less any salvage recovery and deductible amounts. Agencies are responsible for securing a minimum of three (3) reasonable salvage bids. Vehicles may be salvaged via the State Purchasing Division, as well as through commercial salvage operations. For assistance with this process, contact Risk Management. Agencies are responsible to use these recovered funds for authorized expenditures only

In the event a vehicle is "totaled", the agency must notify Purchasing (to remove the vehicle from the State inventory) and the Attorney General's Office (to delete the vehicle from self-funded insurance coverage). Agencies may decide to keep a totaled vehicle (usually for parts). When they do this, the high salvage bid will still be deducted from the ACV amount. If a vehicle has been totaled, it may not be insured for physical damage coverage in the future.

l. TOWING - Towing charges related to an insured comprehensive or collision loss will be reimbursed, subject to the appropriate per claim deductible. Towing should be limited to getting the disabled vehicle to the repair shop or to the closest State facility where it can be stored until such time as a repair can be done or until the vehicle can be sold.

m. STORAGE - Efforts should be made to minimize the cost of storage of a disabled vehicle in commercial storage areas. Reasonable storage costs (generally not to exceed 10 days) are a reimbursable expense. However, if the duration of storage is likely to be lengthy, the agency can request assistance from the Risk Management Division to move the vehicle to a State-owned property to minimize storage fees. The Risk Management Division will follow-up with agencies every 30 to 60 days to determine the status of the repairs. If excessive storage fees are being accumulated the agency head will be contacted for appropriate action.

n. REPLACEMENT VEHICLES/LOSS OF USE - The State's self-funded automobile comprehensive and collision program does not provide for temporary replacement vehicles (i.e. rentals) while the damaged vehicle is being repaired or replaced.

o. SPECIAL EQUIPMENT - Equipment that is permanently attached to a vehicle is normally insured for physical damage as part of the vehicle, subject to the usual deductibles; examples of this would include such things as NHP light bars, external

lights, fixed radios, etc. Other equipment that it is in the vehicle, but is not permanently affixed, is insured under the State's property insurance program (which is subject to a $1,500 deductible). Some examples of this type of equipment includes: State provided (issued) firearms; cellular phones and portable two-way radios; laptop computers, etc. Vehicle operators should do whatever is prudent to secure the contents of their vehicle to protect them from damage or theft.

p. PERSONAL VEHICLES - When a personal vehicle is used on State business, and is involved in a collision, the employee will need to file a claim with their personal insurance carrier. Risk Management does not insure personal vehicles or reimburse for any collision deductibles.

q. RENTAL VEHICLES - Vehicles must be rented from companies with whom the Purchasing Division and Fleet Services Division have negotiated overriding agreements. It is not necessary for the agency to purchase additional insurance when renting under those agreements as part of the negotiated contract rates, includes insurance coverage. As such, usage of the negotiated contracts is mandatory. Any agency renting outside those agreements will be responsible for their own insurance coverage and for any accident claims.

r. LEASED VEHICLES - There may be situations where it is in the best interest of the State for agencies to lease vehicles. When the lease agreement requires that the State insure these vehicles, it is the responsibility of the agency leasing a vehicle to notify the Attorney General's Office of the requirement for insurance coverage on the vehicle. As with State-owned vehicles, agencies must elect physical damage coverage (liability is mandatory) in order to be covered for these types of losses. Unless this coverage has been requested by the agency, damage to leased vehicles will not be paid by Risk Management; all physical damage costs and related expenses will be the responsibility of the agency.

9. Contractor’s and Mobile Equipment Insurance - Agencies may insure their contractor’s or mobile equipment (e.g., backhoes, graders, forklifts, dump trucks, and other large construction type equipment). Only equipment that is scheduled on the commercial property insurance policy is covered for loss against physical damage or theft. Agencies should contact Risk Management if this coverage is desired

10. Excess Commercial General Liability Insurance - Agencies are sometimes required (often as a requirement of property or equipment lease agreements) to obtain commercial general liability insurance coverage. This coverage typically provides limits that are higher than those afforded under the self-funded liability program and permit the lessor to be named as additional insured (which cannot be done under the self-funded program). The excess commercial general liability insurance is handled via the Risk Management Division. Agencies should contact Risk Management if this coverage is required.

11. Certificates of Insurance - In many business transactions (special events, equipment financing, property leasing, etc.), the State is required to provide proof of liability or property insurance. Contact Risk Management with the following information:

    a. For liability insurance, the name and complete address of the party requiring the certificate, the purpose for the document, dates for which coverage is required, additional insured requirements, if any;

b. For property insurance, the name and complete address of the party requiring the certificate, a description of the property to be insured, the complete physical address of where the property is located, the total dollar value of the property, loss payee requirements, if any. Risk Management will promptly arrange to have the evidence of insurance provided the requiring party.

0510 Premium Payments

All State agencies covered under the various insurance policies and the State self-insurance program will pay their share of the premiums and administrative fees as determined by the rating plans adopted by the Budget Division on behalf of the Risk Management Division. Expenditures shall be made by the Risk Management Division for insurance premiums, self-insured losses and other expenses that may be necessary. Variable deductibles may be assigned to agencies to promote loss prevention programs.

0514 Additional Insurance

Agencies with requirements for special insurance coverage for their property or operations must contact Risk Management with the particulars. Risk Management will then review the needs and conduct a market search for available contracts, coverage and premiums. Agencies will be billed for coverage placed on their behalf.

0516 Request for Proposals, Contracts, and Agreements

Most contracts and agreements contain insurance requirements and hold harmless i.e., indemnification provisions which affect the State's liability insurance or self-insurance program. To ensure adequate protection is provided to the State, the Insurance Schedule (Attachment BB of the Independent Contractor Contract available at the State Purchasing Division's website), must be completed for all bid documents or requests for proposals and all contracts. To assist agencies, Risk Management has published various insurance schedules with the web-based document called: INSURANCE & INDEMNIFICATION REQUIREMENTS FOR CONTRACTS". Agencies may request additional assistance from Risk Management for review of hold harmless language and setting of insurance minimum limits and requirements to be used in bid documents and requests for proposals. Copies of the proposed contracts or agreements should be forwarded to the Risk Management Division as soon as possible to allow sufficient time for review and negotiation of any necessary changes before contract execution. As directed by the Budget Office, contracts are entered into the Contract Entry and Tracking System (CETS). Within CETS agencies must enter insurance information for their contract. Agencies can request a waiver of required insurance as directed within CETS. Evidence of the required insurance must be entered within the insurance compliance section within CETS as well. Risk Management provides centralized monitoring of contracts to ensure that required insurance specifications are being met and that all insurance policies are current and placed with insurers acceptable to the State of Nevada.

Sole Proprietors - Effective July 1, 2001, sole proprietors, as defined in NRS 616A.310, contracting with the State of Nevada may reject workers' compensation insurance coverage. An **Affidavit of Rejection**

of Coverage must be executed by the sole proprietor/contractor. The affidavit form is available from the Office of the Attorney General and the Risk Management Division's office.

0518 Inspections

Risk Management and the State's insurance carriers may inspect State facilities. Agencies must do whatever is reasonable to cooperate with these inspections and shall make all reasonable efforts to comply with all recommendations in a timely manner. Each agency that is provided a copy of an inspection report with recommendations must submit a documented action plan within 30 working days to the Risk Management Division addressing the recommendations. The boiler inspector has the authority to immediately shut down any boiler that poses an immediate danger to persons or property.

0519 Security

Agencies should take all necessary precautions for the security of their property. Duplicates of valuable records and frequent backups of electronic data should be made and stored in separate locations. Special attention should be paid to areas open to the public if there is a potential for loss. In the event of losses, agencies must promptly do whatever is reasonable to preserve and protect any salvageable property.

Personnel should be made aware of their need to protect their personal belongings from theft or other loss as the State's insurance does not cover such losses.

0520 Property Conservation and Loss Prevention

Each department is responsible for loss prevention activities within its agencies. Risk Management is prepared to assist in coordinating employee/supervisor accident prevention training and set up hazard recognition surveys. These services are intended to compliment, not take the place of, agency loss control efforts. Agency responsibilities include:

1. Alert Risk Management of those operations and activities that could cause losses. Agencies must also notify Risk Management when there have been significant changes in the use and occupancy of their facilities.
2. Cooperate with Risk Management in the investigation of claims, accomplishment of various insurance surveys, and the remediation of unsafe conditions.
3. Review and sign all accident or incident reports before forwarding to Risk Management.
4. Conduct routine and detailed inspections of its properties and fire protection systems.
5. Perform or cause to be performed preventive and corrective maintenance on State properties, to ensure that properties are not damaged or destroyed due to poor maintenance. Documented records must be maintained.
6. Water Damage
    a. Immediate attention to and correction of water leaks and flood events must be initiated to prevent unhealthy fungal growth from occurring.
    b. Water intrusion events not corrected within 48 hours can lead to fungal growth.

c. The Risk Manager must be notified when evidence of water damage such as damp carpets, water stains on walls or multiple ceiling tiles, discoloration, etc., or suspected mold growth is identified or discovered at either State owned or leased buildings.
d. Agencies must follow the guidelines established by the Risk Manager in regard to the identification, sampling methodology and remediation of water damaged materials and fungal growth or secondary fungal contamination.

7. Air handling and ventilation systems must be inspected and cleaned on an annual basis. Filters must be installed and replaced in accordance with the manufacturer's recommendations. Documented records of inspections, cleaning and filter changes must be maintained and will be reviewed periodically.
8. HVAC systems must be tested and balanced, if indicated, at least every 5 years.
9. Request adequate funding to appropriately maintain agency properties and conduct activities in a manner that is safe and healthy for employees, clients, and members of the public.

0521 Safety and Health Program

Each department is responsible to develop and implement a safety and health program for State of Nevada employees and volunteers, consistent with the requirements of Nevada Revised Statutes, Chapter 618 and the guidelines established by the Risk Management Division. The Director is responsible to ensure that each Division, therein, adheres to the requirements established for ongoing implementation of the program.

The Risk Management Division is responsible to monitor the effectiveness of these programs; review program activities; publish an annual report including comparative statistical information; provide technical assistance to agency representatives; and to identify injury trends and high-risk activities and take the necessary action to coordinate, develop and implement a plan for risk reduction. The Risk Management Division is prepared to coordinate general employee/supervisor safety training, assist with Safety Committee activities, facilitate special projects involving common safety issues among multiple agencies and provide general assistance for effective program implementation.

Division head responsibilities include:

1. Safety Coordinator - Designate a safety coordinator/s to oversee and facilitate the safety efforts of their agencies. This coordinator should have direct access to the agency head or deputy; be given proper authority to ensure that all employees cooperate with the program and be provided ample time to perform the duties of the position, adjusting requirements of other duties if necessary. Risk Management must be notified, in writing, of any changes in the assignment of the Agency Safety Coordinator.

2. Written Safety Program - Develop, maintain, monitor and revise, as necessary, a written systematic program of safety and health as outlined by **NRS 618.383** and related sections of **Chapter 618 of NRS** and **NAC**. This program must include the following:

    a. Policy: A statement outlining the agency's commitment to the program with specific responsibilities assigned to all levels of employees to ensure that the various elements of the program are carried out. Safety responsibilities must be included in work performance standards.

b. Safety Inspections: Outline of a plan for informal and formal safety inspections to be conducted on an ongoing basis. Noted hazards must be corrected in a timely manner with responsibilities for corrective action specifically assigned. Agencies can request assistance from the Risk Management Division, Safety Consultation and Training Section (SCATS) of the Division of Industrial Relations or the State Fire Marshal's Office in completing inspections.

c. Safety Training: Outline of a safety training plan for all employees, including mandatory training for managers, supervisors, and other agency designated staff which includes applicable OSHA required training, topics identified by Risk Management and any other safety issues that have caused recurring injuries within the agency. Annual refresher training should be provided. Records must be maintained of these training sessions, including a list of attendees, and be retained for a minimum of 3 years.

   Note: Agencies can participate in scheduled safety classes coordinated or provided by the Risk Management Division, contracted consultants or insurance company representatives, Safety Consultation and Training Section (SCATS) of the Division of Industrial Relations, or the State Fire Marshal's Office in meeting their safety training needs.

d. Accident Investigation: All minor, serious and near miss accidents with a potential for injury must be immediately investigated by the designated employee and an accident investigation form as prescribed by Risk Management (RM-ACCINV-) completed. The necessary corrective action to eliminate the cause of the injury must be assigned and completed in the timeliest manner possible. Copies of accident investigation reports must be forwarded to the Risk Management Division upon request.

e. Safety Rules: Specific safety rules pertinent to the unique circumstances of each agency must be adopted, revised and consistently enforced by supervisors.

3. Safety Committees – Agencies that have 25 or more employees statewide are required to establish an internal safety committee. These committees must include employee representatives that are elected by their peers, if any of the employees in the agency are enrolled in a labor organization. The committee members, not appointed by agency management, should elect the chair of the committee. Frequent meetings should be conducted, but not less than quarterly.

   a. Agencies that have locations with 50 or more employees should establish separate committees or subcommittees to the general committee at these locations.

   b. If a State building or complex establishes a safety committee, representatives from all agencies regardless of the size must participate. All agency representatives must participate in scheduled evacuation drills coordinated by safety committees.

   c. Agencies with less than 25 employees that are not required to establish a safety committee must allow for suggestions and input regarding safety issues in their general meetings.

4. Alert Risk Management of dangerous situations that are beyond the control of the agency to be corrected or otherwise be resolved in a timely manner. Examples of this may include lack of cooperation from another agency that threatens the safety of employees or the general public, dangerous materials or faulty equipment that cannot be immediately corrected, unforeseen hazards or conditions that arise or are discovered for which funds are not available to correct, or existence of

dangerous conditions in buildings or areas of operation that arise during construction or result from some type of natural disaster.

5. Cooperate with Risk Management in the investigation of accidents, unsafe conditions, scheduled audits of program activities and submit activity reports as requested.

6. For additional information refer to NRS 618.295 and Chapter 618 of the Nevada Administrative Codes.

7. **Ergonomic Equipment -** Identify and request adequate funds to obtain the appropriate equipment and tools necessary for employees to safely perform their job duties. Standard ergonomic equipment should be provided to employees who perform sedentary and repetitive motion duties for greater than 50% of their average workday. This equipment generally includes an adjustable workstation, adjustable chair, articulating keyboard, headset, wrist rests, footrest, copyholder and glare screen. Employees who are not within the normal height and weight range or who have disabilities may need special equipment. Consideration should be given to the use of voice activated software systems, when appropriate, for positions that require extensive data entry. Automated equipment including, but not limited to, electric staplers and automatic date stamps should be provided whenever possible to prevent repetitive motion injuries. Agencies should utilize vendors that take appropriate measurements in recommending equipment/furniture, provide employee/supervisor training, and utilize credentialed/certified personnel in this assessment/training. In the event that an unanticipated need arises, an agency can request financial assistance from the Risk Management Division to prevent immediate injury to an employee. In order to request financial assistance from Risk Management, the agency must follow the procedures found within the Division's website under Safety/Ergonomics.

8. **Workplace Violence -** A specific section must be included in the safety program to address the prevention of and response to workplace violence, based on the guidelines established by the Risk Management Division and Attorney General's Office. Agency management must initiate immediate intervention when direct threats of violence are reported by employees. Indirect threats, intimidation, harassment or hostile behaviors must not be tolerated and must be promptly and appropriately addressed. If a significant workplace violence incident occurs, agency management must report it to the Risk Management Division as soon as practical for coordination of appropriate critical incident stress debriefing for employees and their families. Public statements to the press should be restricted to specific and appropriate personnel. **Note:** The Risk Management Division has established a fund to assist agencies in obtaining ***fitness for duty*** exams, upon request and approval, for potentially violent or unsafe employees that present an imminent and significant security or liability threat to the agency.

9. **Indoor Air Quality -** A specific section must be included in the written safety program to address the prevention of and response to complaints and reports of indoor air quality problems. Each agency must follow the policy and guidelines developed and adopted by the Risk Manager. All investigations related to indoor air quality issues must be coordinated through the Risk Management Division.

0524 Workers' Compensation

Policy and Premium - The Risk Management Division is responsible to obtain an insurance policy for and pay premiums on behalf of all agencies within the Central Payroll System. The Risk Management Division is the designated representative for all policy and claims issues. Rates are assessed to each budget account per $100 of payroll through the payroll system. Claim deductibles may be established and assessed to agencies at the discretion of the Risk Manager, with due notice to affected agencies, to promote loss prevention and cost control. Premiums due for Volunteers, Board members, interns, inmate, cadet or community service workers or any other State employee not paid through the Central Payroll system are solicited quarterly from identified agencies.

Agency Responsibilities:

1. Notify Risk Management when there is a change in the nature of work being performed, a new budget is added or an old budget inactivated, a Board or Commission is established or volunteers, interns, inmates, cadets or community service workers are utilized at anytime during a quarter.
2. Submit quarterly reports and premium payments to Risk Management as requested for volunteers, Board Members, interns, inmates, cadets, community service workers or other employees not paid through the Central Payroll System.
3. Provide updated applications, job descriptions and Memoranda of Understanding as requested by Risk Management.
4. Maintain a roster of volunteers, inmate labor, community service workers, interns, cadets or board members not paid through the Central Payroll System.

Managed Care Organizations - **Injured employees, who reside in a county where the commercial insurance company has established managed care for workers' compensation, are required to seek medical treatment for injuries and occupational diseases from a physician contracted with the Managed Care Organization, unless there is not a provider within 20 miles of the employee's residence.**

Agency Responsibilities:

1. Provide information to employees on their rights and responsibilities in regard to the Managed Care Organization and maintain updated list of physicians included on the panel.
2. Assist employees, as necessary, in obtaining information and medical treatment.

Claims Reporting

1. Employees are required to immediately report all injuries and accidents to their supervisor, regardless of the degree of injury. They must complete a **Notice of Injury (C-1 form)** within 7 days of any injury or accident that occurs on the job for which immediate medical treatment is not obtained as per **NRS 616C.015**. Failure to complete this form in the required time frame will result in the possibility of any claim submitted for an injury thereafter to be denied.

Agency Responsibilities:

a. Provide sufficient supply of C-1 forms at all locations and operations for easy access by employees.

b. Educate employees on their responsibility to complete this form and the consequences of refusing to complete it.
c. Notify the insurer when the required Notice of Injury Form (C-1) was not completed within the required 7 days, if a claim is submitted after this time period.
d. Send a copy of the C-1 Form to the insurer **ONLY** if a claim was initiated and the C-1 form was not completed within the established time frame.
e. Maintain records of all C-1 forms for three years.
f. Ensure that employees losing time from work due to their injury do not receive both compensation benefits from the insurer and full-accrued leave concurrently. Employees can use their accrued leave to make up the difference between their compensation benefits and regular salary; however, they cannot receive more than 100% of their regular wage. A leave choice option form can be obtained from Risk Management to assist agencies in complying with this requirement. Once completed the form is to be provided to the insurer.
g. Supervisors must document an investigation of all accidents. All completed accident investigation forms will be forwarded to Risk Management. The investigation form will be forwarded to the insurer should the employee seek medical attention.

2. When appropriate, employees should be directed to or assisted in obtaining prompt medical attention.

3. Agency supervisors or other designated representatives are required to complete and submit an Employers' Report of Injury (C-3 Form)to the insurer within 6 working days after the receipt of a Physician's Report of Injury (C-4 Form) for an employee who has sought medical treatment for an on the job injury or occupational disease. Employers who fail to return this form within the established time frame are subject to a fine from the Division of Industrial Relations.

   Note: Ideally this form should be completed at the time the employee reports the injury and states their intent to seek medical treatment. This report can be faxed to expedite this process.

4. If the validity of the claim is doubted or there are extenuating circumstances, the agency is expected to provide complete and detailed information at the time this C-3 form is submitted.

5. Forward a copy of all C-3 Forms to Risk Management.

6. If an accident results in a serious injury, fatality, or requires hospitalization of three or more employees, the Risk Management Division and the Occupational Safety and Health Enforcement Section of the Division of Industrial Relations must be called immediately (within eight hours of notification of accident).

Claims Management

1. Each agency head must assign a designated employee to review and monitor all claims activity. The guidelines established by the Risk Management Division must be followed.
2. If the agency has factual information that the employee has a preexisting condition that could have affected the severity of the resulting injury or occupational disease and this was not noted

on the C-4 form, this information should be forwarded to the Risk Management Division and the insurer with a request for Subsequent Injury Review.

3. The designated agency representative shall work closely with the insurer to ensure that all claims are being handled promptly and efficiently.
4. Technical assistance and/or representation at the hearing/appeal is available from Risk Management, upon request, when sensitive, serious or complex claims issues arise. The Risk Management Division may initiate hearings and appeals when the potential for a high cost or precedent setting claim issues occur. Agencies shall cooperate with the Risk Management Division when this action occurs.

Early Return to Work Program

1. All agencies must follow the guidelines of the Early Return-to-Work Program developed by the Risk Management Division and closely monitor the progress of the injured employee to assist in the speedy return to work.
2. Modified duty must be provided whenever possible and if the agency cannot accommodate the injured employee, the agency must contact the Department Personnel Officer or Risk Management Division to locate an appropriate position from the *pool of modified duty jobs*. Refer to Nevada Administrative Code 284.600 - 6008 for additional requirements.
3. Injured employees who are unable to return to their former position have reemployment rights within the Department of the Division that they are injured in, for up to a maximum of one year. NAC 284.6014 - 6019.
4. Agencies must interview injured employees unable to return to their former positions, from other Departments that are referred by State Personnel and give special consideration to hiring them for vacant positions that they are qualified to perform.
5. Employees on temporary assignment as per NAC 284.6004 may be extended beyond the 90-day limitation providing the injured employee is performing 51 percent or more of their regular job duties. The extension shall be limited to one additional 90 days.
6. Agencies who have employees who were injured (on-the-job) on July 1, 2001 or later, and subsequently miss 30 consecutive days of work due to that injury will be assessed a $1,000 deductible by the Risk Management Division. Catastrophic or unusual claims will be considered on a case-by-case basis.

Contagious Diseases

1. Agencies that have employees who are considered to be “occupationally exposed” to blood borne pathogens in accordance with 29 CFR 1910.1030 must establish an exposure control plan. The plan will be specific to each site within their agency. Procedures for reporting exposures and subsequent testing within 72 hours as per NRS 617 will be addressed in the exposure control plan.
2. Agencies which have employees who are required to be tested for contagious diseases as per NRS 616C.052 shall ensure they have written procedures to comply with this statute. Each agency must request adequate funding to pay for the required screening tests.

Employee Medical Examinations/Services

1. The Risk Management Division is responsible to secure and oversee Statewide contracts with Medical Providers/Clinics on behalf of all agencies who are required to provide physical exams

for police/fire employees pursuant to NRS 617.455 and 617.457, and other medical exams, screening tests or immunizations required by OSHA, EPA or DOT for all agencies who are required to provide these services.

2. Each agency that is required to provide these exams must utilize the contracted providers, unless a waiver is granted by the Risk Management and Budget Divisions.
3. Each agency must follow the guidelines established by the Risk Management Division for the types and frequency of exams, screening tests or immunizations.
4. Each agency must request adequate funding to pay for the required medical exams, screening tests or immunizations.
5. Agencies who employee job positions as identified in NRS 617.135 shall ensure that duties of employees as defined in NAC 617.080 are followed with individuals who are identified to have predisposing risk factors for heart and lung disease. Agencies must cooperate with the Risk Management Division in matters dealing with their employee's predisposing risk factors, including the delivery of correspondence from Risk Management to employees with identified risk factors and returning an acknowledgment receipt form for the correspondence to Risk Management within 60 working days.
6. Each agency that has employees who are required to have physicals under NRS 617.445 and 617.457, shall establish procedures related to the physical exam process based on the guidelines developed by the Risk Management Division and for personnel who are determined to be unfit for duty by the evaluating physician.
7. Hearing examination results must meet the Council for Accreditation in Occupation Hearing Conservation guidelines for the ability to hear normal speech (55dB threshold at frequencies 500 Hz, 1000 Hz, and 2000 Hz in the better ear with hearing aids). Hearing level thresholds less than 55db in the better ear are expected to jeopardize an employee's ability to safely perform their job duties. Agencies must develop procedures to address fitness for duty issues when levels do not meet this threshold.
8. Hearing examinations conducted pursuant to NRS 617.454 that identify a standard threshold shift of 10dB at frequencies 2000Hz, 3000Hz, and 4000Hz shall be referred to an appropriate medical specialist in accordance with 29 CFR 1910.95.

Agencies that do not have adequate funding to pay for these services can request financial assistance from the Risk Management Division, if a work program or request to IFC is not feasible.

0600 Administrative Procedures

0602 General

The Nevada Administrative Procedure Act, NRS Chapter 233B, sets minimum procedures for (1) regulation-making and (2) adjudication by agencies of State government. The Nevada Administrative Procedure Act is particularly concerned with providing greater public awareness of and participation in administrative rulemaking.

0604 Application

The Nevada Administrative Procedure Act applies to all agencies in the Executive Branch of State government authorized to make regulations or to determine contested cases, with certain statutory exceptions. NRS 233B.039 .

0608 Regulation-Making Authority

To the extent authorized by law, each agency may adopt reasonable regulations to aid it in carrying out the functions assigned to it and shall adopt such regulations necessary to the proper execution of those functions. Regulations implement legislative policy and therefore must be consistent with that policy. Administrative regulations must be within the statutory rulemaking authority of the agency, and cannot contradict or conflict with the statutes they are intended to implement. Furthermore, an agency must have specific authority authorizing it to charge or collect a fee before a regulation imposing any such fee may be enacted.

0609 Effect of Regulations

If adopted and filed in accordance with the provisions of the Nevada Administrative Procedure Act, the following regulations have the force of law and must be enforced by all peace officers:
1. The Nevada Administrative Code; and
2. Temporary and emergency regulations

0610 Regulation-Making Procedure

Administrative regulations must be adopted in compliance with statutory rulemaking procedures set forth in the Administrative Procedure Act. Agencies should consult the Attorney General when adopting regulations. The Attorney General's Office publishes the Nevada Administrative Rulemaking Manual that explains the law in greater detail. Administrative Rulemaking

0700 Open Meeting Law

0702 Intent

Public bodies working on behalf of Nevada citizens must conform to statutory requirements in open meetings under an agenda that provides full notice and disclosure of discussion topics and any possible action. These requirements are set forth in the Nevada Open Meeting Law, NRS Chapter 241. "In enacting this chapter, the Legislature finds and declares that all public bodies exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly." (NRS 241.010)

0706 Application

1. With limited exceptions, “all meetings of public bodies must be open and public, and all persons must be permitted to attend any meeting of these public bodies.” NRS 241.020(1). The Open Meeting Law applies to public bodies as defined in statute NRS 241.015.

2. The Nevada Administrative Procedure Act, NRS 233B, requires all workshops and public hearings held for the adoption of regulations to be conducted in conformance with the Open Meeting Law NRS 233B.061. This requirement applies to any agency regardless of whether it is a public body or headed by a single individual.

3. A committee, subcommittee or advisory body that is given the task of making decisions for or making recommendations to a public body is covered by the Open Meeting Law.

0708 Notice

NRS 241.020 includes detailed requirements for the contents of a public notice and meeting agenda, together with posting requirements. Agendas must include a clear and complete statement of the topics scheduled to be considered during the meeting. NRS 241.020(2)(d)(1). Agendas must also include a list describing the items on which action may be taken and clearly denoting that action may be taken on those items. NRS 241.020(2)(d)(2). Public bodies should submit all public notice and meeting agendas for review by the Attorney General prior to posting.

0710 Emergencies

NRS 241.020(2) allows public bodies to conduct an emergency meeting or consider an emergency item without complying with the statutory requirement of providing public notice at least three working days prior to the meeting, but all other requirements of the Open Meeting Law apply. The emergency rule may be used only when immediate action is required and the circumstances were unforeseen. See NRS 241.020(10). Public bodies should not hold an emergency meeting or consider an emergency item without first consulting the Attorney General as to whether the basis for an emergency exists.

