



STATE OF NEVADA

Governor's Finance Office Budget Division



Budget Building Manual 2023 - 2025 Biennium

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Major Changes to Budget Manual

This Budget Manual includes several changes in comparison to the previous biennium. To help identify some of these changes, a list has been provided. However, this list is not all inclusive; therefore, it does not replace reviewing the Budget manual yourself.

Outline of Workflow

Position Reconciliation

SuccessFactors (SF) is the new official payroll, recruiting and personnel system. State agencies will use SuccessFactors to record employee payroll, personnel activity and perform recruiting activities. The Budget Division will populate Agency Request positions from the previous legislative session. This information is then merged with the payroll data from SuccessFactors to determine base positions and associated payroll costs.

Position Reclassification

The Budget Division has added a reclassification feature within the NEBS position tab. This feature allows the user to create a reclassification decision unit directly from the position tab.

Information Services

Windows 10 will continue to be supported by Microsoft until October 14, 2025. Similar to the process all state agencies went through to upgrade systems from Windows 7 to Windows 10, state agencies will need to ensure all computer with Microsoft operating systems have a Windows 11 license before October 14, 2025.

To adjust EITS service utilization amounts, the user can enter the new or projected need into the base line item of the EITS schedule. The schedule will automatically create the M-150 decision unit adjustment.

Replacement of the Financial and Human Resources Systems

Starting in the 2017-2019 biennium, the state began the process of replacing its financial accounting and human resources systems that were implemented in 1999. The new systems are intended to modernize the way in which the State conducts its business relative to the processing of accounting and human resources transactions. The implementation and transition will continue throughout the upcoming biennium.

Project Information

The project, titled Statewide Modernization Approach for Resources and Technology in the 21st Century (SMART 21), is being managed by the Office of Project Management within the Governor's Finance Office. The Executive Committee provides oversight for the project. The committee is made up of the State Controller, Director of Administration and Director of the Governor's Finance Office. The current projected implementation dates, which are subject to revision, July 1, 2022 for HR payroll and July 1, 2023 for financial accounting. The HR nonpayroll was implemented in March 2021.

Similarly, if your agency is looking to implement a new system, or to upgrade an existing one, the TIN must address the integration of the project with the new financial accounting and/or human resources systems.

Questions should be addressed to the SMART 21 Project Management Office. They can be reached by phone at 775-687-7220 or by e-mail at SMART21@nv.gov.

Budget Timetable

In accordance with the State Budget Act, all agencies must complete the data entry of their 2023-2025 Agency Request Budget into the Nevada Executive Budgeting System (NEBS) by 4:00PM on Thursday, September 1, 2022. This is a statutory deadline (NRS 353.210) which cannot be changed or extended. In addition to the completion of data entry, a copy of the Budget Submission Certification letter must be signed by the department director or the board or commission chair and submitted to the Budget Division by 5:00PM on Thursday, September 1, 2022. The Certification may be delivered in person, via facsimile or via scan and e-mail to the main Budget Division e-mail address. Additional key dates for the biennium are listed below:

