

Governor Steve Sisolak
Chairman



Attorney General Aaron D. Ford
Member

Susan Brown
Clerk of the Board

Secretary of State Barbara K. Cegavske
Member

STATE OF NEVADA BOARD OF EXAMINERS

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

MEETING MINUTES

Date and Time: October 13, 2020, 10:00 AM

Location: *Pursuant to the Governor's Emergency Directive 006, as extended, there will be no physical location for this meeting. This meeting can be viewed on YouTube. The link will not go live until 100:00 am*

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

MEMBERS PRESENT:

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

STAFF PRESENT:

Susan Brown, Clerk of the Board
Dale Ann Luzzi, Board Secretary
Rosalie Bordelove, Board Counsel

OTHERS PRESENT (BY PHONE):

Patricia Adkisson, Member of the Public
Will Jensen, Education Programs Director, Nevada Department of Education
Jonathan Moore, Deputy Superintendent, Nevada Department of Education
David Bobzien, Director, Governor's Office of Energy
Jessica Diss, Deputy General Counsel, Governor's Office
Micheline Fairbanks, Deputy Administrator,
Department of Conservation and Natural Resources
Adam Sullivan, Deputy Administrator, Department of Conservation and Natural Resources
Chris Thorson, Manager 2, Professional Engineer,
Department of Conservation and Natural Resources
John Borrowman, Deputy Director, Department of Corrections
Catherine Byrne, State Controller
Lori Hoover, Chief Deputy Controller, State Controller's Office

1. Call to Order / Roll Call

Governor: I would like to call today's meeting of the State of Nevada Board of Examiners (BOE) to order for Tuesday, October 13, 2020. Could I ask the Clerk to take the roll please?

Board Secretary: Governor Sisolak?

Governor: Here.

Board Secretary: Secretary of State Cegavske?

Secretary of State: I'm here. Thank you.

Board Secretary: Attorney General Ford?

Attorney General: Here.

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

Governor: We do have a quorum. Thank you.

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

Governor: Item number 2, *Public Comment*. This is the first time set aside for public comment. Anyone wishing to address the Board on any issue on the agenda, please step forward and identify yourself for the record. Comments will be limited to three minutes. Do we have any written or telephonic comment?

Public Comment: Patricia Adkisson (Attachement A)

Governor: Thank you for your comments. Do we have any other callers with public comments?

Clerk of the Board: There is not anyone else that we were aware of.

Governor: I will close public comment.

3. Approval of the September 8, 2020 Minutes (For possible action)

Governor: Item number 3, *Approval of the September 8, 2020 Minutes*. Do I have a motion on that?

Secretary of State: So moved. This is Barbara Cegavske.

Governor: We have a motion for approval on the floor from Secretary Cegavske. Is there any discussion on the motion? Hearing none. All in favor, signify by saying aye. The motion passes.

4. State Vehicle Purchases (For possible action)

Pursuant to Nevada Revised Statute (NRS) 334.010, no automobile may be purchased by any department, office, bureau, officer or employee of the State without prior written consent of the State Board of Examiners.

AGENCY NAME	# OF VEHICLES	NOT TO EXCEED:
Peace Officer Standard Training	3	\$9,453
Department of Wildlife	8	\$294,547
Total	11	\$304,000

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

Clerk of the Board: There are 2 requests for 11 vehicles in this agenda item. The first request is from Peace Officer Standards and Training (POST) to purchase 3 replacement vehicles for \$9,453. The vehicles that are being replaced have met the age and mileage requirements in the State Administrative Manual (SAM) and funding for these vehicles is included in the agency's budget. The second request is from the Department of Wildlife for 8 replacement vehicles for \$294,547. The vehicles being replaced have met the age and or mileage requirements in SAM and funding for these vehicles is included in the agency's legislatively approved budgets. Are there any comments?

Governor: I just want to clarify for the record that these POST vehicles, these are some used beat-up vehicles that they use for training because they are \$3,100 each and not normally what we have on the agenda, correct?

Clerk of the Board: You are correct. This is a standard practice for POST to purchase used vehicles for their operation.

Governor: Do we have any discussion on this agenda item or a motion?

Secretary of State: I move for approval.

Governor: Secretary Cegavske has moved approval. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

5. Authorization for an Emergency Contract with a Current and/or a Former State Employee (For possible action)

A. Department of Employment, Training and Rehabilitation

Pursuant to NRS 333.705, subsection 4, the Department seeks a favorable recommendation regarding the Department's determination to use the emergency provision to contract with former employee Jeffrey Frischman to perform administrative duties through Master Service Agreement #18404 between the Department of Administration, Purchasing Division and HAT Limited Partnership, dba Manpower.

Pursuant to NRS 333.705, subsection 4, the Department seeks a favorable recommendation regarding the Department's determination to use the emergency provision to contract with former employee Scott Kennedy to perform administrative duties through Master Service Agreement #18404 between the Department of Administration, Purchasing Division and HAT Limited Partnership, dba Manpower.