0712 Exemptions

There are specific statutory exemptions and exceptions to the Open Meeting Law; public bodies should consult the Attorney General as to whether an exemption or exception applies.

0716 Void Actions

The action of any public body taken in violation of the Open Meeting Law is void (NRS 241.036).

0718 Enforcement

The Attorney General has the statutory authority to investigate and prosecute violations of the Open Meeting Law. (NRS 241.039). Complaints alleging a violation can be filed with the Attorney General. File a Complaint

0724 Conclusion

The Nevada Open Meeting Law is clearly intended to further open government in Nevada. This objective is essential to a democratic society that depends upon a well-informed citizenry. Every public body in this State has both a legal and moral duty to faithfully observe the Open Meeting Law and to take all reasonable steps to insure public access to its deliberations and actions. Sometimes the particular facts surrounding a meeting will present a close question of law. In those cases, the Attorney General offers the following advice:

"If in doubt, open the meeting."

The Attorney General's Office makes available the Nevada Open Meeting Law Manual that explains the law in greater detail. If you require additional information concerning the Open Meeting Law, contact the Attorney General's Office to request a copy of the Nevada Open Meeting Law Manual or go online to http://ag.state.nv.us

1000 Buildings and Grounds

1002 Serving the Capitol

The Buildings and Grounds Section of the State Public Works Division provides maintenance and emergency services in the Carson City Capitol Complex as well as in Reno and Las Vegas.

1004 Scope of Services

The Buildings and Grounds Section is concerned with the safety, health and working conditions of all State employees. It's maintenance duties include carpentry, plumbing, electrical work, heating, ventilating and air conditioning.

The Buildings and Grounds Division is responsible for minor improvements and repairs not within the scope of the State Public Works Section of the State Public Works Division.

1006 Procedure for Service

Written requests for major repairs or services should be made in writing to the Section. For minor repairs, services or emergencies, in Reno or Carson City, telephone the Division at 775-684-1800 and in Southern Nevada telephone the Section at (702) 486-4300. If the emergency involves life safety call 911.

1008 Care of Buildings

Buildings, rooms, basements, floors, windows, furniture and appurtenances are to be kept clean, orderly and presentable as befitting public property. Conditions should be as such to reduce fire hazard to a minimum.

1010 Inspections

Division employees periodically inspect State-owned property.

1012 Maintenance, General

The Buildings and Grounds Section maintains all State buildings, grounds and properties not otherwise provided for by law.

1014 Janitorial Service

Most state-owned buildings are cleaned by a contracted janitorial service. Desks will be cleaned upon request only if all objects are removed from the desk surface. Janitors are under specific instructions not to clean those portions of the desks that have papers and/or objects left upon them.

1016 Craft Services

The Section performs electrical, carpentry, painting and plumbing services and maintenance. Section employees are skilled tradesmen and are assigned to repair duties accordingly. Some work, particularly extensive remodeling, may be contracted. Buildings and Grounds is authorized to charge a labor rate for all extra services requested by agencies, such as remodeling, moving, shelf building, etc.

1018 Mail Service

See **1200 Mail Service**

Department of Administration, Mail Service Division, operates under the direction of the Nevada State Library and Archives. This agency is funded entirely from service charges. Overhead expenses are apportioned to each agency in direct relation to the agency's postage use. The agencies are billed monthly for mail service.

Daily pickup and delivery of incoming and outgoing mail, including inter-office mail for all agencies in Carson City, Las Vegas and Reno, is provided. Letter folding and inserting service is also available at a minimal fee for agencies located in the Carson City and Reno areas. Other services may be available, contact Mail Services at (775) 684-1863 to discuss your specific needs.

1020 Leases

The Administrator of the State Public Works Division (hereinafter “the Division”) has authority to lease office space for State agencies and departments and approves and issues all leases for State leased office space (NRS 331.110). Leases that extend beyond a one-year term require approval of the Board of Examiners, see SAM 0336). When an agency determines a need for office space and has budget authority, a Space Request Form must first be completed and submitted to the Division’s Leasing and Contract Services Group. The Space Request Form is available from the Division’s website at http://bandg.state.nv.us (click on “Services” then “Leasing Program”). The Division will determine whether the agency will be housed in leased or State-owned space.

If leased space is selected and taking into consideration an agency’s particular needs and requests, the Division will locate potential sites for the agency to inspect. Once the location is selected, the Division will negotiate lease terms, prepare lease documents and obtain required approvals. Leased space requirements should be scheduled to allow time for the Division to accomplish the above. Additional

time should be allowed depending on required tenant improvements. To cover this service, a percentage of the rental fee for leased space goes to the Buildings and Grounds Section.

At no time should the agency enter into negotiations with private building owners or their agents.

The exception to this **Section 1020** is a requirement for storage space. If the storage space does not involve staff being located at and utilizing office space within the storage unit, the rental agreement can be negotiated and approved (by following contract procurement procedures) directly by the requesting agency.

Note: The Division does not provide leasing services for the Nevada System of Higher Education, the Department of Public Safety, the Department of Motor Vehicles, Nevada Department of Transportation, and State Boards that are exempt from the state financial administration laws.

1022 Rent Charges for State Owned Buildings

The Administrator of the State Public Works Division determines the rent cost per square foot, the rentable area occupied by each agency and the total yearly charge to each agency. Each agency shall pay the appropriate amount to the Section's operating fund.

The lease rate is expressed as a cost per square foot per month. This is the most common manner of expressing lease or service charges and provides comparability with non-state owned buildings costs. All state owned buildings have the same lease rate. Non-state owned buildings vary as to price depending on location, amenities, physical condition and age. Contact the Division if there are any questions on lease costs of a particular building.

1024 Office Space

The Buildings and Grounds Section must supply suitable and sufficient office space for all State agencies and officials. Agency needs should be brought to the attention of the Division.

Administrative officials should make every effort to efficiently utilize all space available to them.

1026 Protection of State Property

The Administrator of the State Public Works Division with the assistance of the Department of Public Safety's, Capitol Police have the authority to prevent any unlawful activity or damage to any State property under his/her supervision and control to protect the safety of any persons on that property. (NRS 331.140)

1028 Energy Conservation

The Section has an energy conservation program involving State-owned and leased buildings. The following guidelines are to be followed:

1. Building temperature should be kept at a maximum of 68° F in the winter and a minimum of 78° F in the summer; and
2. General office ambient lighting levels are to be kept between 25 and 60-foot candle power. Desk top levels in the range of 50 to 70 foot candles may be attained through the use of task lighting if needed.

Buildings will be heated or cooled to 55˚F and 85˚ respectively and lighting reduced to minimum safe levels during weekends and after regular office hours unless specifically approved by the Administrator of the State Public Works Division.

Section employees make periodic inspections of buildings to insure that energy policies are being enforced. Portable space heaters will not be allowed unless authorized by the Division.

1030 Energy Information and Assistance

The Buildings and Grounds Section upon request, will provide information and assistance to any agency, bureau, commission, department or division engaged in the management, planning, utilization and distribution of energy.

1032 Recycling of Aluminum Cans

Until such a time as the contract provisions described in **SAM 0333** require a vendor to provide for the recycling of aluminum cans, the division shall provide for the collection and recycling of aluminum cans in State buildings having a vending machine that dispenses soft drinks in aluminum cans.

1200 Mail Service

1202 General

The Chief of the Buildings and Grounds Division supervises the Mail Service for all State offices, departments and agencies located in Carson City, Las Vegas and Reno. All state agencies shall use the Mail Services unless the Director of the Department of Administration provides specific exemption.

1204 Revenues to Department of Administration Communications Fund

The State Mail Service is supported from charges to the using agencies.

1206 U.S. Mail Service

The outgoing mail is picked up when mail is delivered, usually one pickup in the morning and one pickup in the early afternoon. The Mail Service will handle small mailings delayed beyond pickup time until 3:30 p.m. if delivered to the mail facility. There is no late afternoon pickup.

The Mail Service will handle departments by stamping, each piece of mail. Such marks as " bound printed matter” ," "priority mail," " parcel post," “media mail ,” “library mail,” etc., must be applied before mail is picked up.

Certified mail, registered mail and return receipts are handled for departments, but the relevant postal sticker, identifying the specific type of mailing must be affixed on the mailing. Each mailing must have the recipients name and address, senders return address and the applicable postal form completely filled out and affixed to the mailing.

Agencies must have a budget account number above the return address of each mail piece to ensure that postage is correctly charged to that account. Agencies that require a special computer breakdown within their budget should contact the Department of Administration, Administrative Services Division, for special account numbers.

The State Mail Service does not handle personal mail. Any personal mail sent through the mailroom will not be delivered.

The Mail Service hours in Carson City are 6 a.m. to 5 p.m. daily except Saturdays, Sundays or holidays. The Mail Service hours in Las Vegas are 7:30 a.m. to 5 p.m. daily except Saturdays, Sundays and holidays.

All printing orders for envelopes, mailers, or forms must be reviewed by the Mail Service before printing to ensure the order meets postal regulations.

State agencies using the Mail Service are billed each month with certain large accounts billed in advance for postage. Claims for mail service are expected to be submitted before the 10th of each month. Agency charges are made for postage, salaries of mailroom personnel and operating expenses. An agency's share of the latter expenses will be determined by the dollar volume of postage used. Any question on billings should be directed to Department of Administration, Administrative Services Division.

1208 Mailing Hints, Economies

1. Use standard fonts for letter-size mail (12 pt Courier recommended) to receive postage discounts.
2. Use Standard or Media Mail whenever possible for larger bulk mailings. Contact the State Mail Services at (775) 684-1860 for more information.
3. In most cases, do not use priority mail or special delivery on Fridays or the day before a holiday. Regular mail will serve just as well to most destinations.
4. Use certified mail rather than registered mail whenever possible, unless sending mail international.
5. Do not use special delivery for parcel post when special handling will do just as well. The latter is very often just as fast.
6. All outgoing mail to be insured must have all proper forms filled out and attached to the mail piece(s).
7. Do not send books first class, if possible. They may be mailed at a media mail rate.
8. Five-digit ZIP codes must be used on every piece of mail.
9. Do not stack inter-office or stamped mail in with outgoing mail.

10. Foreign letters should be kept separate (airmail and surface mail).
11. When sending large packages or boxes via commercial carrier (e.g., Fed Ex, UPS, etc), designate the type of service if sending other than regular ground. If the package(s) is to be insured, please designate the value.
12. To avoid delays in delivery of your Inter-office mail, be sure to address your mail pieces properly by including:
    a. Agency name fully written out, versus an acronym
    b. The destination city (e.g., Carson City, Las Vegas, Reno)
    c. The person to whom it's going to by first and last name
    d. Sending agency's name should be on the mailing so if it is undeliverable, it can be returned.

1210 Inter-Departmental Mail

The State Mail Service offers inter-departmental mail service to all participating agencies in Carson City, Las Vegas, and Reno. Mail going to agencies outside our service area or to non-participating agencies must be mailed via the U.S. Postal Service. Further information regarding inter-departmental mail service can be found in the State Mail Guide or by calling the State Mail Service at 775-684-1860 in Carson City, or 702-486-2485 in Las Vegas.

Each agency must have incoming and outgoing mail baskets.

Inter-departmental and outgoing mail should be separated and labeled to facilitate pickups and deliveries. Further information regarding inter-departmental mail service, or any of the other types of services offered by State Mail Services, can be found in the State Mail Guide or by calling the State Mail Service at 775-684-1860 in Carson City, or 702-486-2485 in Las Vegas.

1300 State Vehicles

1302 Policy

All State-owned vehicles shall be used only for authorized official business and driven by qualified and authorized personnel in a safe and courteous manner. Smoking in State-owned motor vehicles is strictly prohibited..

To avoid violations of State policy prohibiting the use of State vehicles for non-State use, agency heads are urged to remind their employees who utilize State-owned motor vehicles of the provisions of NRS 204.080.

When using Fleet Services vehicles in the course of State business, employees must be aware that Fleet Services will not be responsible for reimbursement of vehicle expenses resulting from running out of fuel; charges for lost or misplaced keys; parking charges; towing, when not a result of mechanical failure; failure to obtain fuel at designated State fuel facilities (except for emergencies) or citations issued for violations of traffic laws or parking ordinances.

Agencies assigned vehicles on a monthly basis must submit a Fleet Services Monthly Trip report form MP-3 to the Carson City Fleet Services Office within five working days after the end of the month. Failure to submit timely reports will result in a late fee assessment for each day late. In the event circumstances prevent timely submission, contact the Fleet Services Administrator in advance and request a time extension.

1303 Authorized operators of State Vehicles

A State-owned vehicle will be covered for auto physical damage when driven by any State employee, temporary employee, board member, commissioner, volunteer, contracted employee and those working in conjunction with the State of Nevada while conducting official State business and within the course and scope of employment.

The Defensive Driving course is required for all Executive branch employees whose job functions require driving a State-owned vehicle for State business. Employees and other authorized drivers should refer to the Risk Management Division's website for further details at http://risk.nv.gov/.

1320 Texting While Driving a State Vehicle

1. Pursuant to NRS 484B.165, a person shall not drive a motor vehicle while using an electronic wireless communications device to write, send, or read a text-based communication. Furthermore, hand-held mobile phone conversations and accessing the Internet are also prohibited. As used in this section "write, send, or read a text-based communication" means using an electronic wireless communications device to manually communicate with any person using a text-based communication, including, but not limited to, communications referred to as a text message, instant message, or electronic mail.

2. This does not apply to a driver who is:

a. Reporting a medical emergency, safety hazard, or criminal activitiy;
b. Using a voice operated navigation system affixed to the vehicle or those riding in autonomous vehicles;
c. Using citizen band or other two-way radios that require a license and have a separate hand-held microphone;
d. A law enforcement officer, firefighter, or emergency medical professional acting within the scope of his/her employment;
e. Conducting hands-free wireless interpersonal voice only communication that does not require manual entry, except to activate, deactivate, or initiate a feature or function.

1305 Insurance

1. The State of Nevada is self-insured.
2. Please access the Risk Management website for a matrix illustrating the different levels of insurance coverage.
3. Insurance questions should be directed to the Risk Management Division.

1306 Home Storage of State Vehicles

It is the policy of the Board of Examiners that the home storage of State vehicles be authorized in certain circumstances. However, this approval will be limited by individual justification based on convenience and benefit to the State, rather than the authorized driver. The department head or his/her designee is authorized to approve home storage of State vehicles for his/her respective department. Each department head shall establish policies outlining the process and the justification for the approval. The department must retain all documentation relevant to the policy per their department's records retention schedule. In general, home storage may be authorized only when less costly to the State or when a State vehicle must be used by the employee because the vehicle is specially marked or equipped.

Per the Internal Revenue Service (IRS) home storage of a state vehicle is considered a form of compensation in some circumstances. A vehicle that is used by an employee exclusively for business purposes is treated as a working condition fringe benefit. If an employer-provided vehicle is used for both business and personal purposes, the personal use is considered taxable wages to the employees. As a result, agencies should review the IRS website for current IRS rules. In particular, IRS Publications 15-B and 5137 (theIRS Fringe Benefit Guide), should be consulted..

Home storage of State vehicles may be authorized only if the following apply:

1. The department has verified that the justification meets IRS guidelines for non-taxable fringe benefits.
2. The agency is unable to provide adequate, secure storage for the vehicle and the vehicle is at substantial risk if not stored at an employee's home during non-working hours; or
3. The officer or employee is directed, in writing, by the head of the agency to which the vehicle is assigned, or his/her designee, to keep the vehicle at his/her residence because his/her duties include responding to conditions that regularly require an immediate response; or
4. The employee operates out of his/her home.

Authorization may be given for items three and four only if demonstrated, to the satisfaction of the department head or his/her designee, that it is less costly to the State to assign a State vehicle than to reimburse the employee for the use of his/her personal vehicle. This requirement does not apply for items three and four if the vehicle carries or is equipped with special equipment needed to perform duties directly related to the employee's job and the employee is in an emergency response capacity after normal working hours.

The department head or his/her designee must give written approval for the permanent assignment of vehicles to an employee for home storage and a list of those approvals, with justification, must be submitted to the Director of the Department of Adminstration on or before January 1 of each year

together with a report on the value, for federal income tax purposes, of commuting trips made by employees in State vehicles. This report will be made on a form designated by the Director of the Department of Administration. In order to have a complete record, a response from the agency is required even if there are no vehicles authorized for home storage.

Special Note for Law Enforcement Agencies:

IRS policy indicates that use of clearly marked police, fire, or public safety officer vehicles by public safety officers is a qualified non-personal use vehicle if, among other stipulations, the employee must always be on call and the employer prohibits personal use other than commuting. Unmarked law enforcement vehicles may be qualified non-personal use vehicles if the vehicle is used by a full-time law enforcement officer authorized to carry firearms, execute warrants, and make arrests, among other requirements. Any State law enforcement agency is responsible for consulting the IRS policies in the development of its own agency policy, and for conforming to those federal policies.

1310 Identification of State Vehicles

All State owned or leased motor vehicles must be labeled with the words "State of Nevada" and "For Official Use Only" in plain lettering. The following requirements are the minimum standards:

1. Exempt license plates or a license plate that identifies the vehicle as a State vehicle; for example, a "DOT" plate.
2. Vehicles equipped with exempt plates must have at a minimum one of the following: window decals or decals placed on the outside of the vehicle; or license plate frames labeled with the words "State Vehicle" and "For Official Use Only."
3. Window decals must be placed in an appropriate area of the front and rear window that ensures the decals do not obstruct the drivers view.
4. Refer to **Section 1312** for exemptions.

1312 Provision for Unmarked Automobiles

1. The approval for and use of unmarked motor vehicles by State employees shall be granted to the director of each respective department. Such requests are only authorized to be granted for vehicles used in law enforcement activities. All other requests must be submitted to and approved by the department head. The director of each department shall establish policies that define the approval process within their respective department and retain that documentation per the department's records retention schedule.

2. Exemptions: unmarked vehicles are exempt from the labeling requirements outlined in **Section 1310.**

New undercover cars are to be purchased from existing contracts, but options may be approved so as to avoid an institutional look.

1308 Purchase of State Vehicles

1. Agencies must follow NRS 334.010 and **chapter 1500** of this manual when purchasing vehicles, including.
2. State fleets based in Clark County and Washoe County may be subject to alternate fuel vehicle acquisition requirements per NAC 486A. Agencies are responsible for ensuring all vehicle purchases meet the requirements of NAC 486A if applicable. Law enforcement and emergency vehicles are exempt from NAC 486A. Fleets based in Clark County may also be subject to the alternative fuel vehicle purchase requirements of the federal Energy Policy Act of 1992 (Public Law 102-486). The Nevada State Office of Energy reports on Energy Policy Act compliance for the State's fleet to the U.S. Department of Energy and can provide guidance on meeting vehicle purchase requirements.
3. Vehicles with a police package are recommended for all law enforcement work. Agencies should reference NRS 484A.480 prior to purchasing emergency lights to ensure lights are authorized.
4. Agencies purchasing new passenger sedans with a vehicle classification size of either compact or intermediate are required to purchase vehicles that have achieved the SmartWay or SmartWay Elite certification pursuant to the federal Green Vehicle Guide. A listing of approved vehicles can be viewed on the Purchasing Division website at:http://purchasing.nv.gov/. Agencies may also view the federal green vehicle guide atGreen Vehicle Guide | US EPA. The Board of Examiners must approve any exemptions to this requirement.
5. Law enforcement vehicles are exempt from the SmartWay and SmartWay Elite requirement. Other agencies requesting an exemption for a specific vehicle purchase must request the exemption by submitting a Vehicle Order Justification Sheet with their requisition to Purchasing.

1309 Vehicle Replacement Policy

1. State vehicles shall be at least 10 years old or have a minimum of 100,000 miles (for sedans)/125,000 miles (for SUVs, vans, and trucks) at the time of replacement.
2. Because of the variety of situations faced by State agencies, agencies may adopt an alternative policy where unusual circumstances justify replacing a vehicle sooner. An agency adopting an alternative policy must submit their proposed policy and its justification to its budget analyst within the Governor's Finance Office for review and approval by the Board of Examiners. The alternative policy may not be adopted until such approval by the Board. Alternative replacement policies shall be attached to an agency's budget request during each budget building cycle.
3. Refer to SAM 1538 or SAM 1540 regarding vehicle excess or disposal.

1314 Maintenance

All State-owned and/or Fleet Services Division leased vehicles must be maintained at a level that meets or exceeds the vehicle manufacturer's recommended maintenance schedule.

1316 Records

Agencies are required to maintain vehicle maintenance records. Records must be established and maintained for each vehicle the agency owns and/or leases from an outside vendor. Agencies are required to maintain the manufacturer's maintenance requirements or schedules for agency-owned and leased vehicles. Agencies leasing vehicles from Fleet Services Division are exempt from this requirement.

1304 Complaint Procedure

Direct all complaints concerning misuse of State automobiles to the Fleet Services Division Administrator who will then notify the agency head regarding possible misuse of a State vehicle. The agency head, together with the Fleet Services Division, shall investigate the complaint, discuss the complaint with the offender's supervisor, ascertain that all facts are obtained and take any appropriate supervisory action.

The agency head will promptly communicate with the complaining party to assure him that the State appreciates his/her interest and desires to take action where warranted.

1322 Vehicle Utilization Requirements

The utilization policy is applicable to any motor vehicle which is self-propelled (but not operated on rails), used upon a highway for the purpose of transporting persons or property with a gross vehicle weight rating (GVWR) of 8500 pounds or less. GVWR is the maximum allowable total mass of a road vehicle or trailer when loaded – i.e., including the weight of the vehicle itself plus fuel, passengers, cargo, and trailer tongue weight

Agencies are required to assign each vehicle that is operated within the span of their control to a specific utilization group. This policy applies to all vehicles that are owned or leased by the department, division or agency.

The utilization table and agency fleet assessment worksheet are available by accessing the following links: Fleet Assessment Worksheet and Vehicle Utilization Table

1400 Fleet Services Division

1402 Purpose

The division provides safe, efficient, environmentally friendly, and cost-effective transportation solutions to state employees**.**

1404 Policy

To ensure economical utilization of State-owned vehicles, eliminate unauthorized use of State-owned vehicles, provide a ready means of transportation for State employees on State business, reduce the need for use of private vehicles on official State business and to provide central administration for maintenance, care and operation.

1405 Services Provided

1. Long-term assigned vehicles. The division maintains a diverse inventory of vehicles for agency use.
2. Short-term assigned vehicles (motor pool operations). The division maintains a diverse inventory of vehicles for agency use.
3. Maintenance and repairs
4. Fueling network
5. Washing facilities
6. Vehicle acquisition and disposal
7. Agencies utilizing vehicles owned by their respective department may utilize any of the services provided by the Fleet Services Division on a charge-back basis.

1406 Division Charges

1. Vehicle usage is charged either on a daily basis or on a monthly basis. Daily rates apply on a 24-hour basis. For specific rate or billing information contact the Fleet Services Division at 775-684-1880 or reference the Fleet Services website http://fleetservices.nv.gov
2. Fleet Services will not be responsible for reimbursement of vehicle expenses resulting from running out of fuel; charges for lost or misplaced keys; parking charges; towing, when not a result of mechanical failure; failure to obtain fuel at designated State fuel facilities (except for emergencies) or citations issued for violations of traffic laws or parking ordinances.
3. Agencies assigned vehicles on a monthly basis must submit a Fleet Services Monthly Trip report form MP-3 to the Carson City Fleet Services Office within five working days after the end of the month. Failure to submit timely reports will result in a late fee assessment for each day late. In the event circumstances prevent timely submission, contact the Fleet Services Administrator in advance and request a time extension.

1407 Vehicle Utilization Guidelines

Refer to section 1322 of the State Administrative Manual for current vehicle utilization requirements.

1408 Facility Locations and Hours of Operation

Reno

2550 Terminal Way, Reno NV 89502
Phone: 775-688-1325
Fax: 775-688-1309
Email: rnomp.admin.nv.gov
Hours: 7:00 a.m. to 7:00 p.m. - Monday through Friday

Carson City

750 East King Street, Carson City, NV 89701
Phone: 775-684-1880
Fax: 775-684-1888
Email: ccmpool@admin.nv.gov
Hours: 7:00 a.m. to 7:00 p.m. - Monday through Friday

Las Vegas

7060 La Cienega St. Las Vegas, NV 89119
Phone: 702-486-7050
Fax: 702-486-7042
Email: lvmp@admin.nv.gov
Hours: 7:00 a.m. to 7:30p.m. - Monday through Friday

Note: The office hours as listed are subject to change based on airline schedule changes. Please call the Motor Pool you will be utilizing for current hours of operation.

1409 Authorized Operators of Fleet Services Vehicles

A State vehicle will be covered for Auto Physical Damage when driven by a State employee, temporary employees, board members, volunteers, contracted employees and those working in conjunction with the State of Nevada while conducting official State business and within the course and scope of employment.

The Defensive Driving course is required for all "Executive" branch employees whose job functions require driving a State vehicle for State business. Reference the Risk Management Division's website for further details and exceptions at **http://risk.state.nv.us.**

1410 How to Request a Vehicle

Short-term assignments - 30 days or less:

1. Reservations may be made online at http://fleetres.nv.gov or

2. Email or fax a Fleet Services Rental Request form (MP-2) to the location where you will be picking up the vehicle.
3. At times, the division may have insufficient vehicles to cover anticipated rentals. At these times, the division utilizes outside rental car agencies to provide additional vehicles.
4. Fleet Services will make all arrangements for rental vehicles and assume responsibility for the necessary paperwork when the vehicles are reserved through the Fleet Services Division.
5. The Fleet Services Division will not assume liability for payment for rental cars booked directly with the rental company by the using agency.

Long-Term Assignment – Assigned on a Monthly Basis

1. Requests for long-term assignment should be included in the agency's biennial budget request. This will allow the Fleet Services Division a chance to review the available inventory and make adjustments as needed to provide for the request.
2. Submit a Fleet Services Vehicle Request form (MP-5) to the Carson City Fleet Services office.
3. If the request was not included in the agency's budget request, every attempt will be made to full-fill requests as inventory levels permit.

1412 Care and Maintenance of State Vehicles

Refer to the Fleet Services Vehicle Use Manual for the care and maintenance of State vehicles. Vehicle use manuals are located in the glove box of each fleet services vehicle. Copies may also be downloaded from the fleet services website **http://fleetservices.nv.gov**

1414 Insurance and Accident Reporting

- **Accident**

  Refers to any collision involving a State vehicle with a pedestrian(s), other vehicle(s) and/or other fixed or stationary object(s), whether or not any physical damage or bodily injury occurs.

- **Incident**

  Refers to non-accident personal injury or physical damage; i.e., vandalism, window or body damage from flying objects, lost or stolen vehicle parts or accessories, vehicle body damage from tire snow chains, etc.

- All accidents or incidents involving a Fleet Services vehicle must be reported within 48 hours to the Fleet Services Division and to the Torts Claims Manager of the Office of the Attorney General in Carson City. An accident report packet is located in the glove box of each vehicle. Accidents reports may be downloaded from the fleet services website **http://fleetservices.nv.gov**

1415 Driver Responsibility

1. Driving on government business carries with it responsibilities. Observe all traffic laws and drive defensively. Failure to observe all Fleet Services policies while operating a State vehicle may subject the individual to liability for vehicle expenses incurred and/or revocation of Fleet Services privileges.
2. All employees must have a valid driver's license of the appropriate class, as defined by the Nevada Department of Motor Vehicles, in their possession while operating a State vehicle. All State vehicles must be operated in a safe, courteous and responsible manner and in complete compliance with all motor vehicle traffic laws, including parking regulations.
3. Smoking is prohibited in all Fleet Services vehicles. A fee will be charged for cleaning vehicles that have been smoked in and drivers smoking in vehicles may be reported to their agency head.
4. The Defensive Driving course is required for all "Executive" branch employees whose job functions require driving a State vehicle for State business. Reference the Risk Management Division's website for further details and exceptions at **http://risk.state.nv.us.**

1416 Vehicle Fuel and Service Available to Other Agencies

1. Fleet Services utilizes the Department of Transportation fueling network and the current State contracted fuel provider's commercial card lock fueling network. For current information please contact your local Fleet Services office or reference the Fleet Services website **http://fleetsrvices.nv.gov**
2. Fuel cards are assigned to each individual Fleet Services vehicle and are prohibited to be used for any other vehicle than which the card is assigned. Agencies will be charged for unauthorized purchases and may be reported to the Attorney General' Office.
3. Do not use fuel cards for normal vehicle maintenance or the purchase of auto parts, tires or accessories without the expressed authorization of the Fleet Services Division. Agencies will be billed for all unauthorized fuel card charges.
4. Lost or stolen fuel cards must be reported immediately to the Fleet Services Division

1418 Energy Management

1. The Fleet Services Division, by law, must incorporate alternatively fueled vehicles into the fleet. . The division has traditionally been proactive in purchasing, utilizing and advocating the use of alternative fueled vehicles. The division is proactive in exploring and embracing all future alternative fuel opportunities. Please direct any questions or concerns to the division administrator.
2. Agencies assigned alternative fueled vehicles must use the approved alternative fuel in these vehicles in while operating in Clark and Washoe counties.