TASK	DEADLINE
NEBS open for agency data entry	03/21/2022
Agency submittal of Capital Improvement Project (CIP) and Deferred Maintenance requests over \$100,000 to the State Public Works Division	04/01/2022
Technology Investment Notifications (TIN) due to Enterprise Information Technology Services (EITS)	04/01/2022
Non-Budgetary Bill Draft Requests (BDRs) due	05/20/2022
Class Series Compensation Plan Requests	06/01/2022
EITS returns TINs to agencies and forwards to IT Strategic Planning Committee	06/13/2022
Agencies must have preliminary EITS utilization (EITS schedules) completed in NEBS	07/05/2022
IT Strategic Planning Committee recommendations due to the Budget Division	07/11/2022
Download of payroll information for authorized Full-Time Equivalent (FTE) positions into NEBS as of June 30, 2022	Approximately 07/15/2022
Agencies must have preliminary monthly Fleet Services vehicles completed in NEBS	07/15/2022
EITS provides schedule of approved utilizations by budget account	07/25/2022
Agencies must have FINAL EITS utilization (EITS schedules) completed in NEBS	07/29/2022
CIP presentations to the State Public Works Board	08/24-25/2022
Submittal of Agency Request Budget and any budgetary BDRs	09/01/2022
Agency Budget Hearings (Finance and Governor's Office)	Complete by 10/03/2022
Adjusted Base questions sent to agencies	11/09/2022
Adjusted Base completed (FTE reconciled; M-150 adjustments made; Vacancy Savings complete)	TBD
Economic Forum Report to the Governor	12/03/2022
Updated Supplemental Appropriation Requests due	12/23/2022
Governor Recommends Budget submitted to Legislature	On or about 01/23/2023
Start of 2023 Legislative Session	02/06/2023
Budgetary BDRs due to Legislative Counsel Bureau	02/17/2023
Final Economic Forum Report to Legislature	05/01/2023
Last day of the 2023 Legislative Session	06/06/2023

Budget Submittal Checklist

Use the checklist below to track your progress toward completing your agency request budget. Include the completed checklist as part of your submission due on or before September 1st. The excel form can be found on the Budget Division website.

BUDGET PREPARATION CHECKLIST

Department: _____					
Division #: _____		Division: _____			
Budget Account #: _____		Budget Account: _____			
Item #	Item Description	Submission Methodology	Location Entered in NEBS or Location of Attachment	Attached In NEBS	Reviewed/ Completed
1	Budget Submission Certification Letter for each agency signed by the director, or board or commission chairman (with Title) with two-times budget limit calculation.	* REQUIRED - Email, fax or deliver to: Budget Division, copy your Budget and LCB fiscal Analysts			
2	Organizational Charts for each agency by programs and by FTE highlighting any program or FTE additions, deletions or changes	REQUIRED - Email, fax or deliver to: Budget Division and LCB Fiscal Analysis	NEBS Tab, Budget Account Screen, Additional Text Folder		
3	Budget Preparation Checklist	Attachment in NEBS	NEBS Tab, Budget Account Screen, Additional Text Folder		
4	Fund Mapping (In NEBS <u>and</u> provide Excel version)	Entered in NEBS & Attachment in NEBS	Mapping Tab & Excel Version attached to NEBS Tab, Budget Account		
5	Update Program Description (prints in Executive Budget Book)	Entered in NEBS	NEBS Tab, Budget Account Screen, Additional Text Folder		
6	Performance Measures	Entered in NEBS	Activity Budget Tab, Activities Tab		
7	Agency Methodology used to track Performance Measures & Supporting Documentation	Entered in NEBS	Activity Budget Tab, Activities Tab		
8	Maintenance/Enhancement Decision Unit Narrative including Word/Excel supporting documentation and calculations	Entered in NEBS	Account Maintenance Tab, applicable Decision Unit		
9	Prioritized Decision Units at Department and Division Level	Entered in NEBS	Account Maintenance Tab		
10	Agency Efficiency Option Decision Unit	Entered in NEBS	Account Maintenance Tab		
11	Transfer Decision Units - Reconcile	Entered in NEBS	E900 Series Decision Units		
12	M150 Notes (Required for every line item)	Entered in NEBS	Line Item Tab, Filter M150 - Adjustments to Base		
13	Inter-Departmental Transfers - Reconcile	Entered in NEBS	Corresponding Revenue/Expenditure Line Items		