B. Department of Public Safety – Division of Emergency Management

Pursuant to NRS 333.705, subsection 4, the Department seeks a favorable recommendation regarding the Department's determination to use the emergency provision to contract with former employee Kelli Baratti to perform resource and incident management coordination duties through Master Service Agreement #18404 between the Department of Administration, Purchasing Division and HAT Limited Partnership, dba Manpower.

Pursuant to NRS 333.705, subsection 4, the Department seeks a favorable recommendation regarding the Department's determination to use the emergency provision to contract with former employee JoAnn Kittrell to perform Public Information Officer duties through Master Service Agreement #18404 between Department of Administration, Purchasing Division and HAT Limited Partnership, dba Manpower.

C. Office of the Secretary of State

Pursuant to NRS 333.705, subsection 4, the Office seeks a favorable recommendation regarding the determination to use the emergency provision to contract with former employee Delaina Marzullo to perform Administrative Assistant duties for the Commercial Recordings Las Vegas Office on a part-time, intermittent basis as needed through Master Service Agreement #18405 between Department of Administration, Purchasing Division and Marathon Staffing Group.

Pursuant to NRS 333.705, subsection 4, the Office seeks a favorable

recommendation regarding the determination to use the emergency provision to contract with former employee Elena Della Pietra to perform Administrative Assistant duties in the Notary Division of Commercial Recordings on a part-time, intermittent basis as needed through Master Service Agreement #18405 between Department of Administration, Purchasing Division and Marathon Staffing Group.

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

Clerk of the Board: Pursuant to subsection 4 of NRS 333.705, an agency may contract with a former employee without first obtaining Board of Examiners approval if the term of the contract is for less than four months and the head of the using agency determines that an emergency exists.

If a using agency contracts with an individual pursuant to this exception, they must submit a copy of the contract and a description of the emergency to the Board of Examiners who shall review the contract and description of the emergency and notify the agency whether or not they would have approved the contract, had it not been entered into under the emergency provision.

This item has 6 requests today. The first request is from the Department of Employment, Training and Rehabilitation (DETR) and it is seeking favorable recommendation from the Board on their use of the emergency provisions to contract with two former employees. The Department contracted both of these former employees through Manpower from September 3, 2020 to January 3, 2021. Both of these employees retired in May of this year and have experience in unemployment insurance programs. These former employees have been hired to provide administrative duties related to these programs including the Pandemic Unemployment Assistance program. Would you like to take action on all 6 of these items together or do you want these taken by the department?

Governor: All together.

Clerk of the Board: The Department of Public Safety, Division of Emergency Management also requests to contract with two former employees. The first was contracted through Manpower from April to July 2020 and this employee performed resource and incident management coordination duties related to fires. The second employee was contracted through Manpower from April 6, 2020 to August 6, 2020 to perform Public Information duties related to COVID-19.

The third item, which is including two former employees, is from the Office of the Secretary of State. The individuals were contracted through the Marathon Staffing Group to perform duties needed to eliminate a backlog of document archiving and to provide training for new employees who will take their former positions. They both are contracted from September 8 through December 25, 2020.

Governor: Before taking a motion on this, I just have a question and I should have asked you this in my briefing – when they are contracted through either Manpower or Marathon, how much does the staffing agency get that the employee is not getting?

Clerk of the Board: That overhead cost, as I understand it, varies depending on whether or not the state agency found the employee and recommended them to the staffing agency so that the State could hire them. I believe for these, the rates are 21 percent and 24 percent and I think it can go as high as 32 percent on that overhead cost.

Governor: This seems like a lot that they are getting for just being the conduit.

Do I have a motion on this one?

Attorney General: I move approval, Mr. Governor.

Governor: We have a motion on the floor for all for item number 5. Is there any discussion on that motion? All in favor, signify by saying aye. The motion passes.

6. Authorization to Contract with a Current and/or a Former State Employee (For possible action)

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

A. Department of Administration – Purchasing Division

Pursuant to NRS 333.705, subsection 1, the Department of Administration, Purchasing Division requests authority to contract with former employee JoAnn Kittrell to perform Public Information Officer duties through Master Service Agreement #18404 with HAT Limited Partnership, dba Manpower.

Pursuant to NRS 333.705, subsection 1, the Department of Administration, Purchasing Division requests authority to contract with former employee Phillip “Michael” Keeler to perform hearing representative duties through Master Service Agreement #18404 with HAT Limited Partnership, dba Manpower.

Pursuant to NRS 333.705, subsection 1, the Department of Administration, Purchasing Division requests authority to contract with former employee Timothy Tyson to perform uniformed security guard duties for various agencies through Master Service Agreement #19049 with Universal Protection Service LLP, dba Allied Universal Security.

B. Department of Transportation

Pursuant to NRS 333.705, subsection 1, the Department of Transportation (NDOT) requests authority for Atkins North America, Inc. to engage Jessica Biggin to be a Right of Way Utilities Specialist on their staffing team to augment NDOT's management of statewide projects via the design services provided from the Design On-Call Master Agreements.