1500 Purchasing

1502 General

The State Purchasing Act (NRS 333) provides a comprehensive central purchasing program for State agencies. The Purchasing Division is responsible for obtaining materials, supplies, services and equipment at the best value to the taxpayer; to supply the agency as quickly as possible and to afford

vendors competitive opportunity. The Purchasing Division is also responsible for the distribution of excess property and for maintaining a statewide fixed asset inventory.

The Purchasing Division's operating expenses are funded by an assessment fee set forth in NRS 333.450 and by services charges assessed for disposal of state excess property described in **SAM 1538**.

The following sections of SAM are intended to supplement the requirements set forth in NRS 333, NRS 334 and NAC 333.

1504 Responsibility

The Purchasing Administrator is responsible for all functions relating to purchasing or contracting for supplies, materials, and equipment and for the procurement of services estimated to be $100,000 or more. These include advertisement, solicitation, awarding of purchase contracts, and the disposition of unneeded personal property.

1506 Standardization

The Purchasing Division by law is responsible for establishing and maintaining product and equipment standards. Policies have been developed to accomplish this and insure equity to State agencies and optimum value to the taxpayers.

The established standards for office furniture precludes the purchase of solid wood furniture except wood furniture fabricated by Prison Industries, such as, but not limited to, bookcases, tables, storage cabinets, etc., unless authorized by the Purchasing Administrator or his designee.

Agencies purchasing new appliances, equipment, lighting and other devices that use electricity, natural gas, propane or oil are required by state law to purchase items or devices that have received the Energy Star label, or energy-efficient items listed on the Department of Energy's Federal Energy Management Program (FEMP) Product Energy Efficiency Recommendations product list, pursuant to 48CFR section 23.203.

The law does not apply to:

1. Items that do not have the Energy Star label, or items that that have not been designated by the Federal Government pursuant to 48CFR section 23.203; or
2. Individual instances where the purchase of compliant items or devices would not be cost-effective comparing the cost of the item or device to the cost of the amount of energy that would be saved over the useful life of the item or device.

Information on energy cost calculators can be found at:

- http://www.energystar.gov/
- http://www.eere.energy.gov/

1508 Placing Orders through the Purchasing Division

A State agency shall request materials, supplies or equipment by an approved requisition. Agencies shall process a Requisition (RXQ) document through the Integrated Financial System (IFS) for all items being ordered through the Purchasing Division.

All IFS procedure manuals and forms are available from the Purchasing Division website.

1511 Approvals

The following products require prior approval from other State agencies before the Purchasing Division can place orders.

1. New or used passenger vehicles, light trucks and vans require Budget Division approval. Agencies shall refer to SAM 1300 on policies for State Vehicles.
2. All computers, laptops, file servers and software require pre-approval from the Department of Information Technology (NRS 242.151 to .181).
3. All microfilm and imaging equipment requires the approval of the Micrographics Division of the Department of Cultural Affairs.
    a. Obtain Micrographics Division approval (**SAM 2052.4**).
    b. Indicate approval on requisition and submit to the Purchasing Division.
4. Purchase of telephone systems and related equipment:

    All requests for new telephone equipment by State agencies must be reviewed and approved by the Telecommunications Division of the Department of Information Technology before submission to the Purchasing Division. The procurement of telephone equipment over $1,000 per purchase and not on open term contract is subject to the comprehensive selection requirements of State law. Agencies should plan far enough in advance to allow for this procedure.

5. Occasionally agencies have a need to evaluate a piece of equipment before it is purchased. These “try and buy” acquisitions must be approved in writing by the Purchasing Division prior to the evaluation period.

1512 Methods of Defining Items Needed

Detailed descriptions for items requested will expedite the purchasing process. Agencies should plan their requirements to allow the Purchasing Division reasonable time to prepare specifications, to conduct competitive solicitations, make an award, and allow lead-time for delivery.

Agencies should use one of the following methods to describe needed items:

1. Commodity descriptions: Commodity descriptions are detailed descriptions of the items to be purchased. These should include whatever information is necessary to obtain the desired quality; type, color, size, shape or special characteristic necessary to perform the work intended or produce the desired results.

    a. Whenever possible in preparing requisitions, the manufacturer's name, model number and catalog number should be supplied. If available, attach a copy of the manufacturer's printed brochure. If the Purchasing Division has made prior purchases of the commodity, reference to the Department's previous purchase order will expedite the purchase.
2. Brand or trade names: Brand or trade names may be used as standards for an item desired. In such cases, either the named product or its equal in all significant features and performance characteristics may be accepted as meeting the standards of the purchase.
    a. Agencies must avoid the use of standards that would unnecessarily restrict and diminish competition. Generally a product should not be named when it is the only one of its kind and is not available on an "or equal" basis from more than one manufacturer or one source of supply. An exception is when the product described is the only one meeting the requirements of the using agency. In such cases, the purchase requisition must be accompanied by a written justification for limitation to one manufacturer or supplier.
    b. The Purchasing Division retains the authority to determine the applicability of a “no substitute” request.
    c. In cases of disagreements concerning the "no substitute" request, the using agency's opinion will be given every reasonable consideration. However, the Purchasing Administrator is responsible for State purchases and any restrictive tendency on the part of requisitioning agencies will be carefully examined.
3. Commodity purchasing in conjunction with the procurement of services may take additional time to complete the RFP process. In accordance with NRS 333.165, a contract for goods and services whose estimated value is $100,000 or more is considered a contract for services and subject to the provisions of SAM 0338 and Board of Examiners’ approval; a contract for goods and services whose estimated value is less than $100,000, the goods must be procured in a manner approved by the Purchasing Division and the services are subject to the provisions of SAM 0338. Agencies are responsible to identify and separate the costs of the goods and services.

1514 Requisition and Purchase Order Procedure

Requisition and purchase order procedures are as follows:

1. Agencies enter requisitions directly into the IFS, backup data, specifications, etc., must be attached within IFS or it must be forwarded to the Purchasing Division **within 5 working days of entering the requisition** under separate cover with the requisition number clearly indicated on the document. Requisitions for which no backup data is received within 5 working days will be cancelled and returned to the agency.
2. Invitations to bid, requests for quotations, and requests for proposals or other procurement documents are prepared by the Purchasing Division and distributed to prospective vendors.
3. Responses are opened at specified time, read, tabulated, evaluated for compliance with the procurement request, a successful respondent selected, and a contract awarded. The commodity procurement is generally awarded to the lowest responsible respondent.
4. Purchasing will notify the agencies of price increases when the awarded amount exceeds $100.00 and generate an Encumbrance Maintenance (EM) document. Purchasing will sign the EM document and will fax a copy to the agency for approval. The department approving authority should then sign the EM document and fax it back to the Purchasing Division. The Purchasing Division will modify the requisition and process the purchase order.
5. A purchase order is prepared and copies are sent to appropriate vendor and agency.

6. Within 8 working days of receipt of goods, agencies must confirm the receipt of goods electronically through the IFS. Note: **This is a mandatory requirement.** (NRS 333.460) Prompt payment is a significant factor in the pricing vendors provide the State of Nevada. Delays in processing receipt of goods documents result in higher prices to the State of Nevada on subsequent purchases. Failure to comply with this requirement may be cause for the Purchasing Administrator to discontinue service.
7. The Purchasing Division has the discretion to cancel requisitions processed at the end of each fiscal year if the requested item(s) has an extensive delivery period and agencies funds do not roll to the next fiscal year.

1516 Direct Purchase Utilizing State Contracts

The Purchasing Division enters into contracts for commodities and services of common usage by State agencies. Notification of items so contracted will be made to all agencies in the form of announcements. Announcements and contract information can be viewed on the Purchasing Division's website at http://purchasing.state.nv.us.

1518 Bids or Quotations Obtained by Agencies

Submission of quotations obtained by requisitioning agencies, while helpful, does not relieve the Purchasing Division from the responsibility of price confirmation or bidding.

Whenever the agency obtains quotations from vendors directly, the agency must inform the vendor that such quotations are being obtained for budgetary and/or informational purposes, and that the actual contract and/or award will be made through the Purchasing Division's competitive selection process.

Quotations received by agencies must be attached to the respective requisition submitted to the Purchasing Division to ensure the vendors contacted are given an opportunity to bid.

1520 Receipt and Inspection of Merchandise

All merchandise received must be inspected **within 5 working days** (NRS 333.190 and NAC 333.116) by assigned agency personnel to determine if the vendor has delivered items in accordance with terms of the purchase order and contract, and in accordance with specifications. The following is a guide for receiving merchandise.

1. What to do at time of delivery:
    a. Confirm that products being delivered have been ordered and that the delivery is correctly being made to the agency.
    b. Verify count. Make certain the item quantities are as listed on the delivery receipt. Note any overage or shortage on the delivery receipt and have the driver sign your copy.
    c. Remember, when accepting a shipment from a delivery agent, you are only verifying the number of cartons listed on the freight bill.

    d. Carefully examine each carton for external damage. If damage is visible, note it on the delivery receipt and have the driver sign your copy. Immediately after delivery, open all cartons and inspect for merchandise damage. Inspection must be made and hidden damage reported within 15 days of delivery to the delivery agent. Sign and date that goods were received on the delivery receipt, purchase order or invoice.
2. Steps to take when damage is discovered:
    a. Immediately notify the Purchasing Division.
    b. Retain damaged items. All damaged materials and cartons must be held at the point received.
    c. Call carrier to report damage and request inspection.
    d. Confirm call in writing. This is not mandatory, but is for the receiver's protection.
3. Steps to take when carrier makes inspection of damaged items:
    a. Have all damaged items in the receiving area. Make certain the damaged items have not been moved from the receiving area prior to inspection by carrier.
    b. After carrier-inspector prepares damage report, carefully read it before signing. Forward damage report to the Purchasing Division.
4. Steps to be taken after inspection has been made:
    a. Continue to retain damaged materials. Damaged material should not be used or disposed of without written permission by the carrier. Do not return damaged items to shipper without written authorization from the shipper/supplier.
    b. Whenever agencies doubt whether the merchandise received is either equal to the established specifications or adequate to the assigned job or purpose, immediate notice should be given to the Vendor and the Purchasing Division. Such notice should explain why the merchandise does not meet specifications or will not perform the function for which it was intended.

This procedure must be followed so necessary corrections can be made immediately. Merchandise should not be returned to the vendor without prior clearance through the Purchasing Division

Merchandise should be checked promptly upon receipt and the agency must process the acknowledgement of receipt of the order immediately to avoid penalties. (**SAM 1516**) This is the mechanism that prompts payment to vendors, avoids late charges, and possibly receives a prompt payment discount. Late charges are the responsibility of the agency.

Fax or email notice of the receipt of delivery to the agency's office responsible to facilitate payment to the vendor. Mail original delivery receipt, purchase order or invoice to that office afterwards.

1522 Incomplete Delivery

In the event the vendor delivers only a part of the items described in the purchase order, or a portion of one item, the invoice should be marked "partial delivery" and partial payments should be made.

1524 Freight Bills

All invoices, freight bills and correspondence sent by a vendor concerning a purchase order should be forwarded to the Purchasing Division immediately. All merchandise is FOB destination, including cost of freight, unless otherwise indicated on the purchase order.

1526 Amendment of Purchase Order

A purchase order issued by the Purchasing Division to a vendor constitutes a contract between the vendor and the Purchasing Division and not the agency for which the order was issued. The agency has a contract with the Purchasing Division by virtue of a requisition. Questions concerning any given order should be directed to the Purchasing Division and not to the vendor.

Agency personnel are not authorized to make any changes or alterations to a bid or purchase order. Agency personnel are not authorized to negotiate directly with a vendor. Failure to comply could negate any legal recourse the Purchasing Division has with regard to a delinquent vendor.

1528 Performance of Vendors

Deliveries shall be made upon receipt of a purchase order issued by the Purchasing Division at the time and in the amount specified in the invitation to bid and in the order for delivery.

Acceptance of late deliveries shall not constitute a waiver of any right of the State under its contract with the vendor.

1530 Deliveries

All deliveries shall be made to the point or points specified in the original solicitation. In all instances, charges shall be prepaid to the location of the agency, except when expressly otherwise provided in the original solicitation. All deliveries shall be subject to inspection at time of delivery. Commodities that fail in any respect to meet specifications or conform to the vendor's sample, or are not in satisfactory condition when received, shall be subject to rejection.

1532 Cancellation of Contract

The Purchasing Administrator or his designee may cancel any purchase order contract entered into under competitive selection if there is evidence of one or more of the following:

1. If the agency withdraws the requisition and the contractor agrees to the cancellation;
2. If the contract is obtained by fraud, collusion, conspiracy or other unlawful means;
3. If the contract conflicts with any statutory or constitutional provision of the State of Nevada; and
4. Failure to perform as outlined above.

A vendor whose contract is canceled for reasons two or four may be penalized and/or barred from further procurements in accordance with NRS 333.

The vendor will not be held responsible for losses caused by war, acts of public authority in time of war, acts of God, fire, flood, and may not be responsible for losses caused not within the vendor's control for which he/she could not, by the exercise of reasonable diligence, have avoided.

1534 Lease or Rental of Equipment

Agencies must contact the Purchasing Division prior to entering into any rental, lease or time pay agreements for any supplies, material or equipment. No agreements may be signed without the approval of the Purchasing Division, except for short-term rentals not exceeding $5,000.00. Agencies are responsible for ensuring that staff operating rented equipment is appropriately qualified.

1538 Excess State Property

The Purchasing Division is responsible for the disposition of excess State property. Redistribution of excess State property may be done by transfer, trade, donation or sale. Excess property is defined as supplies, material or equipment (including forfeited property) no longer needed by an agency **regardless of cost or condition.** Excess State property may be donated to organizations entitled under NRS 333.220(3). The Purchasing Division's written authorization is required for all property to be transferred, traded, donated, sold or disposed.

Excess State property should be reported to the Purchasing Division using a Property Disposition Report (PDR), which must include disposition recommendation, a complete description of the property, its condition and any State ID tag numbers. Disposition of the property will be determined according to the information provided on the PDR and authorized by the Purchasing Division. **Under no circumstances may excess State property be given to employees.**

Sale of Excess Property

Excess property may be sold to another governmental agency within the State, any entity eligible to receive federal surplus property, or by auction to the general public. Unless otherwise authorized by the Director of the Department of Administration, the proceeds of the sale, less Purchasing Division service charges and directly billed auction expenses if applicable, must be deposited in the fund from which the money to purchase the supplies, materials or equipment was expended in accordance with the following procedures:

1. Sale of amounts of $100.00 or less will be retained by the Purchasing Division to cover the cost of the following: picking up the item, storing, and/or selling the item.
2. Sale amounts between $100.01 and $1,000.00 will be deposited in the fund from which the money to purchase the item was expended or, with written justification and the approval of the Budget Division, to the agency budget account. The amount transferred will be less the Purchasing Division's service and handling charge of $100.00 plus directly billed auction expenses, if applicable.

3. Sale amounts above $1,000.00 or more will be deposited in the fund from which the money to purchase the item was expended, or with written justification and the approval of the Budget Division, to the agency budget account. The amount transferred will be less the Purchasing Division's services and handling charge of 10% of the gross sale price, not to exceed $400.00 plus directly billed auction expenses, if applicable.

The above sale amounts may be based on each individual item sold or the aggregate sale amount of two or more items purchased from the same fund to which proceeds will be returned. (NRS 334.040 (2))

1540 Disposal of Vehicles

Excess automotive equipment will be returned for reallocation in the following manner:

1. The agency's written declaration on a Vehicle Turn-in Document must indicate that the vehicle is excess and is to be accompanied by the ownership title.
2. The title should be properly "signed off" by an authorized person.
3. The agency turning in the vehicle will clearly note the mechanical condition of the vehicle with special attention to defects and problems.
4. All license plates, decals, official markings and special equipment (i.e., emergency lights) must be physically removed before the vehicle may be returned for reallocation. Vehicles must contain at least five gallons of fuel.
5. Two complete sets of keys must accompany the vehicle.
6. Agencies will notify the Attorney General’s Office of transfers or changes in disposition of vehicles.
7. Towing services for transport of disabled excess vehicles are available upon request. Towing fees will be deducted from the sale proceeds of each towed vehicle.

1542 Special Property Disposal Requirements

1. Weapons forfeited to State agencies that are determined to be dangerous to the public pursuant to NRS 202.340(5) and (5a) or any other weapons in the custody of a State agency determined to be dangerous to the public shall be destroyed by a method deemed appropriate by the custodial agency. The Purchasing Division will assist agencies in finding an appropriate means of destruction upon request. Prior to initiating destruction, the custodial agency is required to file a Property Disposition Report with the Purchasing Division containing but not limited to descriptions, quantities and serial numbers of weapons to be destroyed and to report the weapon’s descriptions to a forensic services laboratory pursuant to NRS 202.340(6). Upon receipt of written approval from the Purchasing Division, the custodial agency may proceed with the destruction action and is required to notify the Purchasing Division within **five working days** after its completion.
2. Weapons, which are excess to an agency’s needs, must be reported to State Purchasing on a Property Disposition Report recommending disposal action, e.g., excess, transfer, junk. The Purchasing Division will recommend that weapons declared excess by an agency be used for trade to a properly licensed retailer or wholesaler during the procurement of equipment necessary for the performance of the agency’s duties, or be transferred to another law enforcement agency. Trade or transfer of excess weapons must be approved in advance. Weapons reported as junk

will be considered dangerous to the public and referred back to the owning agency for destruction, following procedures indicated in section 1 above.

1544 Inventory

1. Items valued at $5,000 or more and a useful life of more than two years, with the exception of weapons, computers with licensed software, and software packages valued at $5,000 or more, will be carried on the statewide inventory. Generally items consumed in use, and permanent, non-moveable fixtures will not be included on the inventory. For the purpose of inventory control intended in this section:
    a. "Equipment" is defined as any item that must have an anticipated useful life extending beyond one year, must not be consumed in use, must not be attached permanently as a non-movable fixture, and must cost $5,000 or more; and
    b. "Weapon" is defined as any item that, under normal use is capable of delivering lethal force against a person or any item that is regulated by the Bureau of Alcohol, Tobacco and Firearms. Agencies will be responsible for reporting items as described above regardless of acquisition method to the Purchasing Division.
2. Agencies shall submit a Property Disposition Report to request State ID tags for assets purchased directly from the vendor, or obtained through transfer or donation. Agencies are required by NRS 333.220 to conduct a physical inventory and reconcile with the records of the Purchasing Division annually. Schedule and procedures are at the agencies' discretion. In order to provide separation of duties, Purchasing cannot perform inventories, but will provide technical assistance to agencies upon request.
3. State ID tags are to be attached to the asset when received.
4. Inventory listings are available through the Data Warehouse (DAWN) at http://washoe.state.nv.us.
5. As a courtesy, Purchasing will notify agencies annually to provide instructions of inventory requirements and procedures.
6. Inventory management procedures are as follows:
    a. Agencies process Fixed Asset Modification (FC) documents through the Integrated Financial System (IFS) for all transfers and corrections to fixed asset records.
    b. Purchasing reviews and approves FC documents for equipment maintained on the statewide inventory pursuant to item 1 of this section.
    c. Report all Excess, Stolen/Lost, and assets needing addition or deletion, using Property Disposition Reports.
    d. Purchasing authorizes PDR actions, initials original document upon completion, and sends copy back to agency.
    e. Agencies shall enter the most recent inventory date using the Last Inventory Date Update (FADU) table within IFS.

1546 Circumventing

Direct purchases shall not be made contrary to the requirements included in SAM, nor shall they be made in such a manner as to circumvent the intent of this chapter, nor shall related or similar items be purchased separately (by splitting purchases or by a series of smaller purchases) as a device to avoid these requirements.

Direct purchases when authorized, shall be subject to competitive considerations, i.e., best value cost to the State, all factors considered.

Any purchase and any contract for the purchase of any supplies, materials or equipment, made or entered into by any State officer, department, institution, board, commission or agency contrary to the provisions of the Nevada Revised Statutes, the State Administrative Manual and the rules and regulations of the Purchasing Administrator shall be void. The agency head and the employee who actually made such purchase or entered into such contract shall be personally liable for the cost of any supplies, materials or equipment delivered pursuant to such purchase or contract. Any contract made with any person, firm or corporation shall be void if any member, officer or employee of any using agency taking part in the making of such contract is also an officer or employee or owner of a substantial part of interest in such firm or corporation. (NRS 333.810)

1550 Mandatory Purchases through Purchasing Division

- All contracts established by the Purchasing Division.
- All items not specifically exempted in **SAM 1552**.
- All weapons as defined in **SAM 1544**.

1552 Direct Purchase Authorization to Any Agency

Direct purchase authority means that these purchases do not have to come through the Purchasing Division. It does not exempt an agency from other approvals or requirements in SAM, as well as obtaining quotes as prescribed by NRS 333.390(4).

Equipment items defined in **SAM 1544** require approval by the Budget Division prior to direct purchase.

Agencies are authorized to purchase equipment, material and supplies within the limitations mentioned per purchase. No purchase is authorized to exceed the amount indicated for each item:

1. Emergency purchases necessary to protect life or public property. Purchases in this category must be reported to the Purchasing Division on the next working day after the purchase to obtain post facto purchase authorization.
2. Any item, not available on contract, up to $4,999.99 per purchase. Detailed contract information is available on the Purchasing Division website.
3. Heavy equipment repairs including aircraft, heating and air conditioning not to exceed $15,000 (includes parts and labor). (NRS 333.390) Agencies authorizing repairs on State property are required to verify that the contractor maintains commercial general liability and workman's compensation insurance prior to start of work.

4. Training of state employees or persons representing the State at an off-site location. On-site training shall follow the contracting process of **SAM Chapter 0300**.
5. Weapons are not authorized for direct purchase in any amount.
6. Vehicles, including snowmobiles, All Terrain Vehicles (ATV), golf carts, and other motorized items are not authorized for direct purchase in any amount.
7. Computers, laptops, and file servers are not authorized in any amount; software not available on contract and less than $5,000 per purchase may be direct purchased, but requires the pre-approval as defined in **Section 1511 of SAM.**

Agencies should match the purchase order, receipt, and invoice prior to requesting payment for any items purchased with direct purchase authority.

1554 Procurement of Services

The purchasing of services shall be in accordance with NRS 333, NAC 333, and as contained in **SAM Chapter 0300**.

1556 Procurement Card Program

The State of Nevada's Procurement Card (P Card) Program is administered by the State Purchasing Division, with procedures for each using agency approved by the State Purchasing Division and the Internal Audits Division. This is a mandatory program for agencies utilizing credit accounts; agencies are not authorized to establish credit accounts with other merchants. Information and guidelines governing the State's Procurement Card Program can be found on the Purchasing Division's website at http://purchasing.state.nv.us under the "Contract Information" link.

Agencies are encouraged to use the P Card in lieu of local purchase orders (LPO), and for all purchases authorized under **SAM 1552**.

1560 Professional Licensing Boards and Commissions

Professional Licensing Boards and Commissions that do not process funds through the IFS are required to comply with all provisions of NRS 333, NAC 333, and **SAM 1500** regarding purchases and inventory. The following procedures shall apply:

1. Agencies shall submit purchase orders directly to contracted vendors. Agencies shall pay the contracted vendor directly for goods and services after they are received.
2. Agencies should report all changes to fixed asset records including Excess, Transfers, Stolen/Lost, additions, corrections and deletions, using Property Disposition Reports (PDRs).
3. Submit to the Purchasing Division written notification of inventory completion date and reconciled Location Codes.
4. Purchasing authorizes PDR actions, initials original document upon completion, and sends copy back to agency.
5. Purchasing updates the "FADU" table within the IFS noting the Last Inventory Update Date.

1600 Information Technology

1602 General

Chapter 242 of the Nevada Revised Statutes authorized the creation of the Department of Administration, Enterprise Information Technology Services (EITS) for the coordinated, orderly and economical processing of information in State government, to ensure economical use of information systems and to prevent the unnecessary proliferation of equipment and personnel among the various State agencies. The purpose of the Division is to perform information services for State agencies and to provide technical advice but not administrative control of the information systems within the State agencies.

The Division provides the following services:

Communication Systems: Provides primary public safety communication infrastructure support for State agencies, federal and local public safety entities operating in Nevada. Also provides communication transport services, microwave communication channels, mountaintop communication site space and engineering.

Computer Operations: Provides computer-processing services (24 x 7 x 365) using various computing platforms, including mainframe and server farm. Also provides hosting of server hardware for agencies.

Data Networking (SilverNet): EITS statewide data network providing high-speed/broadband network connectivity services for State agencies, local and county governments. Secure services include high-speed internet access, dialup and Virtual Private Network connectivity.

Database Administration: Provides comprehensive database and information management services for the executive branch of State government. This includes database and information administration services such as database design and support, and specialized and multi-user data file design and management.

Documentation: Coordinates departmental and statewide IT policies, standards and procedures and the online State Telephone Directory.

Internet Services: Hosts websites and web applications. Also provides specialized web functions such as e-mail and online conferencing.

Planning: Several planning services are provided.

Strategic Planning: identifies and documents the IT vision, supporting strategies, and guiding principles to meet the State's current business needs and support long-term strategies.

Capacity Planning: forecasts technology resource needs for mainframe, internet, network, server farm and storage for the State. Coordinates with users to insure that enterprise capacity and performance needs are met.

Agency Planning: Consults with customer agencies in their development of IT Strategy plans. Technical assistance and workshops are also provided for completing the Technology Investment Request (TIR) document.

Policy: Responsible for developing an enterprise-wide IT strategic plan as well as policies and standards for the information systems and the IT infrastructure of the executive branch of State government.

Production Services: Coordinates off-line processing for customer agencies' business applications and report generation.

IT Governance: Supports the Governor's IT Governance committee structure. Guide agencies in transitioning through the IT investment lifecycle, which involves project planning, vendor and resource acquisition, project implementation and agency accountability. This includes guidance in acquiring appropriate professional project management and quality assurance resources.

Security: Provides information security and contingency planning consulting services for State agencies. Also provides project oversight on all security aspects of IT projects.

Software Design and Development: Provides all aspects of software systems development, including project design and analysis, programming, installation, documentation and maintenance. Provides web development, administration and support of agency websites. Applications can be developed on a complete range of platforms from mainframe systems to the latest web-enabled applications. Provides team leads for software consultants and assists in drafting and overseeing software deliverables. Additionally, programmers provide technical support on all aspects of program and software development and can assist as technical advisers.

Technical Support: Provides installation and maintenance of Local Area Networks (LAN), PCs and related hardware system software.

Web Page Presence: The Web Development Unit of AD&D assists State agencies with all aspects of their office's internet presence. This unit offers new development of web sites for agencies with no web presence, continuous maintenance of existing web sites and training of agency employees if requested. The web unit is proactive in developing and implementing procedures for State agencies to offer new web technologies as they become available and making it possible for all agencies to be able to offer them with minimal expense and effort.

Voice/Telephone: Coordinates agency telephone system design, installation and maintenance, system administration of the State Telephone System, issuing of phone cards, toll-free numbers; phone and data wiring installation, moves, adds, changes of telecommunications equipment; cellular and paging services and State Operator assistance.