BUDGET PREPARATION CHECKLIST

Department: _____					
Division #: _____		Division: _____			
Budget Account #: _____		Budget Account: _____			
Item #	Item Description	Submission Methodology	Location Entered in NEBS or Location of Attachment	Attached In NEBS	Reviewed/ Completed
14	Supporting Documentation and Calculations for Performance Measures - provide data detailing how measure is	Attachment in NEBS	NEBS Tab, Budget Account Screen, Additional Text Folder		
15	Demographics/Caseload - narrative, methodology used and actual and projected caseloads by program	Attachment in NEBS	Account Maintenance Tab, applicable Maintenance Decision Unit (M800 Series)		
16	Agency Cost Allocation Plans	Attachment in NEBS	Cost Allocation Maintenance Decision Unit (M800 Series)		
17	Travel Logs & justification for Out-of-State, In-State & Training (all categories)	Attachment in NEBS	Account Maintenance Tab, BASE		
18	Justification for Positions Vacant at least 12 months as of September 1st - required per NRS 353.210(b)	Attachment in NEBS	Account Maintenance Tab, BASE		
19	Business plan (if required)	Attachment in NEBS	Account Maintenance Tab, applicable Decision Unit		
20	Excel Fund Map	Attachment in NEBS	Account Maintenance Tab, applicable Decision Unit		
21	Position Fund Map	Attachment in NEBS	Account Maintenance Tab, applicable Decision Unit		
22	Technology Investment Notification (TIN)	Attachment in NEBS	Account Maintenance Tab, applicable Decision Unit		
23	Signed NPD-19s for new Positions and Reclassifications (add decision unit number in right upper hand corner of	Attachment in NEBS	Account Maintenance Tab, applicable Decision Unit		
24	State Public Works Division New/Additional Space Request (Leased Space form and Justification)	Attachment in NEBS	Account Maintenance Tab, applicable Enhancement Decision Unit		
25	Contract Summaries	Attachment in NEBS	Schedules Tab, Vendor Schedule, applicable line item **		
26	Vendor Quotes	Attachment in NEBS	Schedules Tab, Equipment Schedule, Applicable Equipment line item		
27	Fleet Services Monthly Mileage Log	Attachment in NEBS	Schedules Tab, Fleet Services Vehicles Schedule		
28	Statewide Lease Information Form for each BOE-approved existing lease agreement for non-state owned buildings	Attachment in NEBS	Schedules Tab, Bldg Rent Non-B&G Schedule, applicable line item **		
29	Equipment Replacement Schedule Inventory Log	Attachment in NEBS	Schedules Tab, Equipment Schedule		

BUDGET PREPARATION CHECKLIST

Department: _____
Division #: _____ **Division:** _____
Budget Account #: _____ **Budget Account:** _____

Item #	Item Description	Submission Methodology	Location Entered in NEBS or Location of Attachment	Attached In NEBS
30	Review Agency-Owned Property and Contents Insurance Schedule	Statewide Schedule		
31	Review B&G-Owned Rent Schedule	Statewide Schedule		
32	Complete Position Reconciliation (Phase I and II) and Process payroll and all schedules a final time	NEBS Tab, Positions & Schedules Tabs		
33	Out-of-Balance Reports - run all exception reports and correct any exceptions	Reports Tab, Exception Reports		
34	Run the following reports and verify Agency Request: NEBS 220, 200A, 130, 990 (all schedules)	Reports Tab, Budget Account Reports, Schedule Reports & Payroll Reports		

*Please **do not** email your NEBS budget report to the Budget Division

** Attach only one copy to the top line (for that lessor/vendor) - do not attach the entire lease/contract.

Please note that your assigned analyst may request additional information specific to your department/division.

Budget Submittal Format

All agencies must input their agency budget request into the Nevada Executive Budget System (NEBS). The Agency Request budget is due to both the Budget Division and the Legislative Counsel Bureau (LCB) Fiscal Division on or before September 1, before 5:00 PM.

Required Contents

As required by NRS 353.205 (1)(b), each Agency Request must include a mission statement within the respective budget account. Additionally, department or division mission statement and performance measures for each program must be provided within the respective Activity Budget.

The agency budget request should support the department strategic plan. Each request must include well-developed narrative detail to fully describe and justify all proposals.

Requests must be based on the Governor's Strategic Priorities included in this budget manual.