Pursuant to NRS 333.705, subsection 1, the Nevada Department of Transportation (NDOT) requests authority for Horrocks Engineers, Inc. to engage Casey Connor to be a Project Manager and/or Quality Control/Quality Assurance Engineer on their staffing team to augment NDOT's management of statewide projects via the design services provided from the Design On-Call Master Agreements.

Pursuant to NRS 333.705, subsection 1, the Nevada Department of Transportation (NDOT) requests authority for Horrocks Engineers, Inc. to engage Louis Holland, Esq., to be a Policy and Procedures Oversight Specialist on their staffing team to augment NDOT's management of statewide projects via the design services provided from the Design On-Call Master Agreements.

Governor: Item number 6, *Authorization to Contract with a Current and/or Former State Employee.*

Clerk of the Board: This item is for six requests to contract with former employees pursuant to NRS 333.705 subsection 1. The first three requests are from the Department of Administration, Purchasing Division. The first item is to contract with a former employee to perform public information officer duties for the Department of Public Safety, Division of Emergency Management. This individual will be employed by Manpower through Master Service Agreement #18404. The second request is to contract with a former employee to perform hearing representative duties for the Department of Public Safety, Parole Board. This individual will also be employed by Manpower. The third request is to contract with a former employee to perform uniformed security guard duties for various agencies and will be employed by Universal Protection Services who does business as Allied Universal Security.

The next three requests are from the Department of Transportation. The first is to contract with a former employee to provide utility coordination services for projects statewide. This individual will be employed by Atkins North America. The second item here is to contract with a former employee to perform project management duties on statewide projects. This individual will be employed by Horrocks Engineering on an on-call basis and the final item is to contract with a former employee to perform policy and procedures oversight specialist duties including design services. This individual will also be employed by Horrocks Engineering.

Governor: Do we have any discussion on item 6? Do I have a motion?

Attorney General: I move approval.

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

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

A. Department of Conservation and Natural Resources – Water Resources

Pursuant to NRS 353.268, the Division requests an allocation of \$389,902 from the Interim Finance Committee Contingency Account to fund a geotechnical investigation into the cause of foundation seepage occurring at the South Fork Dam located approximately 20 miles south of Elko.

B. Department of Corrections

Pursuant to NRS 353.268, the Department requests an allocation of \$10,491,564 in Fiscal Year 2021 from the Interim Finance Committee Contingency account to provide treatment of patients infected with the Hepatitis C Virus in accordance with the proposed consent decree.

C. Department of Education – Contingency Account for Special Education

Pursuant to NRS 353.268, the Department requests an allocation of \$428,800 from the Interim Finance Committee Contingency Account to replenish the Special Education Contingency Account.

D. State Treasurer’s Office – Silicosis & Disabled Pensions Account

Pursuant to NRS 353.268, the Office requests an allocation of \$16,949 from the Interim Finance Committee Contingency Account to replenish the Silicosis & Disabled Pensions account to continue payments through the end of fiscal year 2021.

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

Clerk of the Board: There are four requests under this agenda item. Do you want to take these individually or do you want to take them as a group?

Governor: I'll take them individually.

Clerk of the Board: The first item is the Department of Conservation and Natural Resources and they are requesting an allocation of \$344,467 and this is an adjustment to what was agenized. That request was reduced slightly. This is to fund a geotechnical investigation into the cause of foundation seepage at the North Fork Dam.

Governor: I have a question to counsel. My understanding is because it is reduced, we can go ahead, right? If it was increased, we could not?

Board Counsel: That is correct. Because it's reduced, it's fine.

Governor: Thank you. Do we have any discussion on item number 7-A?

Secretary of State: Can I just ask how much is left in the contingency account?

Clerk of the Board: My apologies, I should have said at the beginning of this item. The approximate balance in the contingency account is \$18.2 million to cover unanticipated costs for the remainder of this fiscal year. If all of these items are approved, the remaining balance in the account will be approximately \$6.9 million.

Governor: Do we have a motion on item 7-A?

Attorney General: I move approval, Mr. Governor.

Governor: We have a motion from General Ford for approval of 7-A. Is there any discussion on the motion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

Governor: Item 7-B.

Clerk of the Board: This request is from the Department of Corrections for an allocation of \$10,491,564 to fund costs of treatment of inmates infected with the Hepatitis C virus. This would provide for the treatment of inmates in the current fiscal year as proposed in a consent decree that is attached.

Governor: Do we have any questions on this one? Do I have a motion on 7-B?

Attorney General: I move approval.

Governor: We have a motion for approval of 7-B. Is there any discussion on the motion? All in favor, signify by saying aye. The motion passes.

Governor: Item 7-C.

Clerk of the Board: This request is from the Department of Education for the Special Education Contingency account. This is an allocation of \$428,800 to replenish the Special Education Contingency Account.

Governor: Is there any discussion on item number 7-C? Do I have a motion?

Attorney General: Move approval.

Governor: We have a motion for approval of 7-C. Is there any discussion on the motion? All in favor, signify by saying aye. The motion passes.