1604 Responsibility

The Department's major responsibilities are:

1. To provide IT systems/services to State agencies (see NRS 242.115 and .131 for exemptions).
2. To develop policies, procedures, standards and regulations for the procurement, development, implementation, and maintenance of information technology and systems within the Executive Branch and for elected officials.
3. To establish and maintain a statewide information infrastructure that provides easy access to government information for everyone authorized to use it.
4. To assist State agencies in the selection of solutions for their information needs that meet established standards.
5. To develop standards to ensure information systems security and disaster recovery.
6. To create and publish strategic plans for information technology for the Executive Branch and elected officials.
7. To provide guidance to agencies in developing short and long-term information systems plans.
8. To provide guidance to agencies in developing their information technology budgets for appropriate EITS services.

1606 Funding

The Division operates as an Internal Service Fund. All funding is received through billings for user services or assessments.

Annually, the Division establishes billing rates for the services provided by the operating divisions. These rates are developed in accordance with federal ratemaking standards and are monitored on a monthly basis. Adjustments are made to the established rates as needed, but usually no more often than annually.

1608 How and When To Utilize Services

Executive Branch agencies and elected officials should contact the Department of Administration, Enterprise Information Technology Services at the time of initial planning for any information system/project regardless of technology being considered (voice, data, image, video, etc.). This includes the telephone equipment, local telephone service and long distance telephone service. Requests for such services should be initiated by contacting EITS Help Desk at (775) 684-4333.

The Division and an agency requesting services will jointly develop a needs assessment. The needs assessment will specify the scope of the required services, projected growth of services needed and the corresponding budget required for service.

1610 Hardware Repair and Maintenance

Agencies that do not have in-house repair and maintenance resources should call the Division help desk immediately when assistance is needed. Division staff or contractual assistance will be provided.

1612 Policy, Procedures, Standards and Guidelines

The Chief Information Officer of the Division is responsible for developing policy, procedures, standards and guidelines for information technology activities within the Executive Branch. The most current policies, standards and procedures are posted to the Division's website.

1614 Telephone Toll Calls

Toll calls should be held to an absolute minimum. Agencies should institute proper internal controls of toll calls in order to verify toll billing. Personal long distance calls including 900 service are not to be placed from State telephones at State expense.

1616 Cellular Telephones

Each department of the State of Nevada must develop a cellular telephone, portable tablet, or other mobile device policy that meets the department's specific needs regarding the necessary use of such devices for work-related activities while operating within budget authority, addressing the potential legal issues regarding access to the record of the devices' use, and being compliant with the State's personnel rules associated with requiring employees to be available for contact after their regular working hours. The departmental policy must fully address security issues and must specifically identify criteria to determine eligibility to receive a cellular telephone, portable tablet, or other mobile device at state expense or a stipend for the use of a personal device. There must be a compelling reason directly related to efficiencies to be gained and the employee's job duties and responsibilities that necessitates a cellular telephone, tablet, or other mobile device for business purposes.

There are 3 acceptable methods to provide for employee use of a cell phone, tablet, or other mobile device:

1. State issued device – the agency provides the employee with an approved State device pursuant to the state contract for such services and pays the monthly charges directly to the service provider. The device remains the property of the State and the employee must comply with all policies regarding personal use of state devices. If the employee's personal use of the device results in additional costs to the State, the employee must reimburse the State for such charges at least monthly. Agencies must take care to choose the appropriate plan level for the needed use for State purposes. This may include prepaid phones that only include voice services. Upon separation from the agency that issued the device, the employee shall return the device. Departmental policy must include acknowledgement of receipt of device and terms and conditions of use that should be retained in employee file.
2. Stipend paid by State for employee using personal device for State purposes – the State pays an employee a monthly stipend to use their personal device to conduct State business. The base plan cost is understood to include cellular telephone, internet, and/or data services. The stipend amount will remain the same regardless of the amount of State business conducted on the

personal device. The employee is responsible for contracting with a service provider, paying for any initial plan charges, the cost of the device, and paying the monthly bills. The State is not responsible for any penalties should the employee terminate the contract with the service provider.

Because the cellular telephone, tablet or other mobile device is owned personally by the employee, the employee may use the device for both personal and business purposes as needed. Use of the device in any manner contrary to local, state or federal laws will constitute misuse and will result in immediate termination of the stipend.

The stipend will be taxable income to the employee and will be reported on their W-2, Wage and Tax Statement.

The stipend amount will be established by each Department director when they develop the policy for their respective Department.

3. Employee voluntarily uses personal device to conduct State business without compensation.

Employees must be aware that it is possible the record of use for any device used for State business, could be considered a public record.

Regardless of the reimbursement method used, each employee using a device for State business or connected to the State's IT infrastructure must sign an "Acceptable Use Agreement" and an "Agreement for Use of a Mobile Device." The respective Department policy must be attached to each "Acceptable Use Agreement" and "Agreement for Use of a Mobile Device" and shall be retained in the employee's file.

An agency may rescind a state issued device or stipend at any time if the business necessity or budget authority no longer exists.

Employees are expected to comply with all applicable laws regarding the use of cellular devices while operating a motor vehicle. Each department policy shall include a reference to SAM 1320.

1618 Technology Investment Request

An IT project is defined as the implementation of IT improvements (computer, telecommunications or other information technology improvements) or enhanced capabilities using IT services (Vendor, EITS or agency) within a defined period of time (i.e. not maintenance or ongoing IT services and support). Any Executive Branch agency wishing to invest in an IT project that costs more than $50,000 must develop a business case with a Technology Investment Request (TIR) form. TIRs are required for Executive Branch agencies as part of their biennial budget process as well as for interim funding of IT projects. They apply regardless of the funding source (including grant funding), as well as in situations where the funding already exists and the agency is requesting authority for expenditure. This also applies to projects mandated by either the federal government or the Nevada State Legislature. Agencies with federally funded and mandated interim projects should contact EITS for guidance on how to best proceed regarding potentially concurrent TIR and RFP processes.

The TIR must be submitted to EITS for review and approval prior to submittal to the Budget Division.

Agencies preparing IT contracts for the BOE should contact EITS regarding TIR requirements. New contracts related to an IT project may require a TIR. Contract amendments may require a TIR Waiver for Enhancements (TWE). In cases when Work Programs fund more than $50,000 of an IT Project EITS should be consulted to see if a TIR or TWE are required.

Every agency submitting a TIR that is:

- An investment of $500,000 or more or
- Critical in nature to State operations or
- Significant risk of adverse consequences to the State of Nevada

will make a presentation to the Nevada IT Strategic Planning committee. During the biennial budget session, this committee will submit its recommendations to the Governor regarding the prioritization and inclusion of IT projects in the biennial budget.

1620 Project Management Quality Assurance and Project Oversight

All IT projects as defined below must have a qualified IT Project Manager, a Quality Assurance Manager, and Project Oversight staff assigned to the project. The level of resources for these services must be budgeted in accordance with accepted IT industry standards and included in the TIR, and if funded, utilized specifically for these services.

This requirement does not apply to:

1. Projects for ongoing / routine replacement of existing hardware (PCs, routers, servers, etc) and software (upgrades, releases, licenses, etc)
2. Projects of short duration where
    a. Vendor or internal involvement is at a minimum
    b. There is only minor component reconfiguration
    c. Installation is only within the agency
    d. Purchases are internal to the agency
    e. The project is transparent to the users

A qualified Project Manager is an individual who meets or exceeds the experience and credentials as outlined in the IT Project Manager Qualification and Selection Standard 9.12 developed by the State of Nevada Information Technology Project Oversight Committee.

EITS should be contacted if there are questions regarding what constitutes a qualified Project Manager or Quality Assurance Manager.

The purpose of Project Oversight is to determine that a qualified project manager is assigned to the project, the project is being managed in compliance with the project plan, that sound management practices are being observed, that the project is adequately staffed, schedules are reasonable and are being met, and to identify and take action to assist in remediation of risky and potentially unsuccessful project activities and problem situations at the earliest possible time.

1622 Utilization of EITS Services As Budgeted

Executive Branch agencies that receive funding for EITS services, as part of their biennial budget request must use the funding for that purpose.

If an agency believes an exception is warranted, they must submit a written request to the Chief Information Officer of the Division of Enterprise Information Technology Services. Both the Chief Information Officer and the Director of the Department of Administration must approve the request. The Chief Information Officer will notify the requesting agency of the decision.

1624 Grant Applications with IT Components

All Executive Branch agencies applying for grants that have IT components must submit the IT portion of their grant application to the Division for review and approval prior to submittal of the grant. Also, if the grant contains funding for IT positions, the requested funds must be based on standard usage of hourly rates, rather than salaries for dedicated positions. This will ensure that the IT component is technically feasible, within State standards and the funding requested is adequate to accomplish the project.

1626 Contracts for IT Services

Prior to submitting a contract for IT services to the Board of Examiners for approval, agencies must submit the contract to EITS for review and approval. Agencies are encouraged to schedule that review prior to obtaining signatures on the contract documents, thus avoiding delays resulting from modifications to the documents. Contracts related to IT projects must adhere to section 1618 regarding TIRs and TWEs. Signatures are obtained electronically by utilizing the Nevada Executive Budget System, Contract Entry and Tracking System (CETS) Module.

1700 Attorney General

1702 General Responsibility

The Attorney General and his/her duly appointed deputies are the attorneys for all State elected and appointed officials, boards, departments, agencies, commissions and institutions except when other counsel is specifically authorized by special legislation. (NRS 228.110) The authority and duties of the Attorney General are generally set forth in NRS Chapter 228 but can be found throughout the Nevada Revised Statutes and common law. NRS 228

Prior to the imposition of any suspension, demotion or termination of an employee, an appointing authority must first consult with the Attorney General regarding the proposed discipline.

1704 Services Available

The Office of the Attorney General provides a broad range of legal services pursuant to its legal authority. State agencies should be proactive in consulting the Attorney General on potential legal issues and requesting general legal advice.

Unlike general legal advice, formal attorney general opinions issued pursuant to NRS 228.150 are issued on behalf of the State. They are not designated for exclusive use by a specific organization or governmental official and may therefore be published at the Attorney General's discretion. These requests may only be made by the Governor; the Secretary of State; the State Controller; the State Treasurer; the Director of the Department of Corrections; the head of a state department, agency, board or commission; a district attorney; or a city attorney. A request for a formal opinion may not be withdrawn after the formal opinion process has begun.

The Attorney General also publishes numerous manuals, resource materials, and official opinions on questions of law. These materials are available at the Attorney General's website.

State officers and employees should not seek legal advice or representation in personal matters from the Attorney General. Nevada law generally prohibits the Attorney General and deputy attorneys general from engaging in the private practice of law. (NRS 228.070(3); NRS 228.080(3)). Limited exceptions exist for (1) the Attorney General's Office of Military Legal Assistance, which facilitates pro bono legal assistance in civil matters to current and former military personnel in this state (NRS 288.660); and (2) the uncompensated representation of indigent persons in non-criminal legal matters (NRS 7.065; 7.105).

1706 Requests for Services

Requests for any service requiring a written statement by the Attorney General should be made in writing. All facts should be included as clearly and concisely as possible. Be clear as to what service is requested.

1708 Reimbursement for Services

The Attorney General may charge all State agencies not supported by the State General Fund for all service and costs his/her office provides to those agencies. This is accomplished either through the Attorney General Cost Allocation Plan or through direct billings to the agency. (NRS 228.113)

1710 Service of Process

The Attorney General should be immediately notified whenever any State department, agency, board or commission is served with a complaint in federal or state court, or served with a petition for judicial review,

or otherwise presented with legal documents, since service must be effected in strict compliance with all applicable rules and statutes, including FRCP 4(j)(2), NRCP 4, NRS 41.031(2), and NRS 233B.130(2), which includes service upon the Attorney General. This is necessary to allow a prompt determination of any counterclaims and defenses that may be asserted and to ensure a timely response and/or appearance.

1800 Printing

1802 General

Nevada Revised Statutes (Chapter 344) provides that all State printing and binding may be done on a competitive basis. It is in the best interest of the State of Nevada to do business with the State Printing Office of the Legislative Counsel Bureau whenever possible. State Printing offers all services, including complete offset printing, digital printing, copying, binding and finishing operations.

For all jobs with an expected expense of $999.99 and under, the using agency may utilize the services of any printing vendor, including State Printing. For all jobs with an expected expense between $1,000.00 and $4,999.00, the using agency must obtain at least three (3) quotes, one of which must be State Printing. If a using agency so chooses, it may directly utilize State Printing at any amount under $4,999.99 without obtaining outside quotes. For anticipated amounts above $5,000.00, the using agency must direct their purchase through State Purchasing. In soliciting quotes or bids, State Purchasing must always solicit a quote or bid from State Printing.

1804 Ordering

When ordering, agencies should place orders as far in advance as possible. If orders are time-sensitive, agencies should specify the date requested for completion of the order. Printers typically charge a premium for rush orders.

In order to prevent delays in processing and producing printing orders, please include a completed State Printing Specification Form with your order and a sample of the product when ordering from State Printing. Use the **State Printing Specification Form** as a guide when ordering from outside printers.

The submission of clear copy with the order will help to avoid delays and errors in production of your printed project. If there is a State Printing form number on the form, please include it with the order when ordering from State Printing. Contact State Printing at 775-684-6950 or printing@lcb.state.nv.us for additional information.

On jobs canceled before completion, printers will typically bill to cover the cost of labor and material used before the cancellation notice.

1820 Preparation of Materials

Proper preparation of materials and copy can mean less expensive corrections, more accurate estimates and faster printing service regardless of the vendor. The following are suggestions to help agencies keep printing costs down.

1. Edit the copy and not the proof. The most expensive item in the cost of printing occurs when corrections are made in the galley or page proof. The actual cost of alterations will increase the printing bill. Therefore, make all "author's alterations" in the manuscript before it is set in type.
2. Typed copy or digital file is preferred, preferably in the finished size of the product.
3. Be certain copy will fit the allotted area when space is limited.
4. Check carefully for uniform style, punctuation, spelling, capitalization, figures,names, dates, amounts of money and statistics.
5. Furnish all copy, black and white, digital files, photographs, pictures, drawings and negatives together when possible.
6. Give complete specifications, including sample when possible, and date desired.
7. If uncertain as to publication practices, please call 775-684-6950 with any questions.

1822 Manuscripts

Manuscript sheets should be of uniform size, preferably the size of the product. All pages should be numbered consecutively.

1824 Electronic or Digital Copy

Digital copy files can be submitted via e-mail or on computer disk: Zip disks, or CD ROM disks can be accepted by most printers. Files should be provided in EPS, TIF, or PDF format with all fonts, graphics and/or resource files embedded. If fonts or resource files are not includedthe order will be delayed. Most printers support PC and MAC platforms.

1834 Reading Proofs

Proofs should be read, signed and returned promptly. Holding proofs for an extended period of time will delay the completion of your printing order. It is the customer's responsibility to make sure proofs are correct, as the order will be printed per the proof.

1836 Billing

Printing charges for agencies utilizing State Printing will be based on quote or bid, where applicable, or where no quote or bid was requested on established hourly rates.

1840 Specifications

To complete State Printing order form, fill in all applicable specifications on the Printing Specification Sheet or Quick Print order form. Other printers will normally have similar forms --if they do not, use the State Printing forms as a guide. Regardless of the vendor, the following information must be indicated on your order form:

1. Finish size of completed job (state width of form first, then length; example: letterhead is 8 1/2 x 11 inches not 11 x 8 1/2 inches)
2. Color and Weight of Stock (bond, cover, index, ledger, Bristol, NCR, and gummed stocks)
3. Page Count
4. Color of Ink (provide a sample of the color or select a color at the vendor)
5. Fold (Size)
6. Binding
7. Perforated (Indicate Position)
8. 1 or 2-Sided
9. Punching (indicate position, space between holes, center to center and size of holes
10. Padding (how many sheets or sets in each pad)
11. Quantity (express in pieces or sets - multiple forms; do not express the quantity in the number of pads
12. Cover (where a publication requires a separate cover, paper color should be specified; cover samples are normally available at the vendor upon request)
13. Numbered jobs (checks, receipts, etc.) must have the starting number and the ending number provided

Completion of work will normally be facilitated and duplication of efforts avoided if each department will arrange for one person to make all inquiries concerning work in progress.

1846 Other Services

Printers perform various finishing work, including assembling, stapling, drilling, folding and various binding procedures. While folding equipment will execute most types of basic folds, it is advisable to contact the printer for advice on specific folding needs.

1850 Printing Authorization

Normal departmental authorization procedures should be followed when ordering printing services.

1900 Public Works Board

1902 General

The State Public Works Division consists of the Administrator, the State Public Works Board, the Public Works Section, and the Buildings and Grounds Section. The State Public Works Division consists of the Director of the Department of Administration, 4 members appointed by the Governor, and 2 by the Legislature. The Board elects a Chairman and Vice-Chairman from among its members appointed by the Governor. Appointed Division staff is responsible for the management of the daily affairs of the Division and the Board.

The Division and the Board are responsible for developing the Capital Improvement Program and the Board recommends to the Governor the priority of all proposed projects. The Division's staff supports the Governor in providing the Governor's recommendation to the Legislature.

The Division also provides all State departments, boards and commissions with architectural and engineering services for the construction of any building constructed on State property or on property held in trust for any division of State government or for which money has been appropriated by the Legislature or allocated by the Interim Finance Committee, except buildings used in maintaining highways, and improvements, other than nonresidential buildings with more than 1,000 square feet in floor area, made in State parks by the State Department of Conservation and Natural Resources or by the Department of Wildlife. All departments, boards or commissions are required and authorized to use such services for new building construction, remodeling or major repairs. (NRS 341.153 and 341.141)

Services may consist of:

1. Advance planning;
2. Designing;
3. Estimating of costs;
4. Preparation of bidding documents;
5. Project management and Inspection of construction work; and
6. Building official for State-owned facilities.

The Division may retain private-practice architects and engineers to prepare bid documents if the Division deems such action desirable. The cost of such consulting services and the cost of all architectural and engineering services shall be charged against the appropriations made by the Legislature or other funds allocated to the project.

The Division may delegate its authority for project management services for some projects to other State agencies. All requests for Delegation of Authority shall be directed to the Administrator. Any agency that receives Delegation of Authority from the Division must comply with NRS 338, including bidding and prevailing wage requirements.

1904 Capital Improvement Program

Before October 1 of each even-numbered year, the Board must submit its recommendations for capital improvement projects in the next biennium to the Governor. The Administrator supports the Governor's recommendations and prepares the Capital Improvement Program for Legislative approval. To develop its recommendations, every State department, board and commission is requested to submit its requests for new building construction; remodeling or major repairs Included in their requests, all proposed work should include any maintenance, repair or replacement projects greater than $300,000. All Americans with Disabilities Act (ADA), Roofing, Advance Planning, Underground Storage Tank, Mold Abatement and Indoor Air Quality projects should also be requested in the Capital Improvement Program. Proposed maintenance work such as painting, carpeting, drapes, are not considered capital improvements and should be requested in the agency operating budgets (**SAM 2508**). Interior improvements that include items like carpeting and drapes have code smoke and flame spread requirements and therefore are required to be submitted to the State Fire Marshal for approval. The Division has developed a process by which an agency may request capital improvement funding. State agencies must timely coordinate with the Division, and properly complete all required documentation in order to ensure that their capital improvement funding requests are considered. The failure of an agency to meet time deadlines or to properly complete all required documentation might result in the Board refusing to consider the request.

The Division also has the authority to conduct advanced planning for future projects. The term "advanced planning" means receiving funding for specific studies, or receiving funding for numerous miscellaneous planning and/or study projects for which the need only becomes apparent during the biennium. Advanced planning is critical for an in depth study of the cost and feasibility of a project. It is the policy of the Division to perform advance planning for projects with an estimated construction cost of $10 Million or more. Any agency desiring to use the services of the Division for advanced planning for a future project should contact the Board as soon as the need becomes apparent. At the discretion of the Division, advanced planning funding may be available during the biennium. If advanced planning funding is not available during the biennium, the Board may recommend to the Governor and to the Legislature specific funding for the advanced planning of an agency project. Timely coordination with the Division is critical in obtaining advanced planning funding.

1906 New Construction

Except as otherwise specified in **Section 1902**, the Division, has final authority to approve the architecture of all buildings, plans, designs, types of construction, major repairs and designs of landscaping. Except as otherwise specified in **Section 1902,** all State agencies shall submit to the Division schematic level architectural designs for approval prior to advertising any project for bid or prior to instituting any other contractor procurement method. The Division must review all architectural plans of State buildings if the project is to be constructed on land owned by the State or with funds appropriated by the Legislature. (NRS 341.145)

The Division shall verify that all public buildings and facilities conform to ADA Guidelines. (NRS 338.180)

1908 Remodeling, Repairs, and Maintenance Work

Remodeling, repairs and maintenance work of a non-structural nature financed with agency operating funds and estimated to cost less than $100,000 do not need the project management services of the Public Works Division and may be made by the agency controlling the building. However, all remodeling projects, on State land or land held in trust for any division of the State government, must be reviewed by the Public Works Division to ensure code compliance through plan check and inspection services. Non-structural alterations mean such alterations that do not affect the safety of the building and do not change, in any manner, its structural elements. See SAM 0300 for contract and bidding requirements.

1910 Acceptance of Grants and Contracts

On projects requiring the services of the Public Works Division and which have not been approved or authorized by the Legislature, the Division is required to seek approval of the Interim Finance Committee before proceeding with the work. The Division may, with the approval of Interim Finance Committee when the Legislature is not in regular or special session, or with the approval of the Legislature, by concurrent resolution, when the Legislature is in regular or special session, use grants of money for the design and construction of public buildings for which no appropriation has been made by the Legislature. Grants of money may also be used for the additional acquisition, design and construction of public buildings for which the original legislative appropriation made no provisions. (NRS 341.121)

1912 Inspection of State Buildings

The Division is required to periodically inspect all State buildings. Reports of such inspections, including findings and recommendations, shall be submitted to the appropriate State agency and annually to the Board of Examiners. As a result of the State Fire Marshal annual inspection of buildings, if an agency in charge of any State property fails to comply with an order of the State Fire Marshal for any change within 30 days, the Fire Marshal shall report such failure to the State Public Works Division who shall take the necessary steps to correct the situation as ordered by the Fire Marshal. Inspections are of critical importance as they aid in the development of future request for capital improvement funding

and serve to protect State employees and members of the public. The Division has developed a Facility Condition Analysis Group to carry out inspections. The function of the Division's Facility Condition Analysis Group is to coordinate a statewide series of inspections of State buildings relating to roofing, compliance with the Americans with Disabilities Act, fire safety and other issues relating to the safety of State employees and the general public. (NRS 341.201 and 477.035)

1914 Building Official Role

Regardless of the source of funding, the Deputy Administrator for Compliance and Code Enforcement shall serve as the building official for all buildings and structures on property of the State or held in trust for any division of the State government. When acting as the Building Official, the Deputy Administrator for Compliance and Code Enforcement shall have authority to issue stop work orders based upon reasons of health, safety, violations of building codes, other laws or regulations, or for failure to obtain an appropriate building permit from the Division. State employees and/or contractors performing the work may be subject to personal fines of up to $1,000 for violating a stop work order and may also be subject to criminal sanctions. All agencies of the State shall coordinate with the Division in the design, construction, tenant improvements and remodels of buildings or structures subject to the requirements of this section. Coordination shall include obtaining approvals on all design work prior to advertising any project for bid or prior to the institution of any other contractor procurement method (2003, Chapter 404 and NRS 341.100(5)(h)). The Deputy Administrator for Compliance and Code Enforcement is the Building Official even for those projects exempted under **Section 1902** if they are constructed on State land.

Any construction activity on lands not owned by the State is governed by the local building jurisdiction. Approvals, permits and inspections may be required by the local building jurisdiction; therefore, it is advised that the agency contact them for their requirements.

The Division is a fee-based agency and therefore investigation, plan check, permit, and inspection fees are charged for those services. Early contact should be made with the Division prior to the institution of any new construction or remodeling projects.

1916 Emergency Contract Authority

If the Division determines that an emergency exists, a contract, or contracts, necessary to contend with the emergency may be let without complying with the provisions of NRS 338 (2003, Chapter 401). Any State agency believing that the condition of a State building or structure warrants the issuance of an emergency construction contract should immediately notify the Administrator of the State Public Works Division.

2000 Nevada State Library Archives

2002 NSLA Functions

The Nevada State Library and Archives (NSLA) is a division of the Department of Administration. The NSLA exists to meet the information and research needs of State government; to coordinate and

supplement a State network of library resources for Nevada; and to preserve, maintain and coordinate State and local government records and archives. Archives and Records works with the State Historical Records Advisory Board and the State Records Committee to ensure proper maintenance of and access to Nevada government records. The Nevada Electronic Records Committee serves in an advisory capacity to the State Records Committee and the State Historical Records Advisory Board in matters relating to the use of technology for Nevada Record Keeping in all of its political subdivisions. The Library works with the State Council on Libraries and Literacy in surveying and reporting on the status of libraries and literacy programs in Nevada and in making recommendations "to foster and further the establishment and proper maintenance of superior libraries." (NRS 380A.011) The Library administers federal and State funds to local libraries (NRS 378.081(h), 378.087 and 378.100).

2004 NSLA Location, Hours of Service

The offices of NSLA are in the State Library and Archives Building at 100 N. Stewart Street, Carson City, NV 89701-4285. Hours are 8:00 a.m. - 5:00 p.m., Monday through Friday with the exception of legal holidays. The toll-free number in-State is 1-800-922-2880.

2006 State Library Services

Library

The Library provides visitors access to its collections. Access services include a professionally staffed reference desk. The Library directly loans materials to visitors who are Nevada citizens with a valid Nevada library card. The Library provides distance loans of materials from its collections when requested by another library that subscribes to the Interlibrary Loan Code. The Library provides in-depth reference and research services to Nevada State government personnel and Nevada citizens. The Library obtains materials not in its collections for State employees through direct interlibrary loan. It provides technical assistance to local governing bodies, librarians, library boards and State controlled institutions through consulting services on all aspects of library and information services, technology, construction and continuing education.

Reference and Research Services

A staff of professional librarians provides reference and research services by utilizing its collections, databases, and other information sources to supply requested information (NRS 378.080(d)).

State Publications Distribution Center

The Library provides a State Publications Distribution Center to acquire, index and distribute State, city and county publications. NRS 378.180 requires every State agency to deposit with the State Publications Distribution Center 12 copies of each publication that was published, printed or copied by the State agency itself or by a private printer, or by the State Printing Division. Every local government shall,

upon release, deposit with the State Publications Distribution Center at least six copies of each of its publications. If the publication is in an electronic format or medium, the state agency or local government shall notify the State Publications Distribution Center of such release and provide the Center with access to the Publication.

Nevada State Data Center

The Library, through contract with the U.S. Bureau of Census, is the State Data Center for Census information. The Library and State Data Center affiliates receive and disseminate census information to State government agencies and citizens.

Services to the Blind and Physically Handicapped

The Library also provides services to Nevada's blind and physically handicapped through the Regional Library for the Blind and Physically Handicapped and provides, under the American With Disabilities Act, translation of State government information into usable formats for handicapped persons.

Literacy Coalition Services

The Nevada Literacy Coalition works cooperatively with other State agencies to meet the needs of under-educated, under-employed, low-income Nevadans through information and referral, technical assistance, training, advocacy, resource sharing and a Literacy website.

Loan Services

The primary clientele of the Nevada State Library and Archives are State officials, State employees and Nevada citizens. The Library lends material to any client with a valid library card from any Nevada library without charge. State employees located outside Carson City may receive library materials on request through interlibrary loan. The borrowing office pays return postage. Materials on loan are subject to recall. Materials are loaned for a period of 1-2 weeks, with renewal privileges that can be made by telephone.

Materials not found in the State Library collection may be requested on interlibrary loan from libraries in the United States and worldwide. Such loans may include handling postage or other charges that the loaning library charges.