Each department is required to follow the three-part format (base, maintenance, and enhancement), and include appropriate charts and backup material to support the request.

Maintenance and enhancement decision units must be prioritized within each budget account by the agency. Maintenance and enhancement decision units must also be prioritized at the department level for all budget accounts within the department.

The Budget Submittal Checklist in this budget manual shows a listing of the required budget components. Not all items on the checklist will apply to every agency. If an item does not apply to an agency, simply put "N/A" in the "Reviewed/Completed" column.

Please make sure the required documents on the budget submittal checklist are correct and attached in NEBS as indicated on the checklist.

Budget Submittal Certification Letter

The Budget Submission Certification Letter is required. The template for the letter will be available on the Budget Division website and will identify the specific required elements, which the signer will certify have been completed and submitted in accordance with the State Budget Act.

One letter will be submitted for each agency along with the agency's two-times budget limit calculation spreadsheet and Budget Submittal Checklist. The letter must be signed by the director or, if the agency is headed by a board or commission, the board or commission chairperson. The title of the person signing the letter must also be provided. The letter will include the name and contact information for the appropriate person within the agency to address questions regarding the Agency Request Budget.

Legislative Counsel Bureau Requirements

The LCB Fiscal Analysis Division requests that all material be provided in the same format as the Budget Division.

During the budget review phase of the Budget Division, but not including the Governor Recommends phase, a copy of all additional documents and information supporting the agencies requested budget must also be provided to the LCB Fiscal Analysis Division at the same time it is provided to the Budget Division. Information provided to the LCB Fiscal Analysis Division during the legislatively approved phase must also be provided simultaneously to the Budget Division.

POLICY Agency Limits, Efficiency Options and Enhancements

The budget is an important tool for implementing policy and achieving results. State agency strategic plans and budget requests, including enhancement decision units, should answer questions concerning strategies, achieving goals and priorities, and maximizing activities.

The best budget proposals are persuasive not only at the agency level, but also in the broader statewide context, and those making the strongest case will be ones which discuss the value and benefits they deliver to achieve positive statewide outcomes for Nevada citizens.

Agency Request Limits

For agencies or departments funded with General Fund or Highway Fund appropriations as well as other funds receiving General Funds or Highway Funds, such as internal service funds, the total Agency Request Budget for the 2023-2025 biennium shall not exceed two times that agency's FY 2023 legislatively approved expenditure level plus any salary adjustment funds set aside for that agency to cover the cost of living adjustments approved during the 2021 Legislature unless the agency receives prior written approval from the Budget Division.

Exceptions to the limits will be considered for pre-approved agency caseload/population growth, pre-approved agency specific inflation as well as certain federally mandated and court ordered activities. All other decision units must fit within the agency's limit.

This limitation does not apply to requests supported from 100% non-General Fund, non-Highway Fund resources such as federal funds, other receipts or use of cash balances from non-reverting accounts.

Agency Efficiency Options

The U.S. and Nevada economies continue to rebound from the pandemic lows. Recently, state tax revenue collections have outperformed expectations, buoyed largely by various federal aid packages, accumulated household savings, and wage gains. While the demand side has remained strong, the main challenge in the economy has been on the supply side related to labor and supply chain constraints. Although recent economic trends have been positive, the COVID-19 health emergency is not yet over, and the economic and health policy landscape are evolving and subject to change. The state continues to confront cost pressures to address workforce compensation needs as well as demand related to continuing and emerging policy issues. As a result, agencies need to be creative in their approach to budgeting for the upcoming biennium

and look at how the state can do things differently to manage public resources in a way that demonstrates accountability and results.