Governor: Item 7-D.

Clerk of the Board: This request is from the Office of the Treasurer for an allocation of \$16,949 to replenish the Silicosis and Disabled Pensions account to meet statutory obligations through the end of the fiscal year.

Governor: Do I have a motion on 7-D?

Attorney General: I'll move approval.

Governor: We have a motion for approval. Is there any discussion? All in favor, signify by saying aye. The motion passes.

8. Request to Pay a Court Order (For possible action)

Pursuant to Article 5, Section 21 of the Nevada Constitution, the State Board of Examiners may approve, settle or deny any claim or action against the State, any of its agencies or any of its present or former officers, employees, immune contractors or State Legislators.

Department of Employment, Training and Rehabilitation

The Department has been ordered to pay the fees for professional services and administrative costs related to the work performed by the Special Master related to court case CV20-00755. The Department requests approval to pay the Interim Order Awarding Special Master's Fees and Costs in the amount of \$68,646.17.

Governor: Item number 8, *Request to Pay a Court Order*.

Clerk of the Board: This item is a request for approval from the Department of Employment Training and Rehabilitation, Employment Security Division to pay \$68,646.17 for fees and administrative costs for work performed by a Special Master related to case CV20-007755 and this is related to unemployment insurance.

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

Attorney General: I move approval.

Governor: We have a motion for approval. Is there any discussion? All in favor, signify by saying aye. The motion passes.

9. Request for Approval to Pay a Tort Claim Pursuant to NRS. 41.036 (For possible action)

Pursuant to NRS 41.036, the Office of the Attorney General submits the following Tort Claim request for approval:

Claimant: McDonald Carano LLP (as part of *In re* HCV Prison Litigation)
Claim No: TC19497
Settlement Amount: \$160,000.00
Date of Loss: December 9, 2019

Governor: Item number 9, *Request for Approval to Pay a Tort Claim Pursuant to NRS 41.036.*

Clerk of the Board: This item represents a \$160,000 claim for which the Office of the Attorney General recommends payment from the Tort Claim Funds, Claims Fund to McDonald Carano LLP and this is as part of the Hepatitis C Prison Litigation.

Governor: Do we have any questions on this one? Do we have a motion?

Secretary of State: I move approval.

Governor: We have a motion for approval on item 9. Is there any discussion? All in favor, signify by saying aye. The motion passes.

10. Request for Designation of Bad Debts

Office of the Controller

Pursuant to NRS 353C.220, the Office of the State Controller requests the Board of Examiners to write-off bad debts deemed uncollectible on behalf of the following state departments:

Department	Division	Number of Accounts	Total Amount
1. Administration	Purchasing	1	\$114.82
2. Administration	Central Payroll	39	\$19,048.55
3. Attorney General	Administration	75	\$49,641.99
4. Attorney General	Private Investigator's Licensing Board	4	\$8,825.00
5. Agriculture	Agriculture	37	\$2,639.15
6. Business and Industry	Dairy Commission	1	\$3,824.75
7. Business and	Insurance	52	\$16,500.00

Industry			
8. Business and Industry	Transportation Authority	4	\$3,623.44
9. Conservation and Natural Resources	Environmental Protection	51	\$301,110.02
10. Conservation and Natural Resources	Forestry	8	\$28,562.09
11. Corrections	Corrections	4,971	\$336,209.83
12. Health and Human Services	Welfare and Supportive Services	36	\$10,213.90
13. Health and Human Services	Child and Family Services	4	\$97.67
14. Health and Human Services	Healthcare Finance and Policy	54	\$9,719.11
15. Health and Human Services	Public and Behavioral Health	89	\$1,856.65
16. Health and Human Services	Health Care Quality Compliance	3	\$92.00
17. Health and Human Services	Welfare and Supportive Services	166	\$185,180.26
18. Motor Vehicles	Motor Carrier	78	143,140.90
19. Motor Vehicles	Motor Vehicles	7,143	\$4,349,614.33
20. Motor Vehicles	Records	1	\$48.00
21. Governor's Office	Energy	6	\$11,869,080.00
22. Judicial Discipline Commission	Judicial Discipline Commission	1	\$10,845.87
23. Office of Veterans Services	Veteran's Home	1	\$15,883.71
24. Public Employees Benefit Program	Public Employees Benefit Program	194	\$117,792.89
25. Public Safety	Records, Communications and Compliance	8	\$2,070.69
26. Public Safety	Parole and Probation	1,810	\$584,394.75
27. Public Safety	Records and Technology	5	\$553.75
28. Public Safety	Fire Marshall	116	\$16,137.38
29. Public Utilities	Public Utilities Commission	1	\$1,000.00
30. Secretary of State	Secretary of State	292	\$33,161.81
31. Transportation	Transportation	8	\$23,931.10
32. Western Interstate Commission for Higher Education	Western Interstate Commission for Higher Education	30	\$791,603.85
33. Wildlife	Wildlife	1	\$44.98
Grand Total		15,290	\$18,936,563.24

Governor: Item number 10, Request for Designation of Bad Debts.