Technical Assistance

The Library assists and cooperates in the development of a statewide informational service network of public, academic, school and special libraries to facilitate access by all citizens to the State's library resources. Access to all library catalogs statewide and to major licensed databases is provided via the Internet. Extensive information is available from the State Library and Archives Homepage.

2010 State Library Collections

The Library is the official office of record for public access to proposed, temporary, emergency and permanent regulations of State government.

The Library collects a wide variety of materials, in all formats, to meet reference and information needs of State agencies and to enable it to act as a resource center to other libraries within the State. All materials are selected according to a written selection policy.

Reference Collection

The Library has bibliographies, encyclopedias, indexes, directories, yearbooks, handbooks, federal, State and local government publications as well as access to commercially available databases on CD ROM and via the Internet and other materials necessary to perform in-depth reference and research services. Subjects of particular interest to State agencies include statistical and demographic data, business and personnel management information, federal and State laws, rules and regulations, public affairs and administration, government, grantsmanship, etc.

Nevada Collection

The Library keeps books, periodicals, newspapers and other publications about Nevada and coordinates collections with other divisions of the Department of Cultural Affairs.

Library Science/Archives Administration

The Library has an in-depth collection of materials on library science, archives, records management, micrographics and conservation to aid in promoting library, archives and records management development throughout the State. Areas of special interest are standards, administration, planning, training, financing, building and preservation.

Government Publications

The Library keeps federal, State and local government publications. As a selective federal depository, the Library provides access to publications and databases available through the Government Printing Office from federal agencies. The State and local publication collections provide access to publications printed by the State Printing Office and individual Nevada State and local government agencies.

Nevada Literacy Coalition Collections

The State Literacy Resource Center lends print, electronic and audiovisual materials dealing with workplace literacy, family literacy, consumer/life skills, English as a second language, civics, learning disabilities, assessment, accountability, adult education and literacy instruction.

2012 State Library and Archives Publications of Interest to State Offices

Nevada Library Directory and Statistics

Includes all public, special, academic and school libraries in Nevada.

The LSTA State Plan for Nevada

Contains the legal authorization and agreements for State participation in federal funding under the Library Services and Technology Act. Actual program activity and five year projected planning for statewide library development are presented therein.

Nevada State Library and Archives Master Plan

Issued biennially, provides a five-year plan of development for the NSLA.

State Data Center (SDC) Newsletter

Issued to business, government, State data center affiliates, and data users.

2014 Records: Records Management Services

The Records Management program establishes the standards, procedures and practices for managing public records and serves as the primary records management resource for State and local governments. It provides State agencies with analytical support, using records and information management controls, on the creation, maintenance and disposition of all records. The Records Management Program services include:

1. Developing general and agency records retention schedules that meet accepted standards for administrative, fiscal, legal and archival values.
2. Training and consulting in records management for State and local government agency personnel.
3. Assisting local governments in developing records retention schedules that meet accepted standards for administrative, fiscal, legal and archival values.
4. Advising State agencies and local governments in the efficient creation, maintenance, retrieval, and disposition (disposal or preservation) of paper, microfilm, and electronic records.
5. Providing a secure and environmentally safe records storage facility with efficient and timely records reference and retrieval services.

2016 Records: Definitions

Appropriate for preservation refers to documentary materials that, because of the evidence or information they contain, should be filed, stored or otherwise systematically maintained by an agency. The existence of incomplete and obsolete filing manuals should not limit the recognition of record material.

Copy of Record means an original record, a series of records or a duplicate designated as the official record by an inventory process or the Board of Examiners.

Custodian of Record means an employee or agent of the State of Nevada, any State agency, county, city, town, school district, or other unit of local government who has the care, custody and control of the records of the regularly conducted activity of the employer.

Documentary materials refer to all media containing recorded information. The medium may be paper, film, disk or other physical type or form. The method of recording may be manual, mechanical, photographic, electronic or any other combination of these or other technologies. The term "documentary materials" is also intended to include both record and non-record materials.

Duplicate means any accurate and unabridged copy of a record or series of records, which is not an original. (NRS 52.195)

Electronic Record Keeping System is the organized creation, collection, processing, maintenance, transmission, dissemination and disposition of record information in accordance with defined electronic procedures.

Electronic Records are information meeting a statutory definition(s) of Nevada record (NRS 239.080) that is created and stored in a form that only a computer can manage by a program when accompanied by appropriate certification and documentation.

Legal custody means all rights and responsibilities of access and maintenance to a record or record series are vested with a State agency. The official or department head is charged with the care, custody and control of that record or series of records. The term does not mean the ownership of the record.

Made refers to the action of creating information by State agency personnel. Creation is generally manifested by circulation to others or at least to the files where it would be accessible to others.

Official State Record for purposes of NRS 239.080 includes, without limitation any:

- Papers, unpublished books, maps, and photographs;
- Information stored on magnetic tape or computer, laser or optical disc;
- Materials which are capable of being read by a machine, including microforms and audio and visual materials; and
- Materials which are made or received by a State agency and preserved by that agency or its successor as evidence of the organization, operation, policy or any other activity of that agency or because of the information contained in the material.

Original means an original, a reproduction or any record designated by the Records Committee or the Board of Examiners to be an original. An original consists of the stored security copy and the copy maintained for the use of authorized people. (NRS 52.205, 239.051)

Physical Custody means a record is physically located in a State agency or storage facility.

Preserved means the filing, storage or other method of systematically maintaining documentary materials by the agency. The term covers materials temporarily removed from established filing systems as well as materials actually filed or otherwise systematically maintained.

Received refers to the receipt by State agency personnel, by any method of documentary materials. The term does not refer to misdirected materials. It may or may not refer to loaned or seized materials, depending on the condition under which such materials come into agency custody or were used by the agency. Advice of legal counsel should be sought regarding such materials.

Records Series means records kept or filed in a unified filing system because they are related in function, have common characteristics or are used for a similar activity.

Records Integrity means a complete, reliable and trustworthy record (certified as such by the custodian of record) that has the four qualities of security, timeliness, authenticity, and accessibility.

State agency means an office, department, board, commission, committee, agency or any other subdivision of the Executive Branch of government where records are made, received or kept.

2018 Records: Retention and Disposition Schedules

NRS 239.080 specifies that no official State record shall be disposed of before approval by the State Records Committee. Each agency, in cooperation with Archives and Records, develops a Records Retention and Disposition Schedule that shall be submitted to the State Records Committee for final approval.

Archives and Records organizes and supervises an inventory of all official State records in the legal custody of a State agency. A minimum retention period, based on an appraisal of the administrative, fiscal, legal and research/archival values of each record series, is assigned by Archives and Records.

When appraising record series for administrative, fiscal, legal and research/archival value, Archives and Records shall research federal laws and regulations, federal policy and procedure manuals, State laws and regulations and agency policy and procedures manuals.

The four principles used to appraise records are:

1. Administrative: Records that help an agency perform its functions. All records have some administrative value since they were initially created or received in order to facilitate the activities and functions of the agency.

2. Fiscal: Records relating to the financial transactions, auditing, budgeting and accounting functions of an agency. Audit requirement of the agency and State and federal governments shall be considered in determining this value.
3. Legal: Records that contain proof of enforceable rights or obligations. Such records prove:
    a. Ownership (titles, deeds);
    b. Rights (driver's licenses, marriage licenses);
    c. Obligations (contracts, leases and agreements);
    d. Legal conditions (court rulings, approved laws and regulations, court orders and sanctions); and
    e. Action taken by a governing body which affects the public (minutes of commission meetings, proclamations, etc.).
4. Research/archival: Records in which the administrative, fiscal and/or legal values may have expired but have reference and research values. They are appraised using the archival principles of intrinsic, evidentiary, and informational values.

To produce a records retention schedule:

1. An agency must designate a records management officer (RMO) who will be the person Archives and Records will contact concerning all phases of records scheduling.
2. An inventory is required to identify and describe all records series in the legal custody of the agency. Each State agency shall use the Inventory Worksheet in conducting the inventory.
3. Upon completion of the inventory, Archives and Records will appraise and evaluate each record series for its values and review applicable federal and State laws. A "Records Disposition Authorization" (RDA) form will be produced for each record series specifying a minimum retention period.
4. The inventory worksheets will be forwarded to the agency for review. The agency will have a thirty (30) day period for review, after which, if no comments are made, the RDA forms will be forwarded to the State Records Committee by Archives and Records in accordance with NRS 239.080 for approval.
5. The State Records Committee will return the approved RDA forms to Archives and Records. It will prepare the approved schedule and send copies to the State agency and to LCB Audit to notify them of compliance to NRS 239.080.

An approved records schedule identifies each record series in the legal custody of an agency and refers to the Records Disposition Authorization. The description column outlines the use of the record series and lists the types of documents that may be included. The disposition column describes the minimum period of time the record series must be maintained and also gives some directions as to the method to destroy the record series or where to transfer it for archival purposes. Recommendations for microfilming may also be included in the disposition column. The RDA number refers to the signed Records Disposition Authorization form and the Inventory Worksheet and any back-up documents used to appraise the record series.

An approved records retention schedule indicates the minimum length of time an original record or series of official State records must be retained in the legal custody of a State agency regardless of its physical location. Duplicates of records may be disposed of without authorization unless specifically imposed by such a schedule. The minimum retention period applies only to the original official State record or to the copy of a record designated as an original.

For the purpose of developing records retention schedules, an official State record includes: All papers, unpublished books, maps, photographs, machine readable materials or other documentary materials regardless of physical form or characteristics, made or received by an agency of the State government under State law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, function, polices, decisions, procedures, operations or other activities of the State government or because of the informational value of data in them.

For the purpose of developing records retention schedules, a non-record includes: published books and pamphlets, books and pamphlets printed by a governmental printer, answer pads for a telephone or other informal notes, desk calendars, stenographers' notebooks after the information has been transcribed, unused forms except ballots and as indicated in a retention schedule, brochures, newsletters, magazines, newspaper except those excerpts used as evidence of publication, scrapbooks and physical property and artifacts. An electronic non-record includes but is not limited to: routing slips and transmittal sheets (e-mail cover correspondence) adding no information to that contained in the transmitted material; electronic copies of correspondence, directives, forms and other documents on which no administrative action is recorded or taken; duplicate copies (and initial drafts) of electronic documents maintained in the same; electronic copies of printed or processed materials for which complete record sets exist; and electronic catalogs, trade journals, and other publications that are received from other governmental agencies, commercial firms, or private institutions and are merely “linked” or which require no action or are not a part of a case on which action was taken. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference and stocks of publications and of processed documents are also included in the non-record category. Work papers used to collect or compile data, and drafts, are not considered to be official State records unless an appraisal shows them to have legal, fiscal and/or archival value.

A non-record, unless prohibited by law, may be destroyed at any time by an official or the head of a department without being scheduled for destruction. State publications may not be destroyed before meeting the requirements found in NRS 378.150 to 378.210.

2020 State Records Center

The State Records Center in Archives and Records, Carson City stores semi-active and inactive records in a physically and environmentally secure setting at no cost to participating agencies. Security copies of microfilm and microfiche may also be stored. Records transferred to the center remains in the legal custody of the agency that sent them for storage.

Space in the Records Center is limited. Vital records (important to the restructure of an agency in case of a disaster), those appraised with research/archival value, security copies of microfilm, and security backup tapes will be given priority.

1. Records sent to the Records Center must be scheduled through an approved records retention schedule. (**SAM 2018**)
2. The agency must fill out the “Records Center Accession” form before the physical receipt of material. Forms are available on the Nevada State Library and Archives website. Each record series should be boxed separately and described on separate accession forms. Completed forms

must be sent to the center before the actual transfer the material. The Records Center will not accession records whose retention period (NRS 239.080) has already expired, nor will it accept records that are due to be destroyed within twelve months (subject to change), unless specifically directed by the State Records Committee (NRS 378.255(9). The Records Center reserves the right to refuse to accept records that have not been scheduled and assigned a retention period. Unscheduled records containing historical value may be transferred directly to the State Archives (NRS 378.250(1). Records of a defunct agency will be accepted into the Records Center or the State Archives (NAC 239.750).

3. Records Center personnel will complete the accession form and return one copy to the agency.
4. Records may physically arrive only after Records Center staff has received the accession form, completed it and notified the agency to deliver the boxes. The transferring agency is responsible for boxing and scheduling delivery of boxes to the Records Center.
5. Boxes must be standard records storage boxes as available through State Purchasing. Exceptions may be approved by Records Center personnel before receipt. Material sent in unauthorized or damaged containers will not be accepted.
6. The Records Center will store records only for the minimum authorized retention period. Agencies who wish to keep their records longer than this time must retrieve their records from the Records Center, unless they notify the Records Center in writing prior to the expiration of the retention period that the records in question meet one or more of the following reasonable grounds for extending retention:
    a. Audit
    b. Litigation
    c. Investigation

    Agencies whose records do not meet any of these conditions must submit a written request that includes justification for a longer retention to the State Records Manager. In order for the Records Center to extend retention of the records, this request must be received and approved by the State Records Committee before the currently authorized retention period has expired.

7. The Records Center will dispose of material in accordance with the approved records retention schedule. Records Center staff will send a “Notice of Pending Disposition of Records” to the agency thirty (30) days before the disposition of their records. Agencies which request their records be retained longer than the approved disposition must justify this to the State Records Manager or reclaim the boxes for storage elsewhere.
    a. If no response is made by the agency prior to the cut-off date, records will be disposed of as soon as physically possible.
    b. Confidential records will be destroyed in accordance with NAC 239.722.

2022 Records: Accessing Records at the Records Center

Records stored in the Records Center remain in the legal custody of the agency that transferred the records. The records stored at the Records Center are in the physical custody of our agency. We are responsible for their secure storage.

Unless requested to do so by the agency, Records Center staff will not access boxes, files, or data stored within the Records Center.

Agencies storing computer backup tapes (NRS 239.051) in the State Records Center: The exchange of all computer backup tapes will be the responsibility of the agency, not the Records Center. The individuals exchanging the tapes must be on the agency authorization list.

Agencies storing records at the Records Center are responsible to provide us with an up-to-date list of people who are authorized to access their agency's files. If a person who is not on an agency's authorization list requests a file, an authorized person must be contacted to give permission for the person to access the file. No unauthorized person will be allowed to access any record, security copy of microfilm, computer backup tape, etc., stored in the Records Center.

Agencies may send in updated lists at any time. New authorization lists will supersede the old ones.

Visitors to the Records Center must sign in with their name, agency, purpose for visiting, time in and time out. Visitors are not allowed access to the shelving area unless accompanied by Archives and Records staff.

The State Records Center is open from 8:00 a.m. to 5:00 p.m. weekdays and is closed weekends and holidays. The State Records Center has an after-hours contact list for those agencies that have after-hour computer backup emergencies.

2024 Records: Disposition

Official State records must not be destroyed without an approved Records Retention Schedule. Records that have been appraised as having archival value must be submitted to the State Archives.

State agencies may destroy record series that have met the minimum requirements for retention through an approved Records Retention Schedule and have not been scheduled for permanent retention or transfer to the State Archives. Confidential records must be destroyed in accordance with NAC 239.722.

2026 Records: Storage

To the extent possible, inactive and semi-active official State records shall be housed in permanent State-owned facilities, such as the State Records Center, which meet the standards described here.

All off-site storage facilities not owned by the State must meet or exceed these same standards. The State Records Manager must give written approval to agencies before storing official State records in any such facility.

1. Records storage facilities should be in separate structures away from external hazards and the sole occupant of the building to ensure protection from fire, flood and other dangers. Where the structure is shared with other occupants, proper protection in the form of firewalls, fire suppression system and security alarms shall be taken.
2. Wherever possible, floors should be at or above grade level. Single floor structures are recommended.
3. A minimum live floor load of 300 pounds per square foot is required for all records storage areas.

4. Permanent non-combustible construction, such as reinforced concrete block is required.
5. The light fixtures in the storage area shall be fluorescent metal construction equipped with thermally protected ballast (Class "P"). The lowest point of any fixture shall be no lower than 12 inches above the highest box or material stored in the facility.
6. All electric control boxes and light switches shall be located at the main entrances to the storage area. Conduits shall be used to provide safety protection for the electrical wiring.
7. No oil type transformers, regardless of size, shall be permitted in a records storage area except thermally protected devices such as Class "P" fluorescent light ballasts.
8. Temperatures shall be maintained year round between 50° and 75° Fahrenheit. Records that have archival value and security copies of microfilm, microfiche, optical disks and computer disks and tapes shall be maintained at a temperature range of 60° to 70° Fahrenheit.
9. Fire suppression system.
    a. Automatic sprinkler fire protection systems shall be provided throughout all areas of records storage facilities. Sprinkler systems shall be rated at a minimum flowing pressure of seven pounds per square inch and deliver a minimum of 0.30 gallons per minute per square foot at the most remote sprinkler head. Sprinkler heads shall be rated at a minimum of 286° Fahrenheit.
    b. Where large quantities of microfilm, microfiche, optical disks and computer tapes and disks are stored, a halon type or similar system is recommended.
    c. Sprinkler heads shall be spaced no farther apart than ten feet on center and positioned to provide unobstructed coverage with at least 18 inches of clearance between the top of the stored material and the heads at the deflection level.
10. Fire safety
    a. Exits from the records storage facilities shall comply with local fire ordinances and the State Fire Marshal regulations.
    b. Furnaces and boilers shall be separated from records storage areas by a four hour rated fire wall with no openings directly to the storage area. They shall not be located directly below such storage areas.
    c. All storage facilities shall be separated from other areas and occupants by firewalls rated at four hours if un-pierced and two hours if pierced with doors, etc.
    d. All openings in firewalls, including duct penetrations, shall be protected by Class "A" 1½ hour rated fire doors.
    e. Smoke detectors shall be designed into the fire protection systems.
    f. Fire hydrants shall be located within 250 feet of the main entrance to a records storage facility.
    g. One 2½ gallon stored pressure type fire extinguisher shall be provided for each 3,000 square feet of building space.
    h. Regardless of geographic location, lightning protection shall be installed in accordance with NFRPA Standard 78.
    i. No open flame (oil or gas) shall be allowed within a records storage area.
    j. No gasoline or oil propelled equipment; flammable liquid or gas containers, chemicals or similar material shall be stored within records storage areas.
    k. No smoking shall be allowed in records storage areas.
11. Official State records declared confidential or restricted by the Nevada Revised Statutes shall not be stored in an off-site, non-State-owned-and-maintained facility unless 24-hour security is provided.

12. Functional requirements for Nevada Electronic Record Keeping Systems, (consistent with Federal DOD 5015.2, published in Federal Register, May 2001, and endorsed by the National Archives and Records Administration) be approved by an appropriate statutorily convened body and that systems of electronic records that are reviewed by the State Records Committee and other appropriate statutorily convened bodies conform with these requirements until such time as national standards are promulgated by appropriate regulatory agencies.

2038 State Archives

The Archives program of Archives and Records maintains the State's historically valuable records. Records transferred to the Archives are appraised for historical, legal, fiscal or administrative value and either accessioned into the archives or disposed. Records accessioned into the Archives, as opposed to the Records Center, are no longer the records of the agency that transferred them, but are in the legal custody of the Division except by as provided by law. (NRS 378.250, 378.260, 378.320)

If an agency's records retention schedule has identified a records group or series to come to the Archives, the agency's records officer should:

1. Contact the State Archives Manager for the transfer of the records;
2. Provide a typed inventory of the contents of the boxes (by file heading) and number the boxes consecutively;
3. Schedule a time for pick up or delivery of records.
4. Make special arrangements for oversized materials, photographs or volumes; and
5. Send a memorandum of transfer with records so there is documentation of the transfer to the State Archives.

If an agency does not have a records retention schedule and has records of historical value, Archives and Records staff can appraise the records. Unscheduled records or records scheduled for destruction on schedules older than three years may have historical value. Archives and Records can receive these records under NRS 378.250. Any questions about an agency's records should be directed to Archives and Records at 775-684-3310 in Carson City.

2400 Division of Internal Audits

The Division of Internal Audits consists of:

1. **Internal Audits** - audits agencies' programs to improve efficiency and effectiveness. Additionally, Internal Audits reviews the implementation status of Legislative audit recommendations.
2. **Financial Management** - trains agency personnel, and assists agencies with their written fiscal policies and procedures.
3. **Post Review** - examines transactions and internal processes to determine agency's compliance with fiscal laws, regulations, internal control standards, and guidelines.

2402 Internal Audits

1. Except as otherwise provided in section 2, upon the request of a representative of the Division, all officers and employees of each Executive Branch agency shall make available to the Division all books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise, in the possession or control of the agency.
2. This section does not authorize the Division to have access to any records required to be kept confidential pursuant to NRS 665.130 and 668.085.
3. Within 10 working days after receipt of the preliminary findings and recommendations, the head of the audited agency shall provide a written response to the Chief of the Division of Internal Audits. The response shall include a written statement of acceptance, explanation or rebuttal concerning the findings, and a timetable for addressing the recommendations.
4. The Chief of the Division of Internal Audits shall submit a final report to the Executive Branch Audit Committee and the head of the audited agency.
5. Within five months after the final report is submitted, and annually on May 31 if the agency has any outstanding recommendations, the agency will provide a recommendation status report with supporting documentation to the Chief of the Division of Internal Audits. The report should outline the actions taken to implement each recommendation. Additionally, when recommendations are not fully implemented, the agency shall provide revised dates of completion. The Division of Internal Audits will continue to follow-up with the agency annually until recommendations are fully implemented or deemed no longer applicable. Recommendation status shall be described as:
    a. Fully implemented – the agency took all actions necessary to satisfy the recommendation as of the date of the status report.
    b. Partially implemented – the agency took some actions to satisfy the recommendation, but not all necessary actions to implement the audit finding as of the date of the status report.
    c. No action – the agency did not take any action on the recommendation as of the date of the status report.
6. Within six months after the final report is submitted to the Executive Branch Audit Committee and annually after May 31, the Chief of the Division of Internal Audits shall determine the status of the recommendations. The Chief shall then inform the Committee and the head of the audited agency of the status of each recommendation.
7. The Division of Internal Audit shall not:
    a. Provide any services to a State agency under the direct control or administration of a constitutional officer unless the constitutional officer requests such services.
    b. Conduct investigations, but shall refer such matters to the appropriate agency.

2404 Implementation of Legislative Audit Recommendations

Listed below are the steps that will be followed to implement Legislative Counsel audit recommendations:

1. An agency subject to an audit will answer the final audit report by letter. The Division of Internal Audits staff will be available to work with the agency in drafting this letter and developing or suggesting methods to correct deficiencies. Frequently, it is possible to correct a deficiency without legislation, but scarce funds or shortages of personnel may cause a temporary postponement. If this situation exists, it will be mentioned in the audit reply.
2. If noted deficiencies can be corrected with available resources, the agency will prepare a schedule summarizing:

    a. A timetable for installing or completing the needed adjustments;
    b. The summary of how the agency intends to implement the recommendations will be included in the audit How the audit recommendations will be implemented; and
3. Reply to the Legislative Auditor.
4. After being notified of the acceptance by the Legislative Commission of an audit, which calls for remedial action, each agency will submit a corrective action plan to the Director of the Department of Administration within 60 working days. The agency should also submit a copy of their corrective action plan to the Division of Internal Audits and the Legislative Auditor. Within six months of the submittal of that plan, the Director of the Department of Administration will report to the Legislative Auditor on the extent to which the recommendation(s) have been carried out and the reason for any failure to carry out any of the recommendations. Forty-Five (45) days prior to the six-month reporting deadline, the agency shall provide the Division of Internal Audits with a status report and supporting documentation for implementing the corrective plan of action. The report shall indicate for each recommendation the status as fully implemented, partially implemented or no action. Should any agency refuse to submit a plan or to perform pursuant to the plan, the Director of the Department of Administration is empowered to withhold funds from that agency. (NRS 218G.260)

Recommendation status shall be described as:

1. Fully implemented – the agency took all actions necessary to satisfy the recommendation as of the date of the status report.
2. Partially implemented – the agency took some actions to satisfy the recommendation, but not all necessary actions to implement the audit finding as of the date of the status report.
3. No action – the agency did not take any action on the recommendation as of the date of the status report.

Questions pertaining to these requirements should be directed to the Division of Internal Audits. Audit Reports 2406 Each State agency, board and commission, within 10 days after receiving either a State or a federal audit report, shall submit one copy of the audit report and a management letter and the agency's reply to:

1. The Director of the Department of Administration;
2. The State Controller; and
3. The Legislative Auditor (NRS 353.325).

2410 Financial Management

The Financial Management section of the Division of Internal Audits:

1. Trains agency personnel responsible for administrating budgetary accounts. The training results are summarized in a separate report to each agency.
2. Develops, documents and maintains the uniform system of internal accounting and administrative controls as required by NRS 353A.020.
3. Assists agencies with designing policies and procedures that comply with the uniform system of internal accounting and administrative controls as required by NRS 353A.020.

Reference NRS 353A.020(4) for agencies exempt from the above requirements.

2412 Financial Management Training (NAC 353A.100)

1. Financial Management trains each agency on:
    a. Laws and regulations of the state and federal government applicable to agency operations.
    b. Systems of internal accounting, administrative controls and financial management.
    c. Methods for documenting systems of internal accounting and administrative controls.
    d. Methods for evaluating the effectiveness of a system of internal accounting and administrative controls.
    e. Any subject that is of concern to a particular agency relating to its system of internal accounting and administrative controls.
    f. Any other areas of financial management, which affect the agency's budgetary accounts.
2. Agency responsibilities:
    a. The head of each agency and any employee whose duties include administrating budgetary accounts are required to attend training at least once every 5 years.
    b. Each agency is responsible for ensuring the attendance of its employees.
    c. Attendees shall answer Financial Management's questions to evaluate the effectiveness of the training.
    d. An agency shall notify Financial Management within 30 days after an employee is hired for or promoted or otherwise transferred into a position whose duties include administering budgetary accounts and arrange training for the employee.

2414 Financial Management Review and Evaluation

1. Each agency contacted by the Division of Internal Audits' Financial Management Section shall provide copies of or make available its written policies and procedures for review. In addition, each agency shall provide access to its records upon Financial Management's request.
2. Financial Management may review agency's procedures for compliance with internal control standards, laws and regulations, and good business practices.
3. Financial Management may also perform on-site evaluations to determine compliance with internal control standards, the agency's written policies and procedures, and applicable laws and regulations. The evaluation will consist of a review of the agency's written policies and procedures, observations of operating procedures, interviews with agency personnel, and testing of transactions.
4. Upon completion of the review and/or evaluation, Financial Management may issue recommendations to the agency.
5. A one month period is established as a reasonable time frame to implement and re-submit revised procedures addressing Financial Management's recommendations.

    Reasons for not addressing any recommendation shall be justified in writing to the Manager of Financial Management and made available to the Director of the Department of Administration.

6. Updates and revisions to agency administrative and internal accounting controls must be documented in the written policies and procedures. (i.e., State Administrative Manual changes, personnel changes, policy changes, etc.),

2416 Internal Control

The purpose of internal control is to help ensure that the following objectives are being achieved:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations.

There are five standards of internal control:

1. Control Environment: Management and employees should establish and maintain an environment throughout the organization that sets a positive and supportive attitude toward internal control and conscientious management.
2. Risk Assessment: Internal control should provide for an assessment of the risks the agency faces from both external and internal sources.
3. Control Activities: Policies, procedures, techniques, and mechanisms implemented by management to address all levels and all functions of an agency covering operational, financial reporting, and compliance issues.
4. Information and Communication: Information should be recorded and communicated to management and others within the entity who need it and in a form and within a time frame that enables them to carry out their internal control and other responsibilities.
5. Monitoring: Internal control monitoring should assess the quality of performance over time and ensure that the audit findings and other issues are promptly re-solved.

The Director of Administration in consultation with the Committee and Legislative Auditor shall adopt a uniform system of internal accounting and administrative control. (NRS 353A.020)

The elements of a uniform system of internal accounting and administrative controls include:

1. A plan of organization, which provides for segregation of duties appropriate to safeguard the assets of the agency;
2. A plan which limits access to assets of the agency to persons who need the assets to perform their assigned duties;
3. Procedures for authorizations and record keeping which effectively control accounting of assets, liabilities, revenues, and expenses;
4. A system of practices to be followed in the performance of the duties and functions of each agency;
5. An effective system of internal review.

Each agency is required to develop written procedures to carry out its system of internal accounting and administrative control. (NRS 353A.020)

Refer to Financial Management's web page (http://dintaud.state.nv.us/FinancialMgmtInfo.htm) for guidance to assist in the development and documentation of the agency's policies and procedures for compliance with the State's uniform system of internal accounting, administrative control, and minimum internal control guidelines.

2418 Agency Review and Evaluation

Each agency is required to perform an annual internal control review and evaluation to identify potential areas of weaknesses, and non-compliance. The annual review should include:

1. An evaluation of actual procedures by completing the "Self-Assessment Questionnaire" (SAQ) by observing and interviewing persons involved with each fiscal process.
2. A comparison of the Agency's written procedures to the SAQ to ensure that the procedures address all of the questions. Each question on the SAQ should be cross referenced to the corresponding page and paragraph (or other location identifier) in the written procedures.
3. A comparison of actual procedures to written procedures.
4. Test a sample of each kind of transaction processed by the agency using the trans-action testing checklist available on the Financial Management website or equivalent document.

Upon completion of the above evaluations, each agency shall address any areas of weaknesses or non-compliance, and document a corrective action plan. All findings and corrective action plans should be maintained by the agency, and need not be submitted to Financial Management. The findings and corrective action should be available for review by the Post Review section of Internal Audits.

2420 Biennial Reports

1. On or before July 1 of each even numbered year, the head of each agency shall submit the "Report on Internal Controls" to Financial Management. The Report on Internal Controls summarizes whether the agency's system of internal accounting and administrative control is in compliance with the uniform system adopted pursuant to subsection 1 of NRS 353A.020. The reports must be made available to members of the Legislature for inspection. To prepare this report, agencies should use the "Self-Assessment Questionnaire" completed during their annual review for that same fiscal year as required by **SAM section 2418**.
2. The Director shall on or before the first Monday in February of each odd numbered year, submit a report on the status of internal accounting and administrative controls in agencies to the:
    a. Director of the Legislative Counsel Bureau for transmittal to the Senate Standing Committee on Finance and the Assembly Standing Committee on Ways and Means
    b. Governor
    c. Legislative Auditor
3. The report submitted by the Director must include without limitation:
4. The identification of each agency that has not complied with requirements of section 1.
5. The identification of each agency that does not have an effective method for reviewing its system of internal accounting and administrative control
6. The identification of each agency that has weaknesses in its system of internal accounting and administrative control, and the extent and types of such weaknesses

The Self-Assessment Questionnaire, Examples of Transaction Testing and the Report on Agency's Internal Controls can be found on Financial Management's website at http://dintaud.state.nv.us/FinancialMgmtInfo.htm.

2430 Post Review

The Post Review section shall examine transactions and internal processes of each executive branch agency, excluding those listed in NRS 353A.020. Reviews will deter-mine agency's compliance with laws, regulations, internal control standards, and guide-lines. Each agency contacted by Post Review shall make available all books, accounts, claims, reports, vouchers, or other records of information, confidential or otherwise, in its possession. At the conclusion of the review, Post Review will issue a letter to the agency head and the clerk of the state board of examiners summarizing the findings. Within ten working days after receipt of the letter, the agency head shall provide a written response to the Chief of the Division of Internal Audits. The response shall include a corrective action plan and dates for implementing the recommendations.

2500 Budgeting

2502 State Budget Act

The Budget Division of the Department of Administration is responsible for administering the provisions of NRS 353.150 to 353.246, the State Budget Act, except NRS 353.226 to 353.229 (NRS 353.160). The State Budget Act requires the Chief of the Budget Division to, among other duties:

1. Appraise the quantity and quality of services rendered by each agency in the Executive Department of State Government and the needs for such services or any new services.
2. Prepare the executive budget report for the Governor.
3. Prepare a proposed budget for the Executive Department for the next 2 fiscal years (a biennium), which must include a complete financial plan and must set forth all proposed expenditures for the administration, operation and maintenance of the departments, institutions and agencies of the Executive Department.
4. Examine and approve work programs and allotments to the agencies in the Executive Department and changes therein.
5. Do and perform such other and further duties relative to the development and submission of an adequate proposed budget for the Executive Department.
6. Serve as *ex officio* Clerk of the Board of Examiners.

This chapter describes policies and procedures for agencies to adhere to in order for the Chief of the Budget Division to carry out his duties and responsibilities.

2504 Proposed Budget for the Executive Department

The proposed budget for the Executive Department for each fiscal year is submitted in three parts as described in NRS 353.205. It contains:

1. An outline of the Governor's financial policy for the next 2 fiscal years and a general supported summary of the proposed budget to show the balanced relations between the total proposed expenditures and the total anticipated revenues (Part 1).
2. Detailed budgetary estimates both of expenditures and revenues in a manner which sets forth separately the cost of continuing each program at the same level of service as the current year and the cost, by budgetary issue, of any recommendations to enhance or reduce that level of service. Revenues are summarized by type and expenditures are summarized by category of expense (Part 2).
3. A mission statement and measurement indicators for each program (Part 2).
4. Statements of bond indebtedness (Part 2).
5. A recommendation to the Legislature for the drafting of a general appropriation bill authorizing by departments, institutions and agencies, and by funds, all expenditures of the Executive Department for the next two fiscal years (Part 3).
6. Recommendations to the Legislature for the drafting of other bills that may be required to provide the income necessary to finance the proposed budget (Part 3).

Parts 1 and 2 are confidential except for the information provided to the Fiscal Analysis Division of the Legislative Counsel Bureau, until the Governor transmits the proposed budget to the Legislature. Part 3 of the proposed budget is confidential until the bills which result from the proposed budget are introduced to the Legislature (NRS 353.205(3)).

2506 Budget Exclusions

The State Budget Act does not apply to agencies, bureaus, commissions and officers of the Legislative Branch, the Public Employees' Retirement System or the Judicial Branch of State government. These entities shall submit their budgets to the Legislature in the same format as the Executive Budget unless otherwise directed by the Legislative Commission. (NRS 353.246)

Agencies, bureaus, commissions and officers of the Legislative Branch, the Public Employees' Retirement System, and the Judicial Branch of the State shall provide copies of the budgets, which they propose to submit to the Legislature to the Budget Director. The revenues and expenditures of the exempt agencies will be incorporated in the Executive Budget in summary form only to allow for the generation of the Appropriation and Authorization bill drafts. (NRS 353.210)

2508 Budget Preparation

The Budget Division issues Biennial Budget Instructions to all agencies in the Executive Branch in January of every even numbered year and posts a copy of the instructions on the Budget Division website at http://budget.state.nv.us. The budget instructions contain detailed instructions on how agencies are to prepare their budget requests. The instructions also contain a timetable of important dates applicable to the even-numbered year in the biennium.

1. January – The Budget Division issues the Biennial Budget Instructions to agencies within the Executive Branch which transmits the Governor's policies for the upcoming biennium, and includes time lines and detailed descriptions of the required elements of agency budget requests.

The Budget Division also holds its biennial financial managers' seminar to advise agency fiscal representatives of budget preparation policies and procedures.

2. February through September 1 - Pre-budget conferences are held between agencies and representatives from the Budget Division and, where applicable, the Public Works Division and the Enterprise IT Service.
3. On or before September 1 - All agency budget requests are due to the Budget Division. One copy of the completed forms and all supporting documents must also be delivered directly to the Fiscal Analysis Division of the Legislative Counsel Bureau.
4. On or before October 15 - Agency budget requests are reviewed by the Budget Division. Agencies are scheduled for discussions in the office of the Director of the Department of Administration. Representatives of the Governor's Office and the Fiscal Analysis Division of the Legislative Counsel Bureau are given advance notice of all meetings.
5. November through December 1 - Further agency budget hearings with the Director of the Department of Administration are held as scheduled by the assigned budget analyst. Representatives of the Governor's Office and the Fiscal Analysis Division of the Legislative Counsel Bureau are given advance notice of all meetings.
6. December – Agency Executive Budget hearings are held with the Governor, if warranted.
7. End of December - Governor's proposed Executive Budget is transmitted for Printing.
8. Governor's proposed Executive Budget is transmitted to the Legislature not later than 14 calendar days before the commencement of the regular legislative session.
9. On or before the 19th calendar day of the regular legislative session, the Governor shall submit his legislative proposals necessary for implementing recommendations in the proposed budget or to carry out the Governor's legislative agenda.

2510 Budget Hearings with the Director of the Department of Administration

The Budget Division reviews all agency budget requests and formulates tentative budget recommendations. After reviewing the tentative recommendations with the Governor, the Director of the Department of Administration will transmit the tentative recommendations to the agency head.

If the Director's tentative recommendation is satisfactory to the agency head, no additional hearings will be necessary. If the tentative recommendation is not satisfactory, the agency head may file a request for further budget hearings with the Director. On the basis of time constraints a summary of the specific points at issue must accompany the agency's request for a hearing.

After budget hearings with the Director of the Department of Administration, agencies will be given further opportunity, if desired, for a hearing with the Governor.

2512 Performance Measurement Indicators

Performance measurement indicators reflect the extent to which the budget as presented will enable the agency to achieve its goals and objectives. Ideally, performance measurement indicators should measure both the level of work product produced (output) and the level of impact (outcome) of an agency

program. Measurement of performance is crucial to the overall management of programs since it is a tool of self-assessment, goal-setting and progress-monitoring.

The performance measurement data in the Executive Budget must be reliable. Numerical entries, percentages, and rates exhibited in the measurement indicators should reflect and support the agency's request. Furthermore, agencies must be prepared to indicate the impact of individual Enhancement decision units on the overall measurement indicators. For example, if an agency's enhancement request includes enough support to accommodate 100% of a given indicator and either the Budget Division or the Legislature reduces the amount of the request, the agency must be prepared to show what effect that reduction would have on that measurement indicator, i.e., 85%, 75%, etc.

As the performance measures are developed for the biennial budget, agencies should consider the following questions:

1. Is the data computed the same way every year?
2. Does the data accurately quantify the performance measures described in the Executive Budget?

In an effort to provide satisfactory answers to these questions, agencies should adhere to the following requirements:

1. Develop written procedures on how the performance measures are computed. Include the formulas and information on where the data is obtained and which reports are used, if applicable. Consider using program-wide totals rather than averaging large and small programs.
2. Assign both fiscal and program staff the responsibility of reviewing the performance measurement procedures and ensure that they are followed.
3. Retain the records used in computing performance measures for three fiscal years.

2514 Operation and Maintenance for Capital Improvements

The proposed budget submitted to the Legislature must include a separate statement of the anticipated expense, including personnel, for the operation and maintenance of each capital improvement constructed during the current biennium and thereafter which is to be used during those fiscal years or future fiscal years. Included in the statement will be the proposed source of funding. If the preliminary proposal is approved, the agency may proceed with the development of a complete cost estimate for inclusion in the agency request. (NRS 353.185(6))

The construction of a capital improvement that is subject to the supervision of the State Public Works Board may not be either included in the Governor's recommended capital improvement budget or construction begun for previously approved capital improvement projects unless the funding for the operation and maintenance of the improvement is included in the approved budget for the fiscal year in which construction is to be completed. (NRS Chapter 341)

2516 Development of Business Plans

State agencies seeking an expansion of statutory authority, an authorized expenditure or appropriation for a new program or an authorized expenditure or appropriation for a program that is proposed for

enhancement by more than $1,000,000 or 50 percent of the amount approved by the Legislature for the program for the current biennium, whichever is less, shall be required to file a proposed business plan as part of the budget process. The business plan(s) must be submitted to the Budget Division and the Legislative Counsel Bureau at the same time the proposed budget is transmitted to the Budget Division and the Legislative Counsel Bureau. The estimates contained within the business plan must be for the current biennium and the next two biennia.

2517 Bill Draft Requests

By law the Legislative Counsel is required to advise and assist state agencies and departments in the preparation of measures to be submitted to the Legislature. The Legislative Counsel is prohibited from preparing proposed legislation for any agency of the Executive Branch of the State Government for introduction at any regular session of the Legislature, unless the request is approved by the Governor or a designated member of his staff and transmitted to the Legislative Counsel on or before September 1 preceding the convening of the session (a request submitted on September 2 is late and must be approved by the Legislative Commission before it can be drafted).

To provide a systematic review and correlation of requests within the framework of the strategic planning and budget process, all requests must be submitted through the Department of Administration. To allow adequate time for action, the Governor has directed that all requests be submitted to the Department of Administration by May 1 of every even-numbered year. Requests should be separated between Housekeeping, i.e., clarification or minor changes to existing statutes, or Substantive, i.e., all other requests, to help expedite the review process and facilitate the bill drafting. If you are not sure if your request is Housekeeping or Substantive, include it with your Substantive requests.

After November 1 of every even numbered year, the Legislative Counsel is required to give full priority to the preparation of legislation requested by members of the Legislature. To avoid losing priority, agencies must submit their requests in a timely manner. The Legislative Counsel will begin drafting proposed bills immediately in the order in which the requests are received.

The Legislature has adopted strict limitations on the number of bills that can be requested during the interim. One of the limitations is upon the total number of requests that can be submitted on behalf of executive branch agencies. Such agencies must not submit more than 125 requests, excluding those bills submitted by constitutional officers and the Nevada System of Higher Education. Adherence to these limitations and the time lines for submission of proposals should result in virtually all executive branch requests being completed by the first day of session.

Written Requests

Requests for bill drafting should be made in writing. The Governor, or his designee, the Budget Director, will transmit a memorandum jointly with Legislative Counsel describing the Bill Draft Request

process, and will include applicable instructions and the appropriate form. Copies of the joint memorandum are transmitted to the various division heads of each large department in addition to the executive director or head of that department. This device has been used in the past in an attempt to accelerate action by the executive agencies in requesting bills. The Governor directs that each request from a division or other agency within a department be submitted to the director of that department for approval and signature by using the State Executive Budget System, Bill Draft Request Module to submit the Department of Administration. Agencies can reproduce the forms in as many copies as necessary. Agencies must prepare an individual Bill Draft Request for each bill requested. Please note that each bill must be limited to one subject, but may contain proposed revisions regarding more than one NRS section that relates to the single subject of the proposed bill.

Introduction of Legislation

All agency requests that are completed by the first day of session will be randomly divided between the Majority Leader of the Senate and the Speaker of the Assembly and delivered on that day. Measures that have not been completed by the first day of session will be randomly divided between those officers as soon as they are completed. The Majority Leader and the Speaker have 15 days in which to have the measure introduced. All agency requests must be introduced by a standing committee. If you receive a draft of a bill and wish to make changes, notify the Budget Division immediately (if the change is approved, the Budget Division will notify the Legislative Counsel as soon as possible); if you do not, the bill may be introduced before you can make the changes.

Acquisition or Disposition of State Land

All legislative measures involving the acquisition or disposition of state land and containing a legal description thereof must be accompanied by the certificate per NRS 218.255.

2518 Fiscal Notes

NRS 218.272 requires a fiscal note be prepared for:

1. Any bill, which makes an appropriation or increases any existing appropriations;
2. Any bill or joint resolution which creates or increases any fiscal liability or decreases any revenue which appears to be in excess of $2,000; and3. Any bill or joint resolution, which increases or requires a term of imprisonment in the Department of Corrections, State Prison or makes release on parole or probation from the State Prison less likely.

The fiscal note must contain a reliable estimate of the anticipated change in appropriation authority, fiscal liability of State revenue under the bill or joint resolution including, to the extent possible, a projection of such changes in future biennia.

The fiscal note will be prepared by the agency receiving the appropriation or collecting the revenue, reviewed by the Department of Administration and returned to the Legislative Counsel Bureau within 5 working days of the note's request date.

2520 Budget Division Staff Assignments

Each budget analyst is assigned to specific agencies. Agencies with general questions, such as the preparation of budgets, position control and work program documents may contact the analyst assigned. Specific staff assignments are published on the Budget Division's website at http://budget.state.nv.us.

Extraordinary questions of budget policy may be directed to the Deputy Budget Administrator of the Budget Division or the Director of the Department of Administration. Questions concerning agency audits may be directed to the Division of Internal Audits. Questions concerning agency systems of internal controls may be directed to the Division of Internal Audits.

2522 Work Programs for Fiscal Year

Prior to the start of any given fiscal year, the Budget Director, on behalf of the Governor, provides the Controller's Office with an electronic file of the Executive Department's legislatively approved budget (work program) to download into the Controller's Integrated Financial System. The Budget Director, on behalf of the Governor, then issues an All Agency Memorandum to agencies within the Executive Department instructing them to access and print their work program detail reports from the Nevada Executive Budget System for the upcoming fiscal year. These reports contain all appropriations and authorized expenditure levels for the fiscal year. Agencies are instructed to review the detail reports for accuracy and are advised to process a balance forward work program (budget reconciliation form), issued by the Controller's Office, to record cash balances different than the legislatively approved amount contained within their work program detail reports.

2524 Work Program Revisions – General

Agencies submitting work programs to revise their original legislatively approved budgets must attach two (2) copies (the original and one copy) of their detailed supporting back-up documentation to the work program and forward it to the Budget Division for the division to act upon.

2525 Authority to Accept Gifts and Grants Not Requiring Interim Finance Approval, or by Expeditious Action

The general provisions of (NRS 353.335) provide that a state agency may accept, with the approval of the Governor or his delegate the Budget Director, any gift or grant of property or services from any source if the gift or grant was already included in the agency's legislatively approved budget or authorized by any other act of the Legislature authorizing the receipt and/or expenditure.

NRS 353.335 also provides the authority for agencies, with the approval of the Governor or his delegate, to accept gifts and grants outside the legislative or Interim Finance approval process under the following conditions:

1. The **gift** or non-governmental grant does not exceed $20,000 in value;
2. The government **grant** does not exceed $150,000 in value and does not involve the hiring of new employees. Any grant associated with the hiring of new employees would require Interim Finance approval, regardless of the amount and source of the grant:
3. The gift or grant is necessary because of an emergency as defined in NRS 353.263 or for the protection or preservation of life or property. Acceptance of the gift or grant under this condition requires reporting the action to Interim Finance as an information item indicating the acceptance and reason for the "emergency" action taken. These types of work programs rarely occur due to their nature, and require the advance approval of the Director of Administration and/or the Deputy Budget Director: or
4. The gift or grant would be forfeited if the State failed to accept it before Interim Finance Committee can take action on the request (45 days from the time of submittal to the committee secretary as provided in NRS 353.335(c).) Under this condition the Governor can submit an expeditious request to the Interim Finance committee to approve the acceptance of the grant. Any proposed acceptance, which is not considered within the 15-day period, shall be deemed approved.

This chapter does not apply to:

1. The Department of Health and Human Services while acting as the state health planning and development agency pursuant to paragraph (d) of subsection 2 of NRS 439A.081 : or
2. The Nevada System of Higher Education: or
3. For donations, gifts or grants to be disbursed pursuant to NRS 433.395 or NRS 435.490 : or
4. For artifacts donated to the Department of Tourism and Cultural Affairs.

2526 Work Programs to Augment an Approved Budget Requiring Approval of the Interim Finance Committee (NRS 353.220)

The proposed acceptance of all other gifts or grants that do not qualify under Section 2524.0 will be submitted to the Interim Finance Committee of the Legislature upon the approval of the Governor or his designee, the Budget Director. The Interim Finance Committee has 45 days after the Secretary of the Committee within which to consider the acceptance receives the proposal. The period of time needed for review and evaluation of the proposal by the Budget Division is not included in the 45 days.

2528 Work Programs to Revise an Approved Budget Not Requiring the Approval of the Interim Finance Committee (NRS 353.220)

1. A State agency may, with the approval of the Governor or his delegate, the Budget Director, revise a work program if:
    a. A request for the revision of a work program of an agency is less than $30,000; or
    b. A request for the revision of a work program is more than $30,000 but **does not**, when considered with all other changes in a category, **increase or decrease** by 10 percent or $75,000, whichever is less, the expenditure level approved by the Legislature.
    c. Within the scope of Sections A and B, the following criteria will be followed in determining whether or not a work program requires Interim Finance Committee review and approval:
        i. Revisions to section 4 of NRS 353.220 provides that a request for a revision of a work program be submitted to the Interim Finance Committee (IFC) only if it exceeds $30,000. This provision would be limited to the first $30,000 only for each category within a budget account.
        ii. Following approval of the initial $30,000 in a category within a budget account, a threshold of $10,000 will be applied to each category for determination of whether or not Interim Finance Committee approval is required. Any category revision with the exception of those itemized under sub-section (3) will be subject to the $10,000 threshold and if under that amount will not be forwarded to the IFC for its approval.
        iii. Categories 02, Out-of-State Travel; 03, In-State Travel; 05, Equipment; and 30, Training, will have a threshold of $5,000 rather than the $10,000 threshold applied to all other categories.
        iv. All work program submittals will be reviewed first for the thresholds in sub-sections (1), (2) and (3), then will be subject to the 10% or $75,000 rule. Amounts will be reviewed for cumulative totals as well as the amount represented by the work program document at hand.

    Agencies should contact their assigned budget analyst within the Budget Division, at 775-684-0222 for questions concerning these thresholds.

2. Emergency Provisions - A State agency with the approval of the Governor or his delegate, the Budget Director, may revise a work program if:
    a. It is necessary:
        i. Because of an emergency as defined below:
            1) Invasion, disaster, insurrection, riot, breach of the peace, substantial threat to life or property, epidemic or the imminent danger thereof; or
            2) Damage to or disintegration of a building owned by the State or of the mechanical or electrical system of such a building when immediate repairs are necessary to maintain the integrity of the structure or its mechanical or electrical system. (NRS 353.263)
        ii. For the protection of life or property; the Governor shall approve it and shall report the action to the Interim Finance Committee; or
    b. The Governor determines expeditious action is necessary by the Interim Finance Committee and whenever the Governor so certifies, the Interim Finance Committee has 15 days after receipt of the proposed revision to consider the revision. If the request is not considered within the 15-day period, it shall be deemed approved.

3. The Legislative Department, the Public Employees' Retirement System and the Judicial Branch are specifically exempted from the provisions of NRS 353.150 - 353.245. The Legislative Commission prescribes the method by which they shall submit and revise their budgets (NRS 353.246).

In order to provide some flexibility to meet emergencies arising during each fiscal year in the expenditures of the State distributive school fund, Nevada System of Higher Education, and various departments, institutions and agencies of the executive department of State government; the Budget Director with the approval of the Governor, may require that a non-expendable reserve be set aside out of the total amount appropriated or out of other funds available from any source whatever to the Department, institution or agency. (NRS 353.225)

At any time during the fiscal year this reserve or any portion of it may be returned to the appropriation or added to one or more expenditures if the Budget Director so orders in writing.

2530 Work Programs to Revise an Approved Budget Requiring Approval of the Interim Finance Committee

After obtaining the approval of the Governor, or his designee, the Budget Director, Interim Finance Committee approval is required of those work program changes in excess of $30,000 which have the effect, when taken into consideration with all other changes during that fiscal year, of increasing or decreasing any legislatively approved expenditure level by 10 percent or $75,000, whichever is less. The Interim Finance Committee has 45 days to consider the proposed revision (after received by the Secretary of the Committee). If not acted upon within the 45 days, the revision is deemed approved. Refer to **Section 2528** for the standards used by the Department of Administration Budget Division for the implementation of these financial thresholds.

2532 Work Programs to Receive Federal Block Grants

After obtaining the approval of the Governor, or his designee, the Budget Director, and pursuant to NRS 353.345, all work programs involving any changes or augmentations of block grants are reviewed by the Interim Finance Committee regardless of the 10 percent or $75,000 provisions of NRS 353.220 or the $100,000 grant provisions of NRS 353.335 to allow for public testimony regarding the allocation of block grant funds.

2533 Ending Fund Balance

Except for the balance in any proprietary fund and appropriated or authorized reserves, any balance remaining at the end of a fiscal year in a budget account of an agency, department or institution of the State of Nevada, whether or not authorized for expenditure under a work program, reverts to the source of funding supporting the agency, department or institution. If that source of funding is federal money or a source of revenue the use of which is restricted by statute, then the balance may be authorized for

expenditure under a work program for the subsequent fiscal year in accordance with the provisions of Chapter 353.

2534 Obligation of Unauthorized Funds

It is unlawful for any State officer, commissioner, head of any State department or other employee whether elected or appointed, to expend more money than the sum specifically appropriated or authorized by the Legislature or approved under the provisions of NRS 353.220 to 353.335 for any such office, commission or department. It is also unlawful to bind, or attempt to bind, the State or any fund or department in any amount in excess of the specific amount provided by law for any purpose whatever.

Any officer, elective or appointive, who violates any of these provisions, shall be guilty of malfeasance in office. All other persons shall be guilty of a misdemeanor. (NRS 353.260)

2535 Petty Cash Accounts

Pursuant to NRS 353.252, agencies may submit written requests to the Clerk of the Board of Examiners, as authorized by the Board of Examiners at their July 2003 meeting, to approve requests for petty cash accounts of not more than $500.00. The agency's written request must define the purpose for which the petty cash account will be used and provide the replenishment claims must be paid from the agency's budgeted resources and processed as other claims against the State are paid. The Clerk will maintain a log by agency and amount of all petty cash accounts that he approves on behalf of the Board.

2536 Board of Examiners' Emergency Account

Agencies funded with General Fund dollars may apply to the Clerk of the Board of Examiners for an additional appropriation if the purpose of the additional funding constitutes an emergency as defined below:

1. Invasion, disaster, insurrection, riot, breach of the peace, substantial threat to life or property, epidemic or the imminent danger thereof; or
2. Damage to or disintegration of a building owned by the State or of the mechanical or electrical system of such a building when immediate repairs are necessary to maintain the integrity of the structure or its mechanical or electrical system. (NRS 353.263)

The Board of Examiners, at their July 2003 meeting, delegated authority to the Clerk of the Board of Examiners to approve payment on their behalf of all requests for additional funding from the Emergency Account. The Clerk is required to report quarterly to the Board of Examiners on the payments he approved. In addition, an account of all expenditures made from the Emergency Account in the preceding biennium is included in the Governor's Executive Budget as presented to the Legislature.

2538 Board of Examiners' Reserve for Statutory Contingency Account

The Board of Examiners administers the Reserve for Statutory Contingency Account and has delegated authority to the Clerk of the Board of Examiners, or their designee, for approval of payment of all claims allowable under NRS 353.264. Agencies may apply to the Clerk of the Board of Examiners for payment of specific claims that are obligations of the State under NRS 353.264, and for eligible claims against an account for which the regular budget is depleted. The Clerk's determination is appealable to the Board. The following enumeration outlines the extent to which Reserve for Statutory Contingency funds may be used and under which statute these claims are eligible per NRS 353.264:

1. Obligations under Nevada Revised Statutes:
    - **41.03435** Defense of State employees named in civil actions.
    - **41.0347** Defense of State officers or employees
    - **62I.050** Claims arising from Interstate Compact on Juveniles
    - **176.485** Costs of specified investigations
    - **179.310** Rewards for the apprehension of robbers
    - **212.040** Expenses for the recapture and return of criminals and escaped prisoners
    - **212.050** Rewards for the apprehension of criminals and escaped prisoners
    - **212.070** Costs of prosecution and defense related to crimes committed in prison
    - **281.174** Unpaid travel advances
    - **282.290** Restitution of losses suffered by local subdivisions on surety bonds issued under prior law
    - **282.315** Costs of investigations of losses due to negligence or malfeasance of public officers or employees

- **288.203** Employee Management Relations Board
- **293.253** Costs of publishing proposed Statewide ballot questions and explanations
- **293.405** Costs of recount; commencement and completion of recount; limitation on additional recount.
- **353.120** Specified refunds
- **353.262** Reimbursement of terminal leave pay up to $12,000 for Unused Sick Leave and Unused Annual Leave
- **412.154** Defense of members of the State Militia
- **475.235** Fire Department claims for fighting fires on State property

2. Eligible expenses when regular budget is depleted:
    - **07.155** Public Defender compensation
    - **34.750** Attorney's fees for indigent prisoners
    - **41.0349** Indemnification of present or former public officers, employees or legislators
    - **41.037** Tort claims against the State
    - **176A.640** Expenses of returning arrested probationer to court
    - **179.225** Extradition costs
    - **213.153** Expenses for return of parole violators
    - **293B.210** Secretary of State reimbursement for voting cards
    - **353.264** Forestry Reimbursement involving Life & Property (Chapter 472)
    - **535.030** Dangerous Dam Conditions

2540 Interim Finance Contingency Fund

Agencies qualifying under the provisions of NRS 353.268 shall submit a request to the Board of Examiners for an allocation from the Interim Finance Contingency Fund. Requests for an allocation must be for an emergency use to supplement regular legislative appropriations, which fail to cover unforeseen expenses and to meet expenses pursuant to requirements of law, or as provided by specific statute. Approval of all such requests is subject to the independent action of the Interim Finance Committee.