Clerk of the Board: Pursuant to NRS 353C.220, item 6 is a request from the State Controller's Office for the Board to designate 15,290 bad debts from various state agencies as uncollectible. The State Controller has determined it is impossible or impractical to collect these debts. By an affirmative vote of a majority of the Members, the Board may designate the debts as bad debts if the Board is satisfied the debt is impossible or impractical to collect. Upon designation, the State Controller will be notified to remove the debts from the State's accounting books. It is important to note that even though a debt is removed from the accounting books, it remains a legal and binding obligation owed by the debtor to the State. Are there any questions on this item?

Governor: Do we have the Controller with us on the phone? Could you just walk us through what the process here is and how this comes about?

Catherine Byrne: As for write-off?

Governor: Yes.

Catherine Byrne: We have a procedural manual that we follow for write-offs. It has been in place for a period of time. This actually is one of the last things that we do. We are authorized under NRS 353C.220 that if we determine it is impossible or impractical to collect those debts, then we send them to the Board of Examiners to approve the write-off.

The criteria included in the age of the account with no found assets and active judgments, death of a debtor and businesses which are no longer in business. In addition, state agencies send bad debt accounts to the Controller's Office specifically for submission to the Board of Examiners for approval for the write-off, as most agencies do not have the authority to send the bad debt to the Board.

Once the list of bad debt accounts to be written off has been determined, the Controller's Office works with the applicable agencies to ensure the agencies agree that the account should be written off and the amounts of the accounts are correct.

The Controller's office then verifies the Secretary of State information related to the state business license of each licensee, as required by NRS 353C.1965, section 8.

This list of bad debt accounts is then submitted to BOE. If BOE approves, the debts will be written off. The Controller's office notes that each account is in the Nevada Case Inventory System (NCIS) system. The accounts are removed from the accounts receivable report purchased by the State but are not removed from the NCIS system.

The NRS 353C states that the bad debt remains on legal and binding obligations owed by the debtor, to the State of Nevada. We remove it from the books but we do not remove it from our database so we still have it out for collection.

Lori, can you go into more detail about the procedures that we use?

Lori Hoover: What Catherine Byrne was discussing was the specific write-off process but for the collection process, we have two processes or two areas. The agencies will send the bad debt to us for collection. They are sent to us specifically just to be sent to write-off. If it is sent to us for debt collection, then we go through a process of verifying that debt against our vendors for accounts payable to see if there is any way to do a vendor offset.

Then after that, a letter is sent out to each of the debtors to let them know that the Controller's office now owns that and is going to try to collect on that debt. If the debtor reaches out to the Controller's office to try to make a payment, create a payment plan, that debt is maintained at the Controller's office. If they do not contact the Controller's office, then all of those accounts are automatically sent to one of the three outside collection agencies that we contract with.

The outside collection agencies have their basic bad debt collection attempts. They are going out and trying to look for assets. They are checking addresses. If they determine, after a period of time, that this debt is uncollectable, they will send it back to the Controller's office and that becomes one of the accounts that is set up to go to to be approved for write-off the next time we send to the BOE. Periodically, throughout the time we have the other debits we received, we still do compare them to an Advantage vendor list to ensure whether there are any we can offset payments on.

At the end of each month, after payments are received, our collection section puts together a reconciliation and sends it out to the state agencies that are applicable that we receive funds from and let them know how much money was received on each account and how it was allocated.

The State Controller's Office charges a 2% fee for handling the account and then a fee of up to 35% can be retained for outside collection agencies. Depending on the statute, depending on the type of agency, if the agency is not general funded, then the remaining balance goes back to that agency. If it is general funded, there are some other exclusions but the remaining balance then goes into the debt reserve fund to fund our debt collection section.

Then, again, as Controller Byrne stated, we have a system that has several criteria to determine whether or not accounts should go to write-off, if there are no assets found, based on the age and no active judgments, if the debtor has passed away, if they are out of business, then, the system will create a report that says here is the list of accounts that should be written off.

Our debt collection will work with the agencies to ensure that the dollar amount is correct and that yes, these items should be written off. In addition, the agencies can send us

accounts that are for the write-off, specifically, with no collection attached to it. Some of the accounts that we submitted for today's approval are some of those for just collection only because of the age of the account and other criteria. At that point, the agencies again verify that this information is correct and we include it in the group that we pull from our NCIS system and submit it to the GFO to be placed on the BOE agenda.

Catherine Byrne: Can I add another piece?

Governor: Sure.

Catherine Byrne: There has been continual discussion about how we deal with businesses that are continuing to operate in another business name and license. Under the current NRS, the State does not have the ability to seize assets of another entity for a debt incurred by a different entity. However, assets for debt payments can be attached to a judgment lien or levy.

The Controller's office does verify the debtor against the Secretary of State's business license database to determine if the debtor has an active Nevada business license. However, NRS 353C.1965, only allows the Secretary of State to validate that Nevada has a business license but it does not allow for the deactivation of that business license.

Governor: Let me ask my colleague, Secretary Cegavske. I know you have a very detailed and robust plan for collecting debts that are owed to the State and does this sound similar? Are there any changes that could be made here in your expert opinion?

Secretary of State: Thank you, Governor, for that question. This is one of the areas I did have some concern about but I do, first of all, just want to thank State Controller Byrne, thank her for her call and calling me and talking to me. I appreciate it. I did not get anybody from the Governor's Office on Energy at all to call me back so I was hoping to get some answers today. I know that they have tried the debt collection and I know that we try ours as well but sometimes these people put their new business in a different name and they do not have the same names for officers and so it is hard to detect unless you send somebody out. It does require people to be able to do the footwork, so to speak, to go out and do this.

When it is appropriate, I would like to ask a couple of questions, Governor, if that is okay.

Governor: That would be great. Go ahead.

Secretary of State: Thank you. Thank you again, Controller Byrne. I appreciate you reaching out to my chief deputy and me. You had talked about the Governor's Office of Energy and that six groups got about \$2 million each and the one thing that I was trying to find out was who they were – and I know all this was before my time being in office, so, all of the debts are, as you can tell, have been worked and tried to get people to do that, exactly what the Controller was talking about.

That is one of my questions, who were the people that the six individuals that were given two million each? Then how much in total do we have in the Controller's office that is debt worthy, that is going to keep coming to us? Does it rollover? Because this is pretty old. All this stuff that you have today that you are requesting is before my time here in office.

Catherine Byrne: Thank you, Secretary. I want to speak to the six items that we are talking about from the Governor's Office of Energy. These debts arose during the years of September 2010, which is the oldest and then, the most recent one in February of 2012. They were submitted to our office for a write-off in August of 2017. They are loans. The business names are Avatar Energy, Enigma Energy, H2 Technology and Birken Technologies and they are various amounts but they are all in the \$2 million range. So, it's \$11.9 million. That is related to the American Recovery and Reinvestment Act (ARRA) funding money back in 2010. I do not have the details so if you want more to know, we will have to ask the Governor's Office of Energy.

Secretary of State: Thank you so much, Controller. I appreciate the added information that you have given me. Then, do you know the total amount that you have bad debt to date or not? A lot of this is old so did this just come over to you recently? How long have you had this and how long did you know about it? Thank you.

Lori Hoover: I can expand on that. We did receive these in 2017 and had we not just entered into a new debt collection system, we would have probably brought this to BOE earlier, but in January of 2017, the debt collection group did implement a new debt collection system that is being used now. They went from all Excel spreadsheet worksheets into this system and so it took them some time to make sure that the accounts entered into them were clean and correct. We have not been submitting on an annual basis but we are going to be trying to do that. There may still be older debt out there that the agencies are going to send us but we should not be retaining them for more than a year as we start submitting on an annual basis to BOE.

Secretary of State: Thank you. My question in reference to the Governor's question is once you receive it do you do any debt collection for the State it's previously done and they send you their notes on how they have collected it or tried to collect it?

Lori Hoover: It depends on how they send it. There are batches of accounts that they will send specifically to the Controller's office for debt collection procedures and we will then follow our normal debt collection procedures.

If they send us a list that is strictly for write-off processes, we have not in the past requested them to submit what type of collection efforts they put into these accounts, however, based on some of your prior questions, which we do appreciate, we have revisited our procedures and we will be asking the agencies to give us a summary of what the debt collection procedures were for those debts that they are sending for write-off.

Catherine Byrne: Additionally, we do have agencies that we have a memorandum of understanding (MOU) with and what that does is, we will allow them to conduct their own

collection activity but they have to submit to us what procedures they are going to follow before we authorize that agreement.

Secretary of State: Thank you.

Then, I am hoping, Governor, that the Office of Energy will contact us. I will support this today just because, talking to the Controller, the answers that I have gotten, but I would like a call back from your Office of Energy just to answer some questions if that is okay.

Governor: Absolutely. You will get a call. Do I have anybody on the line from the Governor's Office of Energy?

David Bobzien: Thank you, Governor. This is David Bobzien from the Governor's Office of Energy and Secretary Cegavske, I apologize for the lack of communication. We received an email requesting my cell number yesterday at 4:30 in our general office email. Unfortunately, we did not get back to you with that phone number until this morning but we're happy to answer any questions for you now or we can certainly have a side follow-up conversation. I am happy to give you a call.

Secretary of State: Thank you so much, Director, and I would like the call after this unless the Governor has more questions, but I did have some questions about this and I know you were not there at the time but would appreciate any feedback and follow-up on that. And, thank you so much for saying that.

David Bobzien: Thank you, Governor. I will give you my 30-second thumbnail on this. When I started on the job in 2019, yes, the debts had already been transmitted to the Controller's office but, nonetheless, I did have our agency's deputy attorney general look into these bad loans and in every case, we just simply could not find the business entities. So, these are definitely gone. They are in stark contrast to other loans that were made during the American Recovery and reinvestment Act era, 2009, 2011 and a lot of those have already been paid off or certainly we are receiving payments for them now.