2542 Position Control

1. The Budget Director shall establish the mechanics for position control for all agencies that receive appropriated monies (except the Nevada System of Higher Education) and for certain "authorized expenditure" agencies. Prior to the start of any given fiscal year, the Budget Director, on behalf of the Governor, issues an All Agency Memorandum to agencies within the Executive Department instructing them to access and print their position detail reports from the Nevada Executive Budget System for the upcoming fiscal year. Agencies are instructed to review the detail and advise the Budget Division of any discrepancies so the Budget Division can make any necessary adjustments or corrections. The Budget Division is responsible for updating the Division of Human Resource Management Integrated Financial System for Human Resources by entering any Legislative Approved new positions or reclassifications or other changes on an ongoing basis as the changes occur. The Division of Human Resource Management shall not honor a request nor approve the payroll for an unauthorized position. Establishment of a position and issuance of a position control number by the Budget Division does not determine the classification of the position. This is the responsibility of the Division of Human Resource

Management and requests for establishment or change of classification should be directed to the Division of Human Resource Management. When contacting either the Division of Human Resource Management or the Budget Division concerning an existing position, identify the position by number and budget account.

2. The Division of Human Resource Management, through Nevada Administrative Code 284.126, requires that:
    a. If an agency makes or anticipates making a significant change in the duties for a position or the agency anticipates a reorganization that will require the reclassification of an existing position, the reallocation of an existing class or the creation of a new class, it shall advise the Budget Division. The proposed change may not be required of an employee nor be submitted to the Division of Human Resource Management until funding for it is approved. If the Division of Human Resource Management approves the change, the Budget Division will determine the effective date if the change does not require a new class or reallocation of an existing class.
    b. When advising the Budget Division of requests for reclassification, reallocations, establishment of new classes or new positions, the following information must be included where applicable:
        i. The new responsibilities added to existing organization mission/purpose and assigned to the position and how the organization is benefited;
        ii. The responsibilities reassigned/changed with no substantial change in overall organization mission/purpose;
        iii. The identity of all other positions affected by this reassignment, change or new position;
        iv. The cost associated with the reassignment, change or new position;
        v. The source of funding for additional cost, both in the current biennium and in future biennium's;
        vi. The reasons for requesting a specific effective date and funding available on that specific date.
3. A new class, or reallocation of a class or class series based on an occupational study conducted by the Division of Human Resource Management, becomes effective when the funding is provided by the Legislature in the biennial operating budget that are impacted by the changes.

2544 Legislative Approval for Changes of Positions

A State agency, other than the Nevada System of Higher Education and occupational licensing boards, may not change a position for which money has been appropriated or authorized from one occupational class to another, as defined by the index developed pursuant to NRS 284.171, without the approval of the Legislature or of the Interim Finance Committee.

The occupational class index consists of occupations in the fields of:

1. Agriculture and conservation.
2. Clerical and related services.
3. Domestic services.
4. Library and archives.
5. Education.
6. Engineering and allied.

7. Fiscal management and staff services.
8. ~~Occupational Group no longer used~~
9. Mechanical and construction trades.
10. Medical, health and related services.
11. Regulatory and public safety.
12. Social services and rehabilitation.
13. Sworn Law Enforcement

All proposed changes of positions from one occupational class to another must be submitted to the Interim Finance Committee upon the approval of the Governor, or his designee, the Budget Director. The Interim Finance Committee has 45 days after a proposal is submitted to its secretary within which to consider it. Any proposed change, which is not considered within the 45-day period, shall be deemed approved.

2564 Charges for Expeditious Service

A State agency may charge, in addition to the fee otherwise imposed for a service provided by the agency, a reasonable fee for providing the service in an expedited manner or in a manner that is expeditious or convenient to the customer. A State agency shall not charge a fee that is in excess of 5 percent of the fee otherwise imposed. All fees so collected shall be deposited with the State Treasurer in the account for expedited services in the general fund.

2566 Acceptance of Credit Cards or Debit Cards

Upon approval of the State Board of Finance, a State agency may enter into contracts with issuers of credit cards or debit cards to provide for the acceptance of credit cards or debit cards by the agency for the payment of money owed to the agency for taxes, interest, penalties or any other obligation or in payment for goods or services. The following procedures shall apply to this authorization:

1. Before a State agency may enter into a contract, the agency must submit the proposed contract to the State Treasurer for his review and transmittal to the State Board of Finance.
2. If the issuer charges the State agency a fee for each use of a credit card or debit card, the contract must include a provision that requires the State agency to pay the fee charged by the issuer for the use of the credit card or debit card.
3. Except as provided in sub-section 4, the payment of fees charged by the issuer for each use of a credit card or debit card must be treated in the same manner as any other administrative cost of the agency.
4. A State agency that has, during the immediately preceding quarter, provided services in an expedited manner or in a manner that is expeditious or convenient to a customer may file a claim with the Director of the Department of Administration for reimbursement of the costs to the agency for providing these services. The claim shall not exceed the total amount deposited by the agency with the State Treasurer in the account for expedited services. The director shall make a recommendation to the Interim Finance Committee to either approve the claim, in whole or in part, or deny the claim. If the claim is approved, in whole or in part, it must be paid from the account for expedited services.

2568 Placement of Automated Tellers

Upon approval of the State Board of Finance, a State agency may enter into a contract(s) with a financial institution or other business organizations for the placement of automated tellers at locations where the agency receives payment of money. Before a State agency may enter into a contract, the agency must submit the proposed contract to the State Treasurer for his review and transmittal to the State Board of Finance.

2570 Definitions

As used in Sections 2566 and 2568, the following terms are defined:

1. **Cardholder -** means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by the insurer;
2. **Credit Card -** means any instrument or device, whether known as a credit card or credit plate, or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit;
3. **Debit Card -** means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds;
4. **Issuer -** means a business organization, financial institution that issues a credit card or debit card; and,
5. **Automated Teller -** means an electronic device that dispenses cash in connection with an account maintained in a financial institution or with another business.

2572 Statewide Cost Allocation Plan

The State of Nevada prepares a Central Services Cost Allocation Plan in compliance with federal OMB Circular A-87 guidelines. OMB Circular A-87 requires assessment of all programs from their share of costs on the basis of the most appropriate methodology. OMB Circular A-87 establishes recommended procedures, allowable costs and allocation basis for the allowable costs to be identified to each State agency that benefits from the State central services. This benefit may be a direct benefit, e.g., computer services, or an indirect benefit, e.g., controller accounting services. The procedures followed and approved for each type of cost may result in an allocation of the costs where there is no actual, direct usage by your agency, but only an indirect benefit. The plan is reviewed, negotiated and approved by the State's federal cognizant agency, the Division of Cost Allocation, U.S. Department of Health and Human Services, Region IX, San Francisco. Approval from this federal agency is on the basis of whether the State plan conforms to the principles and procedures found in OMB Circular A-87. All departments have been allocated costs on the basis of the same allocation method for each statewide cost function. Within the parameters of the basic program, the following guidelines are provided:

1. Within the Department, where separate assessments have been made, the program assessments have been made on the basis of the most equitable method for the type of costs and services

provided. As a result, assessments have been made on the basis of various methodologies including total direct cost, total salaries and wages or full-time equivalent staff per program. Other assessments have been made on a total departmental basis for allocation to programs by the Department. It is possible the basis for assessment will be updated from time to time.

2. Those agencies that have been assessed indirect cost on the basis of cost identified by the Nevada Statewide Cost Allocation Plan have had a special category identified as State Cost Allocation included in their budgets. The category number is 88. Agencies will be asked to recover the amounts shown in this category and remit those amounts to the General Fund. Agencies can recover these costs, where applicable, through additional billings of federal programs for costs to federal grants and contracts, increased fees and increased assessments to those benefiting from the services.
3. Because the methods of potential recovery vary significantly from agency to agency, specific statewide instructions cannot be developed. However, Statewide Cost Allocation assessments should be treated no differently than any other agency cost. The State's federal cognizant agent has approved these assessments. The assessments should be allocated or charged to agency programs the same way agency direct costs or other overhead costs are charged. This could mean that the indirect costs are allocated to State and/or general programs on the basis of the program total direct costs, salaries and wages, full-time equivalent State case counts, clients served or other basis that is currently used by each agency to recover costs. It is important that all programs be included in the base for the costs to be equitably assessed. If past cost can be claimed, retroactive claims should be developed.
4. Procedure to Recover Costs from Federal Programs. The costs reflected in category 88 may not be reflective of the total costs approved for each agency. For example, this may be due to the exclusion of those costs attributable to the General Fund portion of your budget(s) or other adjustments. Although you are instructed to pay only that amount which has been included in category 88 for each year of the biennium, agencies, which prepare federal indirect cost plans, should use the total cost allocated to the agency. Inclusion of the statewide costs identified for your agency should not be overly complicated or burdensome, however, if there are any questions related to the amount to be included in an individual agency's federal indirect cost plan, please contact your assigned budget analyst for assistance.
5. Instruction for Each Agency. The amount shown in Category 88 as "Statewide Cost Allocation" represents the non-general fund share of the total cost reflected in the Statewide Cost Allocation Plan approved by the federal cognizant agency. Unless the total cost for the fiscal year is less than $1,000, the Office of the Controller will automatically draw these funds from the impacted budget accounts on a quarterly basis. Budget accounts with total annual payments of $1,000 or less will be drawn once a year.

2600 Claims

2602 Board of Examiners to Examine Claims against the State

The Governor, Secretary of State and Attorney General constitute the Board of Examiners, with power to examine all claims against the State (except salaries or compensation of officers fixed by law). No claim against the State (except salaries or compensation of officers fixed by law) shall be passed on by the Legislature without having been considered and acted upon by the Board of Examiners. (Nevada Constitution Article 5, Section 21)

2604 Payment of Claims When No Legislative Appropriation Has Been Made

The Board of Examiners shall:

1. Examine all claims against the State presented to the Board by petition, for which no appropriation has been made and which requires action by the Legislature;
2. Take all evidence in regard to the claim, which may be offered by the claimant or deemed proper by the Board. The evidence shall be reduced to writing, and the petition, the written evidence and the opinion of the Board in reference to the merits of the claim shall be transmitted to the Legislature on the first day of its next session. (NRS 353.085)

2606 Payment of Claims When Legislative Appropriation Has Been Made

All claims against the State, for which an appropriation has been made by law and which have been authorized by law, may be presented to the Board of Examiners. The form and manner of presentation of the claim shall be prescribed by the Board of Examiners. The Board shall either reject or allow the claim, in whole or in part, within 30 days from its presentation and shall transmit the claim to the State Controller. The Board may adopt regulations providing for the use of sampling procedures and post audit techniques for making such a determination. (NRS 353.090)

2607 Reserve Category

No stale claim shall be paid directly from a Reserve category without prior written approval of the Department of Administration, Budget Division.

2608 Budget Director is Ex Officio Clerk of Board of Examiners

The Budget Director is the ex-officio Clerk of the Board of Examiners. The Clerk assists the Board of Examiners in the examination, classification and preparation for audit of all claims required to be presented to the Board; conducts an effective check and post audit of all such claims submitted to the Board.

2610 Review of Each Individual Claim by Board of Examiners Not Required

The Board of Examiners does not generally act on individual claims. The Board has set up rules for the Post Review section in the Division of Internal Audits to follow. Post Review will test samples of agency's fiscal transactions for compliance with statutes, laws, regulations, and internal control standards. Exceptional transactions are referred to the Board for its action.

2612 State Controller Shall Not Pay Claims Unless Allowed by Board of Examiners, Exceptions

The State Controller shall not allow or draw his warrant for any claim which has not been approved by the Board of Examiners, or for a greater amount than allowed by the Board, except when the claim has not been acted upon by the Board within 30 days after its presentation to the Board. (NRS 353.090)

2614 Terms Defined

Invoice is a document issued by a vendor showing the character, quantity, price, terms, nature of delivery and other particulars of goods sold or of services rendered.

Payment Voucher is an electronic document that authorizes payment to vendors.

Statement as used in connection with the term invoice, means a summary of transactions between a vendor and an agency for a specific accounting period (usually a month) presented by a vendor to show the amount due.

Warrants and **Electronic Funds Transfer** are issued by the State Controller in response to a claim approved for payment by the Clerk of the Board of Examiners, which is appeasable to the Board of Examiners. The State Treasurer's Office is responsible for distributing all warrants to vendors after they have been issued by the State Controller and advising State agencies of the distribution.

2616 Supporting Documentation for Expenditures

1. The General Ledger Accounts to be used are defined on the Controller's Office website as referred to in **Chapter 2800 of SAM**.
2. Agencies (or the agency providing fiscal services for the agency) shall maintain original documentation justifying expenditures; e.g., purchase order, original invoices, receiving documents and other original evidence of the State's obligation to pay. If an original invoice is not available, the documentation submitted should indicate it is to be used as an original invoice. An invoice must support payment of previous balances. Agencies shall make this documentation available as requested by Post Review employees.
3. Each transaction must have support that is signed or initialed by the agency's approving authority. Facsimile signatures or initials, or scanned signatures or initials are acceptable in lieu of original signatures for all documents identified in subparagraph 2 above.
4. Where State employees are reimbursed for expenditures made on behalf of the State, those employees should not approve their own vouchers unless they are the head of the agency.

Alternate documentation and/or procedures which provide at least the level of control described in this section are acceptable.

2620 Miscellaneous Invoices - Items Required

1. All payments are to be processed following standard vendor payment terms. Standard vendor payment terms indicate payment within 30 days of invoice date.
2. All invoices for auto repairs, parts and services must bear the State "Exempt" license plate number of the vehicle being repaired.
3. Client prescriptions must bear the name of the client on the invoice.
4. Employees requesting reimbursement for out-of-pocket expenses for items purchased for State use must submit the invoice and a signed statement, which certifies that they have paid this expense on behalf of the State.

2622 Stale Claims

Stale claim means any claim which is presented for payment after the funds from which the claim should have been paid were reverted. Payment of stale claims for an agency may not exceed the amount reverted by that agency for the fiscal year during which the liabilities were incurred.

Payment of all stale claims must be approved by the State Board of Examiners or a person designated by the Clerk, to approve stale claims on behalf of the Board. The Clerk hereby designates state agencies to pay stale claims that qualify under sections (a) and (b) below.

A state agency may pay from the appropriate budget account in the current fiscal year a stale claim of the state agency which:

Is:

(a) Less than $100 (includes payroll-related); or
(b) For medical expenses pursuant to a claim from a third-party administrator where the agency has a special, separate category established for third-party claims. These stale claims may be paid from either the Stale Claims Account or from current year funds as determined by the agency.

Stale claims that are eligible to be paid from money that was appropriated, must be paid from the Stale Claims Account up to the amount of reversion. If stale claims exceed the amount of the reversion for the fiscal year in which the obligations represented by the stale claims were incurred, the state agency may pay the balance with current year funds in advance of requesting contingency funds or a supplemental appropriation if savings cannot be generated to cover the stale claims expenditure within the current fiscal year.

Once approved, a stale claim may be paid at any time, despite the age of the claim, if payable from available federal grants or from a permanent fund other than the State General Fund or the State Highway Fund.

2624 Clerk's Authority

The Clerk of the Board of Examiners, or his designee, has been delegated authority to approve statutory contingency fund claims and stale claims if the agency reverted a sufficient amount to have paid the claims if they had been presented in a timelier manner. Agencies requesting money from the stale claims, emergency or statutory contingency funds must submit a written request including the reasons the funds are needed and copies of supporting documents.

Other Policies

The following are miscellaneous policies not included elsewhere:

2626 Subscriptions

Subscriptions for purchases of books, magazines, newspapers, films, software instructions or other publications shall be in the name of the agency and the position, not in the name of the incumbent. Payment for either new or renewal subscriptions, up to two years, may be in the fiscal year that the renewal invoice is received or the original subscription is invoiced. The subscription period need not coincide to the fiscal year period.

2628 Professional Association Dues

Professional association dues for individual State employees are not allowed at State expense. State funds may be used to pay dues if:

1. The State employee is eligible by virtue of the unique State position he holds;
2. The membership is institutional;
3. There are demonstrable benefits accruing to the State rather than the individual; or
4. The professional organization is not open to all individuals of the profession such as the National Association of Accountants, the American Society for Public Administration, etc.

2630 Decorating Offices

It is not the policy of the State to decorate offices, only to furnish them.

2632 Meeting Room Rentals

Meeting rooms are available in State-owned buildings in certain Nevada cities. State agencies should use these facilities wherever possible and not submit claims for the expense of meeting rooms until exploring all State-owned facilities.

2634 Portrait Photographs

State policy prohibits payment of claims for portrait photography with the exception of full-time elected officials who are entitled to one official State photograph during their term in office. The payment is limited to $150 including the sitting charge, photographs and copies.

2636 Refreshments/Host Fund

Refreshments served to individuals in offices or at meetings and attendees of receptions or other marketing Nevada activities associated with State economic development or tourism marketing will be regarded as reasonable expenditures only if the agency has a legislatively-approved host fund or the activity is financed with non-public revenues such as registration fees charged to individual conference attendees. Agencies charging registration fees to finance contracts which provide for the rental of conference rooms for seminars or conferences when refreshments are served to attendees and/or lodging and meals for conference or seminar participants which exceed State rates shall provide documentation that the registration fees are not coming from funds originally under control of a State granting agency. Agencies with activities associated with State economic development or tourism marketing, which have a legislatively approved host fund, may incur actual costs such as transportation, lodging, food/refreshments for hosted dignitaries and/or client attendees of agency functions. Host funds cannot be used to purchase alcoholic beverages. The person or persons hosting such dignitaries can be reimbursed for their actual cost of their meal associated with the hosted event. Normal and reasonable gratuities paid to service providers at agency directed, produced or hosted functions are acceptable expenditures. All claims must be approved by the Department head or authorized representative and any claim in excess of $5.00 must be substantiated by receipts and accompanied by a detailed expense report.

2640 Sales and Use Tax

Sales and use tax is not paid on purchases made within the State or purchases shipped in from another state. Sales and use tax is reimbursed to an employee when claimed as an out-of-pocket expense.

2642 Registration Fees

Conference registration costs will be paid if an employee participates in the program or gives a presentation, or must attend as part of his/her State duties. In addition, registration costs of attendees/participants in events and other activities related to or sponsored by State economic development or tourism marketing or public relations will be paid. The name of the conference, the dates and the employee's name shall be listed on the registration receipt. (**SAM 2636**)

2644 Service Awards

The Governor or head of a State agency may present service awards to State employees if:

1. The cost of each award does not exceed $50; and
2. The Office of the Governor or the agency has sufficient funds available for such awards.

As used in this section, **service award** means a suitable symbol, other than money, for faithful and exceptional public service. (NRS 285.080])

2646 Awards/Gifts to Volunteers

Individuals performing a service for a particular State agency on a voluntary basis and for which they are not otherwise compensated may be presented with an award/gift from that agency if:

1. The service performed is on the individual's own time and is not in the normal course of his employment;
2. The cost of each award/gift does not exceed $25.00; and
3. The agency has sufficient funds available for such awards/gifts.

Members of a State board or commission are not eligible under the definition of a volunteer.

2648 Plaques

Plaques may be presented to new or expanded businesses and individuals to show appreciation for contributions to the State.

2650 Purchase of Bottled Water

The purchase of bottled water is not a permitted State expense unless justification as to why it is needed is approved by the assigned Budget Analyst and kept on file at the respective agency. Justification will only be based on health related issues associated with either the source of domestic water or the inadequacy of the domestic water delivery system. The purchase of paper cups is only permitted when the public is the consumer.

2652 Break Room Supplies

The purchase of break room supplies is not permitted Store expense. Break room supplies include, but are not limited to: small appliances, cleaning supplies, coffee, napkins, cups, plates and utensils.

2700 State Accounting System

2701 State Accounting System

The State of Nevada's accounting policies and procedures are issued by the State Controller and are available on-line through the Controller's Office website at the following internet address by clicking on the "Accounting Policies and Procedures" link:

http://intra.ktl.nv.gov/

Agencies can also access the current accounting policies and procedures directly by entering the following internet address:

http://intra.ktl.nv.gov/IFS_Files/Acctg_Policies_&_Procedures.pdf

Agencies should frequently refer to the Controller's Office website for up-to-date accounting policies and procedures issued by the State Controller.

2702 Keying of CR Documents into Advantage

All CR documents shall be keyed into Advantage on the same day the funds are deposited at the bank; but in no circumstance shall they be entered in Advantage more than two business days after the deposit has been made.

2800 Chart of Accounts

The State of Nevada's Standard Chart of Accounts is issued by the State Controller and a summary is available on-line through the Controller's Office website at the following internet address by clicking on the policies and procedures link:

http://washoe.state.nv.us:7778/

Agencies can also access the Standard Chart of Accounts directly by entering the following internet address:

http://controller.nv.gov

For a complete chart of accounts listing, agencies should refer to the Data Warehouse of Nevada (DAWN) at the following internet address by clicking on the Reports – Chart of Accounts link:

http://washoe.state.nv.us:7778/pls/prodsw/prc_coa_report

2900 Tort Claims

2901 Who to Talk to About Automobile Accidents

1. Damage to the Vehicles of Others and Bodily Injury - The Tort Claims Administrator in the Office of Attorney General handles claims for damages to property (other than State owned vehicles or property) or for injuries to people who are not State employees. The telephone number is 775-684-1263.
2. Damage to vehicles Rented by the State - Please refer to **SAM Section 504**.
3. Injured State Employees - Claims for injuries to State employees in automobile accidents while on State business should be referred to the Risk Management Division. Their telephone number is 775-687-6522.
4. Damage to State Vehicles or Property - Risk Management handles claims for damages to State vehicles or property. Their telephone number is 775-687-6722
5. Accidents with an Employee-Owned Vehicle - Injury and damages to third parties arising out of the use of an employee's vehicle on State business are the responsibility of the employee and his insurance company. These must be reported to the employee's insurance company and the Tort

Claims Administrator at 775-684-1263. The State will contribute to the settlement of a claim payment after the employee's insurance limits have been exhausted.

6. Damage to an Employee Owned Vehicle while on State business. (See S**AM Section 504.**)

2902 Who to Talk to About Other Types of Accidents

These claims typically include slip and falls on State premises, people who lose money because documents were not properly processed and civil rights violations. The Tort Claims Administrator in the Office of Attorney General handles these claims. Their telephone number is 775-684-1263.

1. Injured State Employees - Claims for injuries to State employees while at work should be referred to the Risk Management Division. Their telephone number is 775-687-6722.
2. Damage to State Property or Vehicles - Risk Management, whose phone number is 775-687-6722, handles claims for damage to State vehicles or property.

2903 Who to Talk to About Inmate Claims

Claims of less than $500.00 are evaluated, then denied or paid by the Department of Prisons. They must be filed within six months of the date of loss. Claims for damages more than $500 will be evaluated by the Department of Prisons and forwarded with a recommendation to the Attorney General's Office for consideration of payment or denial.

2904 What to Do in the Event of an Accident or Potential Claim

Automobile Accident

In event of an Accident you must:

1. Notify the proper authority, e.g., local law enforcement agency or fire department, if applicable.
2. Call your supervisor as soon as possible. If a Fleet Services Division Vehicle is involved, the Fleet Services Division shall also be notified. You must complete the vehicle accident report – RSK001. A copy should be in the packet in the glove compartment of the State vehicle. You should also gather all relevant facts, take photos, tag and preserve any evidence and forward copies to the Tort Claims Administrator at 100 N. Carson St., Carson City Nevada 89701 and Risk Management at 201 S Roop Street, Suite 201., Carson City, Nevada 89701 as they become available.
3. You must cooperate in the investigation of any claim by the Office of the Attorney General or its contract adjusters.

Accident Other Than Auto

An incident report must be completed on any occurrence that could become a claim against the State. Use TC-2 "Potential Liability Form." Please provide the names and addresses of any witnesses. Please indicate if you or any other State employee knew of the hazard that caused the accident. Any material

evidence must be preserved. Forward the completed form to the Tort Claims Administrator in the Office of Attorney General.

Any person who directly contacts an agency concerning a claim or potential claim shall be referred to the Tort Claims Administrator at 775-684-1263 for further handling.

2905 Authority to Pay Claims

The Board of Examiners has authorized the Office of the Attorney General to pay claims under $100,000. Payment of $100,000 or more must be approved by the Board of Examiners which meets about every 4 weeks.

2905.1 Settlements Agreements are Public Information

Any agreement to settle a claim or action brought under NRS 41.031 or against a present or former officer or employee of the State or any political subdivision, immune contractor or State Legislator:

1. Must not provide that any or all of the terms of the agreement are confidential.
2. Must include the amount of any attorney's fees and costs to be paid pursuant to the agreement.
3. Is a public record and must be open for inspection pursuant to NRS 239.010

Any provision of an agreement to settle a claim or action brought under NRS 41.031 or against a present or former officer or employee of the State or any political subdivision, immune contractor or State Legislator that conflicts with this section is void. (AB 277, 2001).

2906 State's Duty to Defend Employees

When civil action is brought against a State employee, the employee is usually entitled to a defense by the Attorney General's Office. Should a judgment be entered against him as an individual, the employee is usually entitled to indemnification. (NRS 41.0305 to 41.039)

When a Judgment is entered against a present or former employee of the State, the State will indemnify him unless:

1. The person failed to submit a timely request for a defense;
2. The person failed to cooperate in good faith in the defense of the action;
3. The act or omission of the person was not within the scope of his public duty; or
4. The act or omission of the person was wanton or malicious.

2907 Automobiles, Adding and Deleting Coverage

All agencies must notify the Office of Attorney General in writing of any vehicle additions or deletions. Use the "Fleet Insurance Changes Form". The following information must be included or your vehicle insurance to be processed. Without complete information, your form will be returned unprocessed.

- Year
- Make
- Model
- Vehicle identification number (VIN)
- License plate number
- Coverage requested (liability is mandatory, physical damage coverage is optional)
- Effective date of change
- Agency
- Budget account number from which the auto insurance premium is paid

2907.1 Automobiles, Proof of Insurance Cards

Automobile Liability Insurance for State Vehicles - The State is self-insured for automobile liability. NRS 485.370 exempts the State from the need to carry proof on insurance cards in its vehicles.

2907.2 Automobile Liability Insurance on Leased or Rented Vehicles

The State's Purchasing Division has negotiated overriding rental agreements. Vehicles must be rented under these agreements. The rental company provides the State with liability insurance under these agreements, which can save the State $300,000 in an accident.

2908 Insurance Premiums

The Office the Attorney General calculates liability rates for the State. Agencies are billed based on their legislatively approved full-time equivalent positions, the number the automobiles they have, and their claims history as determined by the Office of the Attorney General.

State Boards shall be billed based on their legislatively approved full-time equivalent positions, the number of Board members at the same rate as full-time equivalent positions, the number of automobiles they have, and their claims history as determined by the Office of the Attorney General.

All State agencies covered under the State's self insured auto and general liability programs must pay their share of the premiums and administrative fees as determined by the rating plan adopted by the Office of the Attorney General.

2909 Loss Prevention

Each department or agency is responsible for its own loss prevention. The Office of the Attorney General will assist the agency as requested.

The agency must cooperate with the Office of Attorney General in the investigation of claims, loss prevention surveys and the remediation of unsafe conditions.