Secretary of State: Thank you, Governor and thank you, Director. I appreciate your help and please do call. Thank you.

David Bobzien: I will certainly do that. Thank you.

Governor: Thank you, Director Bobzien. If you could call the Secretary.

I have just one last question, Controller Byrne. Do we ever sell the bad debts to an agency that they pay for them and they assume all resources associated with them? I know you do not get a lot. You usually get 10 or 15 cents on a dollar but have we ever done that or is that allowed by state law?

Catherine Byrne: The factoring of accounts receivable?

Governor: Yes.

Lori Hoover: I have Haydee Meeker here who is the chief accountant for the collections office. We are allowed by state law to sell the debt and I asked Haydee about that when I started.

Haydee Meeker: We have been trying to sell the accounts receivable. We have some possibilities to do it but also there are some limitations about the type of accounts we can sell because the agencies may have sent the accounts only if they are over the statutes of limitation, meaning, accounts if they are less than six years old.

Governor: I did not quite get the whole answer there but, Controller Byrne, if that is something that we need to address legislatively, the ability to sell these debts, I would like an answer to that, so that if we can sell them to an agency and they assume all risk associated with collection and non-collection and we get something out of these things. I know at the county we could do that. I just do not know if you can do that at the State.

Catherine Byrne: Thank you, Governor. That is a good question. Selling the receivables, as Haydee was saying, if they are too old, we can't sell them because they will not accept them and that's around six years.

The other part is that our accounts receivable system can function doing some of that, where they will collect and then there will be some fee taken out and it is kind of how collection agencies work. No, we have not formally had an overall discussion about factoring receivables because there may be other things out there that could be of interest to use that kind of service.

Governor: If we could look at that a little bit and maybe, I don't know what the thought of the Board is but something just to look at I guess. That is just my opinion. Do you ever do that, Secretary Cegavske?

Secretary of State: No, we do not do that, but the debt collection you are talking about, I do not think they can do it either. I think once it is reached a certain peak as a bad debt, it is different than other debt that you can sell. I know what you are talking about.

Governor: Alright.

Do we have a motion on this item?

Secretary of State: I will move for approval.

Governor: We have a motion for approval. Is there any discussion? All in favor, signify by saying aye. The motion passes.

11. Approval of Proposed State Administration Manual Changes (For possible action)

Pursuant to NRS 353.040 the Governor's Finance Office – Budget Division requests modifications to the policies and procedures of the State Board of Examiners adopted and collected in the following section of the State Administrative Manual.

SAM Section 0324 – Independent Contract Review Procedure
SAM Section 1616 – Cellular Telephones

Governor: Item number 11, *Approval of Proposed State Administration Manual Changes*.

Clerk of the Board: Item number 11 is the request for approval to revise the State Administrative Manual or SAM, Section 0324, Independent Contract Review Procedure. This will allow for electronic and digital signatures and Section 1616, Cellular Telephones. This aligns the State Administrative Manual with federal guidelines regarding the non-taxability of cell phone stipends. Are there any questions on this?

Governor: I do not. Do we have any questions on item number 11?

Secretary of State: No. Move for approval, Governor.

Governor: We have a motion on the floor. Is there any discussion on that motion? All in favor, signify by saying aye. The motion passes.

12. Approval of Proposed Leases (For possible action)

Governor: Item number 12, *Approval of Proposed Leases*.

Clerk of the Board: There are 7 leases in item 12 for approval by the Board today. Are there any questions on any of these items?

Secretary of State: I have none, Governor. I will move for approval on item 12.

Governor: We have a motion on the floor on item number 12. Is there any discussion? All in favor, signify by saying aye. The motion passes.

13. Approval of Proposed Contracts (For possible action)

Governor: Item number 13, *Approval of Proposed Contracts*.

Clerk of the Board: There are 30 contracts in agenda item 13 for approval by the Board this morning. Are there any questions on any of these items?

Governor: Do we have any questions on these?

Secretary of State: I did have one thing I wanted to say. This is about vetting the contractors with the vendors and after our experience here at the Secretary of State's office and others that I have heard of from other agencies – I cannot stress enough that the legislature before they approve these, that we need to do a better job of screening

them out and talking to them because we do not even know how much was already paid to DETR for the one on July 14, 2020. They had a \$6 million contract and how much was already paid out to them but I have some concerns about how we screen these, and better yet, a better way to vet the contractors or vendors that we use in the State. Sorry about that. Thank you.

Also, on this item, I wish to thank our Treasurer, Zach Conine and Michael Brown for calling me and talking me through their items. I appreciate everything that they did on that. I did have some concerns about the COVID-19 money being spent on certain issues and so, hopefully, the Attorney General has a response to that, overall, but I just wanted to thank them so much for reaching out to me.

Also, Governor, I would like to thank your staff again for responding to us and telling us their opinion. My chief of staff goes over all this with a fine-tooth comb and they have just been so accommodating and again, I just want to thank them verbally and out loud. And, thank you for allowing them to work with us.