3000 Federal Grant Procedures

3002 Purpose

This section assists Executive Branch agencies in complying with State and federal intergovernmental review procedures. The Nevada State Clearinghouse, within the Department of Administration's Budget Division, administers the State's review process of federal direct development and grant-in-aid projects. The review process coordinates preparation of agency comments on lead agency designation, public land transfers, military activities and major development projects requiring environmental impact analysis.

3004 Authority - Federal Grant Compliance

NRS 353.245 directs that every department, institution and agency of the executive department of State government, when submitting a federal grant proposal for money, equipment, material or services, file the grant with the Budget Division and the Legislative Counsel Bureau before submitting the request to the proper federal authority.

When a federal granting authority has approved a grant request (in whole or in part) the Department, institution or agency shall notify the Budget Division and the Legislative Counsel Bureau. This is required under NRS 353.245.

3008 Authority- Clearinghouse

State Clearinghouse operations are authorized under Presidential Executive Order 12372, issued in 1982, and a State Gubernatorial Executive Order issued in 1989. These orders implement Section 201 and Title IV of the Intergovernmental Cooperation Act of 1968 and Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966. They also help implement Section 102 (2)(c) of the National Environmental Policy Act of 1969.

3014 Clearinghouse Direct Development Project Objectives

Clearinghouse review of public land transfers and direct development projects enhances existing consultation requirements among federal, State and local agencies. Specifically, the review system provides a systematic approach for disseminating information and collecting comments from State agencies on major development projects. The review system alerts federal officials and proponents of these projects (e.g., power plants, mines, highways, etc.) about issues of concern to State and local officials. The process also develops State positions involving competing interest groups on issues of major environmental concern.

3016 Direct Development Projects Compliance - State Projects

State agencies engaged in direct development projects that are subject to review under the National Environmental Policy Act must submit a copy of each project document (Environmental Assessments or Environmental Impact Statements) to the State Clearinghouse, or send the address of the web site on which the document is posted. These environmental documents will in turn be distributed to State agencies for review and comment.

3018 Definitions of Vendors and Subrecipients [1]

Agencies must determine whether its relationship with an entity constitutes a vendor or subrecipient. This determination is important as vendors are subject to various NRS's, **SAM chapter 300**, and may require Board of Examiner approval. Alternatively, subrecipients are subject to various federal regulations and **SAM 3020**.

Vendors

Vendors are individuals or entities from which state agencies procure goods and services to carry out a project or program. Characteristics of a vendor may include some of the following:

1. Provides the products or services within normal business operations and provide similar products or services to many different entities.
2. Generally receives payment after delivery of a particular product or service.
3. Usually paid more than their cost for the good or service resulting in a profit.
4. Is not responsible for compliance with applicable program guidelines.
5. Has their performance measured against whether they meet specific deliverables, rather than a program's performance outcomes?
6. Operates in a competitive environment and competes with other entities that provide a similar product or service.
7. Usually provides products or services that are ancillary to the operation of the program such as products or services that enable the state agency to operate, e.g. office supplies, janitorial services, equipment, staff development, printing, travel, etc.
8. Cannot be a subrecipient for the same or similar program.

The following examples illustrate vendor relationships with a state agency:

A state agency receives a federal award to provide mental health services in a designated area. Some of the funds are paid to a contractor (vendor) to repair a leaking roof.

1. A state agency receives a federal award to operate specialized preschool programs and pays a vendor to provide temporary clerical services.
2. A state agency receives a federal award to run a preschool and pays a doctor (vendor) to perform health screening on a per-student basis

A state agency receives a federal award to operate a child care center and pays a not-for-profit clinic (vendor) to perform physical exams.

Subrecipients

A subrecipient is the result of a contractual agreement between a state department and a third party organization to perform all or a portion of a grant funded project. Similar terms that are commonly used are: sub-award, sub-grant, sub-agreement, and pass through. Characteristics of a subrecipient may include some of the following:

1. Determines who is eligible to receive financial assistance, and which specific type of assistance is to be distributed. For example, subrecipients may determine whether a potential customer meets a program's eligibility requirements.
2. Is responsible for:
    a. Meeting performance targets that are tied to program objectives.
    b. Meeting expenditure targets to maximize the use of program funding.
    c. Submitting regular progress reports relating to program objectives.
3. Has responsibility for program decision making, such as:
    a. Policy decisions governing how it carries out a program.
    b. Operational decisions governing how it carries out a program.
    c. Decisions regarding the appropriate assistance for a particular customer.
4. Receives technical assistance or training from the awarding state agency relating to program requirements and is:
    a. Required to comply with applicable program statutes, regulations, rules, policies (including local policies) and guidance.
    b. Monitored by the awarding state agency to ensure they are complying with applicable program requirements.
5. Uses the funds to carry out a program of the awarding state agency as opposed to providing products or services for a program. For example subrecipients:
    a. Perform all or a portion of the scope of work or objectives of the federal award.
    b. Have a budget that must be approved by the awarding state agency.
6. Cannot be a vendor for the same or similar program.

The following examples illustrate subrecipient relationships:

1. A state department of education (pass-through entity) receives a federal award and is responsible for administering and disbursing the federal award to local school districts (subrecipients) according to a formula or some other basis.
2. A state agency (pass-through entity) receives a federal award for the feeding of elderly and low-income individuals, and the award is disbursed to not-for- profit organizations (subrecipient) to support their feeding programs.

A state arts commission (pass-through entity) awards funds from a federal grant to a theater group (subrecipient) to support a summer arts series.

A University (pass-through entity) receives a federal grant to study a disease and awards funds to a hospital (subrecipient) for part of the research.

Professional judgment is necessary when making the determination of whether an entity is a vendor or subrecipient. An entity may possess some characteristics of both a subrecipient and a vendor. In cases where uncertainty exists, agencies need to use their best judgment, be consistent with their assertions, and document the reasons for their conclusions.

If an entity is determined to be a subrecipient then section 3020 applies.

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[1] For the purpose of this section the term vendor includes both vendors and contractors.

3020 Grant Awards [1]

The following guidelines should be used by agencies when issuing grants. Deviations from these guidelines should be justified by NRS, federal law, or requirements imposed by the grant program. The justifications should be documented and retained in the agency's records.

When awarding grants to subrecipients, agencies should establish procedures that allow grants to be awarded equitably in an open competitive environment.

The procedures must include:

1. Written guidelines which help applicants determine whether and how to apply for the grant.
2. A method to publicize grant opportunities.
3. A structured applicant review process using pre-established criteria and a scoring system. (Note: a scoring system is not required if the grant specifies the entity who shall receive the funds and how the funds will be allocated.)
4. A procedure for dealing with complaints from applicants who were not selected for award. These complaints should be investigated by someone of authority.
5. A written grant agreement to be used upon issuing the award.
6. Guidelines that address conflicts of interest.
7. Procedures for reporting fraud and waste.

Written Guidelines

Written guidelines must be created for all grant opportunities. The guidelines should disclose sufficient information to help potential applicants determine whether and how to submit an application. Guidelines should include items such as:

1. A description of the grant program being offered including the specific scope of the grant and expected outcomes for which the funding is being provided.
2. Amount of money for distribution (if known) and how it will be allocated.
3. Eligibility requirements for applicants.
4. Detailed instructions about application formatting or an application template.
5. General information about the review process and an overview of the composition of the review committee, i.e. engineers, mental health specialists, art educators, etc.
6. Selection criteria and weight.
7. Deadlines and timelines for each step in the application and award process.
8. Reporting requirements.

9. Requirements for in-kind or matching funds.
10. Name and information of a contact person at the state agency.
11. A statement regarding when and if information in their grant application becomes public data.

Publicizing the Grant Opportunity

Grant opportunities must be posted on either the granting agency's website, targeted newspapers, or other public places appropriate for the type of clientele to be notified for at least 7 days. The publication should include either the written guidelines or a description of the grant program with a link to a website containing the guidelines.

Applicant Review Process

The application review processes must be conducted using review criteria that are identified in the grant guidelines and a standardized scoring system to rate each application against the chosen criteria. (Note: a scoring system is not required if the grant specifies the entity who shall receive the funds and how the funds will be allocated.)The criteria and standardized scoring system (if used) must be established and documented before the grant opportunity is publicized.

Review criteria may include such things as:

1. Project need,
2. Project sustainability,
3. Soundness of approach,
4. Probability of achieving results,
5. Financial management capacity (accounting, timekeeping, and funds management),
6. Project funds raised to date,
7. Geographic coverage, and
8. Knowledge of the community being served.
9. Qualifications of key personnel.

An applicant's past performance as a grantee of that state agency should also be considered when evaluating a grant application.

A standardized scoring system is a rating system that assesses how well each grant application conforms to each of the selected criterion. Grant applications are assigned a score for each criterion. Scores for each criterion are tallied to arrive at a cumulative score for each application. The application with the highest total score should be selected for the award, unless other circumstances exist which warrant the award going to a different applicant. An explanation of why the applicant with the highest score was not selected should be documented and maintained. The agency must notify applicants of the award winner by either communicating with them directly or posting the winning applicant's name on the agency's website. (Note: a scoring system is not required if the grant specifies the entity who shall receive the funds and how the funds will be allocated

Grant Agreements

Agencies must have a procedure for responding to complaints from applicants who were not selected for award. At a minimum, these complaints should be investigated by someone of authority. The results of the investigation must be documented.

Agencies must use a written grant agreement for all grants issued by the agency. The grant agreement should include:

1. Agency's authority for the grant program.
2. Scope and timeline for the work,
3. Federal CFDA number if applicable.
4. Awarding agency's DUNS number if applicable.
5. Subrecipient's DUNS number if applicable.
6. Subrecipient's duties in carrying out the grant.
7. Method of determining how the subrecipient's performance will be measured.
8. How and when grant payments will be made.
9. Language and assurances including clauses regarding liability, data practices, intellectual property, Worker's Compensation, and provisions regarding federal funds.
10. Reporting requirements.
11. Matching requirements if applicable.
12. A provision allowing the awarding agency, the Division of Internal Audits, the Legislative Counsel Bureau and any other entity as required by law to audit the subrecipient.
13. A requirement to maintain all documents needed for an audit, and respond to auditor inquires.
14. A termination clause for non-performance or other pertinent issues.
15. Name and phone number of the agency's contact person.
16. Signatures of all involved parties.

Any special requirements imposed by the Federal Government must be noted on the agreement.

Grant agreements must be reviewed and approved by the agency's assigned Deputy Attorney General (DAG) before they are executed. If an agency uses a standard grant agreement template, then only the template need be approved. Individual transactions using the approved template do not require DAG approval. Any changes to the original template which change the terms of the agreement would require DAG approval. Any subsequent changes to the grant agreement must be made using an amendment signed by all involved parties. Amendments must be reviewed and approved by the assigned Deputy Attorney General.

Conflicts of Interest

All state employees and grant reviewers involved in the grant process must disclose in writing any conflict of interest for each grant issuance they participate in. The written disclosure must identify any grant applicant with which they have an actual or perceived conflict of interest. The grant process includes activities such as developing or evaluating grant guidelines or applications, awarding a grant, drafting or entering into a grant agreement, evaluating grantee performance, and authorizing payments to the grantee.

Examples of conflict of interests

1. Uses their status or position to obtain special advantage, benefit, or access to the grantee.
2. Receives money or anything else of value from a grant applicant or subrecipient, or has equity or a financial interest in an applicant organization.
3. Is an employee, board member, or has any relationship that can be perceived as a conflict of interest with a grant applicant or subrecipient.

If an actual or perceived conflict of interest is thought to exist, appropriate steps should be taken to avoid the conflict. These steps may include reassigning the duties associated with the particular grant to another employee or grant reviewer, or requiring the employee or grant reviewer to remove themselves from the discussion or decision that is affected by the conflict. At a minimum, all internal parties who are involved with the situation must be made aware of the actual or perceived conflict, even if it is not serious enough to remove or reassign the employee or grant reviewer. The conflict and resolution should be documented and maintained by the agency.

Grant Fraud and Waste

Suspected fraud or waste in grants should be reported to the Attorney General's Office or the Division of Internal Audits.

3022 Monitoring Subrecipients [1]

State agencies issuing funds should document a monitoring plan to ensure subrecipients are complying with:

1. Fiscal requirements and use awards for authorized purposes.
2. Program requirements and are achieving program goals.
3. Reporting requirements both fiscal and program.
4. Any other requirements imposed by the Federal Government. .
5. The A-133 Single Audit requirement and any audit exceptions have been corrected.

Agencies should use a risk assessment to determine the extent of monitoring procedures performed for each subrecipient based on items such as:

1. Size of the award relative to the grantor and recipient.
2. Award complexity.
3. Prior experience with the subrecipient.
4. Degree of external oversight by auditors (Agencies should monitor subrecipients even if they receive an A-133 Single Audit).
5. Sophistication of the subrecipient's systems and administrative operations.

3500 Group Insurance

3502 Public Agency Contributions to Group Insurance

The monthly employer subsidy for group life, accident or health coverage for participating public officers and their dependents is funded by an assessment to each State department, commission or public agency which employs an officer or employee where the position is filled and the incumbent is enrolled in the program.

The Budget Division of the Governor's Finance Office determines the methodology and calculates the allocation amount to be paid by each budget account to finance the State contribution for retiree premiums.

3504 Coverage Optional for State Officers and Employees

Nothing in the group insurance law makes it compulsory for any officer or employee to accept or join the Public Employees' Benefits Program, or to assign wages or salary or to authorize deductions from wages or salary in payment for the program. (NRS 287.048)

If an employee wants to decline coverage, he must notify both the PEBP and the employee's agency human resources staff and complete an enrollment form and an employment status transaction to decline coverage.

When an employee declines group insurance coverage, he is declining coverage for medical, dental, vision, life insurance, and long-term disability benefits.

The Public Employees' Benefits Program provides additional information regarding the plan and benefits which can be obtained from the Public Employees' Benefits Program by calling Member Services at 775-684-7000 or (800) 326-5496 or by visiting their website at http://pebp.state.nv.us.

3514 Enrollment

Information regarding enrollment and eligibility for both employees and dependents is available from the Division of Human Resources Management in the State of Nevada Employee Handbook:

http://hr.nv.gov/uploadedFiles/hrnvgov/Content/Resources/Publications/Employee_Handbook.pdf

or from the PEBP Member Services:

775-694-7000 or 800-326-5496 or http://pebp.state.nv.us

3538 Payment of Premiums

1. An overpayment of premium may occur due to:
    a. Clerical error.
    b. Employee or retiree reporting changes after the payroll center's cutoff for changes on current month's deduction on their paycheck.

   c. Employee or retiree failing to make timely notification that a dependent is no longer eligible for coverage or a new dependent is eligible for coverage.
2. When an overpayment of premium occurs, credit may only be taken at the same rate at which the overpayment occurred and is:
   a. Credited to the payroll center on their next month's premium statement during the current policy year if the participant is an active employee. The payroll center will be responsible for returning money to the employee.
   b. Refunded directly to the payer if the participant is a retiree or other qualified self-paying party.
   c. Not pro-rated. Coverage is based on a full calendar month beginning on the first and ending on the last day of the month, and premiums paid for a month during which the employee terminates service on any date, for any reason are not considered an overpayment.

3600 Retirement

3602 General

The Public Employees' Retirement System (PERS) is open to employees of State agencies, political subdivisions, irrigation districts and entities classified as "public employers" under statute (NRS 286.070, 286.290-293). The retirement program includes benefits for service retirement, disability retirement and benefits for survivors. This section provides a brief overview of PERS membership requirements and benefits. Detailed information should be obtained at the PERS website in order to understand the benefits, rights and responsibilities of each State member. In addition, NRS 286 and NAC 286 cover public employee benefits, and may also be consulted.

3604 Membership

Only employees of a public employer are eligible to participate in the Public Employees' Retirement System (NRS 286.290). Persons employed on or after July 1, 1977 in positions considered to be half time or more according to the full-time work schedule established for that public employer, must become members of the System (NRS 286.293). People elected or appointed to elective positions after July 1, 1975 except to boards or commissions, unless otherwise excluded, and members of the Nevada Gaming Commission appointed on or after July 1, 1999, are required to be members. A person who is employed by the Legislature or the Legislative Counsel Bureau on or after January 1, 1981, and who is already vested or contributing to the System, is required to participate (NRS 286.293).

An employee's membership in the System terminates upon the member's death, withdrawal of the member's personal contributions and/or distribution of the portion of mandatory employer-pay contributions submitted on his behalf, or receipt of retirement or disability allowances by the member.

3606 Employee Defined

For this section an employee is apublic officer of the State or its political subdivisions; any person whose compensation is provided by the public employer and who is under the direction or control of officers of the public employer is an employee.

"Employee" does not include independent contractors or persons rendering professional services to an employer on a fee, retainer or contract basis. The Public Employees' Retirement Board shall determine who is an employee under this definition.

3608 Part-Time EmployeesPersons employed in positions considered to be half time or less according to the full-time work schedule established for that public employer are not eligible for membership in the system. These employees must be enrolled in the FICA alternative program. Contact the Division of Human Resource Management for additional information.3608 Persons Ineligible for Membership

1. Independent contractors or persons rendering professional services on a fee, retainer or contract basis;
2. Substitute teachers and students who are employed by the institution that they attend;
3. Retired employees who are employed by a participating public employer, except as provided in NRS 286.523;
4. Members of boards or commissions of the State or its political subdivisions when such boards or commissions are advisory or directive and when membership is not compensated except for expenses incurred;
5. Inmates of State institutions even though they may be receiving compensation for services performed for the institution;
6. District Judges and Supreme Court Justices who are first elected or appointed on or after July 1, 1977, who are not enrolled in the System at the time of election or appointment;
7. Members of the professional staff of the Nevada System of Higher Education who are employed on or after July 1, 1977 except as provided in NRS 286.520;
8. People assigned to intermittent or temporary positions unless the assignment exceeds six months, except as provided in NRS 286.293;
9. Nurses who are not full-time employees, are paid an hourly wage on a daily basis, do not receive the employee benefits received by other employees of the same employer and do not work a regular schedule or are requested to work for a shift at a time.

3612 Retirement Fund

All funds received as employee/employer and employer-pay retirement contributions, except for police officers and firemen, are deposited in the Public Employees' Retirement Fund. (NRS 286.220)

All funds received as employee/employer and employer-pay retirement contributions for police officers and firemen are deposited in the Police and Firemen's Retirement Fund (NRS 286.225).

The Board provides individual accounts for each member. Each account shows the member's contributions to the respective Fund and any legally authorized changes in the amount. (NRS 286.260)

3616 Amount of Contributions

Contributions made by the State for members, as well as members' own contributions (if the employee has chosen the "shared" contributions option) are actuarially determined for both police/fire members and regular members, and the contribution is approved each biennium by the Legislature. If a State employee chooses the employee/employer shared contribution plan, the State shall match the employee's contribution.

3618 Vesting

Vesting refers to the time period necessary for a member to work in order to earn the right to receive a PERS benefit. Any participating member employed for five (5) or more continuous years is considered vested. If an employee leaves employment before retirement age, he/she may leave the accrued contribution with the System. Then, when the employee reaches retirement age, he/she may receive the benefits earned during public employment.

3620 Benefits Calculation

The amount of retirement allowance received is based upon three factors: (1) service credit years; (2) average compensation of the highest 36 consecutive months of salary; and (3) selection of retirement option and age of employee (and/or beneficiary) at retirement.

Employees should note that there are different Summary Plan Descriptions for PERS members based upon hire date. Employees should consult the PERS website and click on Publications to review the Summary Plan Description pertinent to the employee's membership date cohort to better understand their own benefits.

3622 Purchase of Service

Any member who has at least five service credit years may purchase up to five years of service. The member must pay the full actuarial cost of the purchased years of service, as actuarially determined for the employee's age and average compensation at the time of purchase. (NRS 286.300-3007) Payment for purchased years of service credit may be made in a lump sum or by installment agreement.

3624 Termination of Service

If a member's employment is terminated, he/she may withdraw his/her personal contributions and/or receive a distribution of the mandatory employer-pay contributions submitted on his behalf by his public employer to the Public Employees' Retirement Fund. No withdrawal or distribution may be made while on leave without pay.

3628 Repayment of Refunded Contributions

Whenever a member who withdrew the amount credited to him/her returns to the service of a public employer participating in the System and remains a contributing member for six months, that employee may:

1. Make repayment in a lump sum plus the actuarially assumed interest rate per annum, from the date of withdrawal of the contributions to the date of repayment; or
2. With the approval of the Executive Officer, enter into a payroll deduction agreement containing a schedule of payments to repay the withdrawn contributions.

Service credit will not be restored until payment is made in full by the employee.

3630 Disability Retirement Allowances

A member with at least five (5) years of creditable service who becomes totally unable to perform his/her current job or any comparable job for which he/she is qualified, because of injury or mental or physical illness of a permanent nature, is eligible to apply for a disability retirement allowance. The member must be employed by a public employer at the time of application for disability retirement.

3632 Survivor Benefits

There are numerous options for PERS members to reduce their lifetime retirement benefit in order to provide a benefit to a named beneficiary after the primary member's death. Again, members should consult the Summary Plan Description to evaluate their options.

If an active member dies with at least two years of service credit, that member's spouse/domestic partner and/or children are paid monthly survivor benefits based upon the primary member's years of service credit at the time of death. Dependent children are paid their benefit until age 18 or age 23 if the children remain unmarried, full-time students.

3634 Agency Purchase of Service Credits

Pursuant to NRS 286.3007, a State agency may pay the cost of purchasing credit for service on behalf of a member if:

a. The agency entered into an agreement with the member under which the member was employed upon the condition that the employer pay the cost of purchasing the credit; and
b. The agreement to purchase the credit is in writing, becomes part of the personnel records of the employee and is approved in advance by the Board of Examiners.

If a State agency is authorized to purchase credit for a member, it shall not do so until the member has completed one year of service in its employ.

If a State agency is required to reduce the number of its employees, it shall purchase credit for service pursuant to NRS 286.300 for any member who:

a. Is eligible to purchase credit;
b. Is eligible to retire or will be made eligible by the purchase of the credit;
c. Agrees to retire upon completion of the purchase; and
d. Has been employed by the agency for five or more years.

The percentage of service credit purchased by a state agency, if a State agency is required to purchase credit due to a reduction in employees, is five percent of the cost of purchasing the credit and an additional five percent of the cost for each year that the person has been employed by the agency in excess of the minimum requirement of five years.

3700 Unemployment Compensation

3702 General

All State and local employees are covered by unemployment compensation insurance. (NRS 612)

3704 Employer Defined

Employers required to provide unemployment insurance include:

"This State, or any political subdivision thereof, or any instrumentality of this State or its political subdivisions which is owned by this State or one or more of its political subdivisions alone or in conjunction with one or more other states or political subdivisions thereof." (NRS 612.115)

3706 Covered Employment

Covered employment includes all service performed as an employee of the State except:

1. As an elected official;
2. As a member of a legislative body, or a member of the judiciary;
3. As a member of the Nevada National Guard or the Nevada Air National Guard;
4. In employment serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency;
5. In a position designated by law as a major non-tenured policy making or advisory position, or a policy making or advisory position which ordinarily does not require more than 8 hours per week;
6. As a client in a facility conducted for the purpose of carrying out a program of rehabilitation for persons whose earning capacity is impaired by age or physical or mental deficiency;
7. As part of an unemployment work-relief or work-training program; or
8. As an inmate of a custodial or penal institution.

3708 Unemployment Compensation Assessment

State law provides that State agencies may reimburse the Unemployment Compensation Fund for all benefits paid on behalf of the State for former employees in lieu of making quarterly contributions. The State has chosen the reimbursement method.

In order to provide enough money to reimburse the Unemployment Compensation Fund, each agency will be assessed a percentage of projected gross salaries each year.

3710 Benefits

All questions concerning benefits should be directed to the Department of Employment, Training and Rehabilitation, Division of Employment Security, Benefits Section at 775-684-0420 in Carson City.

3800 Deferred Compensation

3802 Authority

The State of Nevada and the Board of Regents of the Nevada System of Higher Education are authorized by law to agree with any of their employees to defer compensation due to them in accordance with the program authorized by 26 U.S.C 401(a), 401(k), 403(b) or 457 and approved by the Deferred Compensation Committee.

The Board of Regents can agree with any of its employees to defer compensation authorized by 26 U.S.C. 403(b) without Committee approval. According to the plan, the employer shall withhold the amount of compensation that an employee has directed the employer to defer.

The employer may invest the withheld money in any investment approved by the Committee on Deferred Compensation.

All compensation amounts deferred pursuant to the program, all property and rights purchased with those amounts and all income attributable to those amounts remain solely the property or rights of the State of Nevada or the Nevada System of Higher Education, subject only to the claims of general creditors, until made available to the participants in the program or their beneficiaries. (NRS 287.320)

3804 Deferred Compensation Committee

The Governor is authorized to appoint a committee to administer the Deferred Compensation Program. The committee's responsibilities include:

1. Creation of an appropriate fund for administration of money and other assets resulting from compensation deferred under the program;
2. With the approval of the Governor, delegation to one or more State agencies or institutions of the Nevada System of Higher Education, the responsibility for administering the program for their respective employees including:
    a. Collection of deferred compensation;
    b. Transmittal of money collected to depositories within the State designated by the Committee;
    c. Payment of deferred compensation to participating employees;
3. Contracting with a private person, incorporation, institution or other entity directly or through a State agency or institution of the Nevada System of Higher Education, for services necessary to the administration of the plan including without limitation:
    a. Consolidated billing;
    b. The keeping of records for each participating employee in the program;
    c. The purchase, control and safeguarding of assets;
    d. Programs for communication with employees; and
    e. Administration coordination for the program.

The Committee and individual members are not liable for any decision relating to investments if the Committee has:

1. Obtained the advice of qualified counsel in investments;

2. Established proper objectives and policies relating to investments; and
3. Discharged its duties regarding the decision:
    a. Solely in the interest of the participants in the program; and
    b. With the care, skill, prudence and diligence test that, under the circumstances existing at the time of the decision, a prudent person who is familiar with similar investments would use while acting in a similar capacity in conducting an enterprise of similar character and purpose.
4. Selected at least one Record Keeper that will provide record keeping services for the program.
5. Solicited proposals from qualified Record Keepers at least once every five years.

3806 Deferrals of Compensation; Deductions from Payroll; Limitations

Compensation may be withheld or deducted from payroll in accordance with the agreement between the employer and participating employee. The amount of compensation set aside by the employer under the program during any calendar year may not exceed the amount authorized by 26 U.S.C. 401(a), 401(k), 403(b) or 457.

3808 Federal Requirements

No program becomes effective and no deferral may be made until the program meets the requirements of 26 U.S.C 401(a) and 457 for eligibility. Income deferred during a period in which no income tax is imposed by the State or political subdivision may not be taxed when paid to the employee.

3810 Program in Addition to Retirement or Pension Program

The Deferred Compensation Program must be established in addition to other retirement, pension or benefit systems established by the State or Nevada System of Higher Education and does not supersede, make inoperative, or reduce benefits provided by the Public Employees' Retirement System or by any other retirement, pension or benefit program established by law.

3811 FICA Alternative Plan

All State of Nevada employees hired after December 31, 2003 who are ineligible for participation in the Public Employees’ Retirement System must participate in the plan sponsored FICA Alternative Plan. Each affected employee upon employment must select a Record Keeper to administer his sponsored FICA Alternative Plan if the program contracts with more than one Record Keeper.

All State of Nevada employees hired before January 1, 2004 who are ineligible for participation in the Public Employees’ Retirement System may participate in the plan sponsored FICA Alternative Plan. Each affected employee must select a Record Keeper to administer his sponsored FICA Alternative Plan prior to participation if the program contracts with more than one Record Keeper.

3812 Use of Appropriated Money Forbidden

No State money may be spent on the administration of the program except as compensation for employees who participated in the administration as part of their regular duties, including without limitation:

1. Members and staff of the Committee; and
2. Employees of the State agency or institution of the Nevada System of Higher Education selected to administer the program.

3814 Administration

The Committee on Deferred Compensation has selected Record Keepers for the program. Further information can be obtained from each payroll center.