Governor: We are very fortunate. I appreciate it. Thank you, Susan, and all your staff for being so accommodating and facilitating answers to all of our questions as we go along the way.

Do I have a motion?

Attorney General: Move approval.

Governor: We have a motion for approval. Is there any discussion? All in favor, signify by saying aye. The motion passes.

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

Governor: Item number 14, *Approval of Proposed Master Service Agreements*.

Clerk of the Board: There are 13 Master Services Agreements in agenda item 14 for approval by the Board this morning. Are there any questions on any of these items?

Governor: Do I have any questions by any Board Member on any of these items? Hearing and seeing none. Do I have a motion?

Attorney General: I move approval, Mr. Governor.

Governor: We have a motion for approval. Is there any discussion? All in favor, signify by saying aye. That motion passes.

15. Information Item – Clerk of the Board Contracts

Pursuant to NRS 333.700, the Clerk of the Board may approve all contract transactions for amounts less than \$50,000. Per direction from the August 13, 2013 meeting of the Board of Examiners, the Board wished to receive an informational

item listing all approvals applicable to the new threshold (\$10,000 - \$49,999). Attached is a list of all applicable approvals for contracts and amendments approved from August 18, 2020 through September 21, 2020.

Governor: Item number 15, *Information Item, Clerk of the Board Contracts*.

Clerk of the Board: There are 41 contracts under the \$50,000 threshold that were approved by the Clerk between August 18, 2020 and September 18, 2020. Are there any questions on any of these items?

Governor: Any questions on the Clerk contracts? Seeing none.

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

Governor: Agenda item number 16, *Public Comment*. This is the second time set aside for public comment. Anyone wishing to address the Board on any item please step forward and identify yourself for the record. Comments will be limited to three minutes.

Do we have any written comments?

Clerk of the Board: We do not.

Governor: Do we have anybody on the phone? We do not have any public comments, Susan, is that right?

Clerk of the Board: We do not.

17. Adjournment (For possible action)

NOTE: Items may be considered out of order. The public body may combine two or more agenda items for consideration. The public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. The public body will limit public comments to three minutes per speaker and may place other reasonable restrictions on the time, place, and manner of public comments but may not restrict comments based upon viewpoint. We are pleased to make reasonable accommodations for Members of the public who have disabilities and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify Dale Ann Luzzi at (775) 684-0223 as soon as possible and at least two days in advance of the meeting. If you wish, you may e-mail her at daluzzi@finance.nv.gov. Supporting materials for this meeting are available posted on the Board of Examiner's website and by contacting Dale Ann Luzzi at (775) 684-0223 or by email at daluzzi@finance.nv.gov

Governor: Item number 17, *Adjournment*. Do I have a motion to adjourn?

Attorney General: So moved.

Governor: I have a motion on the floor. All in favor, signify by saying aye. We are adjourned. Thanks, everybody.

Attachment A

Patricia Adkisson

Email: citizens4participatoryjustice@gmail.com

702-505-2861

October.12, 2020

Good morning, my name is Patricia Adkisson, I submitted Public Comment to the Board of Prison Commissioners last week, commenting in support of the treatment of all inmates affected by Hep-C. My comments today relate to agenda item # 7 and specifically to the fiscal jurisprudence related to the actual number of inmates reported by NDOC, in need of treatment. It is true that NDOC has a duty to treat affected inmates and that the expense is considerable, however, the number of inmates reported by NDOC in need of treatment has been artificially misrepresented and increased as a result of practice and custom by NDOC to create and implement standards that have not received the approval of the Board of Prison Commissioners. Last week I reported similar conduct to the Commissioners, regarding the claimed revised AR258, Governor Sisolak immediately suspended the claimed revised AR 258, after making the determination that it was in fact the result of a unilateral function by NDOC, not permitted. In this instance, the NDOC has unilaterally created and implemented a standard that is in conflict with the lawfully adopted standard in Administrative Regulation 504. AR 504 mandates that NDOC must identify a felony judgment in order to maintain custody, however, the de facto standard unilaterally created by NDOC treats non offences as actual offenses, even to the extent of NDOC making up a new category of offense to include a claimed Category "F". This conduct by NDOC improperly affects the number of inmates that NDOC is required to treat. It is of great concern to the public's trust, and to the public resources NDOC requires.

Specifically, when considering NRS.193.165 Use of a Firearm, NDOC calls it a category "F". This standard was NOT approved by the board and artificially increases the number of inmates for treatment of Hep C.

In Nevada, NRS.193.165, is clear by the legislature to be no offense, 50 years of case law precedents establishes NO CONVICTION results. Criminalizing use of a firearm effectively abridges the United States Constitution 2nd amendment.

This implicates serious questions, not only related to budget concerns for treatment of hep C, because of the artificially inflated number of inmates now affected under this de facto standard. Please see attached Inmate Grievance #20063059385 for confirmation in what I have said.

Thank you for your time. Patricia Adkisson