Each agency, regardless of funding source, is required to submit efficiency options for consideration with the Agency Request Budget. An efficiency option is defined as a unique decision unit that will drive efficiencies at the agency level. It may be an option to reduce or eliminate a lower priority program or it may be an option to fund one-time costs which will result in long-term cost avoidance (e.g., automation of a process to reduce the need for future staffing additions to keep up with projected workload increases). Examples of past efficiency options include (this is not an exhaustive list, but ideas of previously approved and implemented efficiencies):

- Increased caseloads per employee by automating processes (Department of Health and Human Services – Division of Welfare and Supportive Services);
- Consolidation of internal sections to streamline services and eliminate a managerial position (Department of Motor Vehicles – Motor Carrier Division);
- Elimination of proof of license plate surrender mailing and transition from bulk mailing to intelligent barcodes for electronic dealer reports of sale (Department of Motor Vehicles – Central Services Division);
- Aligning rates with industry standards and reviewing requirements under which services are provided (Department of Health and Human Services – Division of Health Care Finance and Policy); and
- Simplification and automation of hunting and fishing licenses and related stamps – Department of Wildlife.

Agencies that identify persuasive and executable efficiency options with demonstrable savings will be prioritized for enhancement funding for either the efficiency option or for additional funding for higher priority programs that support that agency's core mission.

There is not a set dollar or percentage target amount for efficiency options. However, the goal of these decision units is to improve efficiencies in state government and reduce or avoid future cost growth. Agencies should identify low priority or low performing activities or programs that should be reduced or discontinued as part of the efficiency option review of agency operations. Agencies may also propose process improvements to generate efficiency savings. Process improvements should not target reductions to constituent services unless the service level impact of the reduction is intended to reduce a lower-priority activity or service.

The impact of implementing an efficiency option on any related performance measures must be considered and documented in the efficiency option decision unit narrative. Agencies must also identify and explain the impact of the efficiency option on any other revenues, expenditures or programs (e.g., loss of matching funds), and must discuss the reduction options with any other affected agency.

Agencies will not be required to submit corresponding bill draft requests necessary to implement an efficiency option with the Agency Request Budget. However, agencies will need to provide the necessary information if requested by the Governor or the Budget Division.

Agency Enhancement Requests

Prior to requesting additional resources, agencies are expected to identify ways to fund needs internally through a reallocation of funds or through process improvement. These efforts, along with any efficiency options identified, allow state agencies to communicate to the Governor, Legislature and citizens what is being done to get the most out of existing resources and better prepare agencies for their legislative budget hearings.

Most systems and processes have room for improvement, and any enhancement request should outline agency efforts taken and/or plans to find additional capacity. Agencies are encouraged to focus on improving agency performance through innovation by using an evidence-based practice and/or business case approach for new funding requests. Enhancements must also include a thorough evaluation plan along with performance measures to determine if the investment of new dollars ultimately results in the intended outcomes proposed in the enhancement request.

Agencies may propose requests for new funding in an Item for Special Consideration decision unit submitted with the Agency Request Budget. Enhancements pro-

posals must include clear and concise descriptions of the results expected and funding options, including the re-prioritization of resources from less effective programs or activities. Agencies with closely aligned programs should be aware of any competing resource priorities and develop collaborative solutions for meeting common goals.

Each enhancement request submitted as an Item for Special Consideration must include:

- A description of the proposed new or expanded activity;
- An explanation of the purpose for which the requested funds will be used;
- Supporting detail identifying the proposed classification of any positions requested, proposed capital equipment and a breakdown of all other proposed expenditures; and
- Any related revenues and/or transfers.

While the use of a Business Plan is encouraged for smaller enhancements, if an agency is requesting a new program or the expansion of an existing program exceeding \$1,000,000 in costs over the biennium, the agency must include a Business Plan with its submittal. See the Business Plan chapter of this manual for examples.

Biennial Budget Process

This section is intended to provide general information for preparing the biennial budget.

Statutory/Administrative Authority

NRS 353.150 - NRS 353.246, also known as the State Budget Act, outlines the biennial budget process.

Framework

Base and Maintenance

The base budget building structure remains the same as previous biennia. The base budget is adjusted for one-time expenditures and the annualization of any partial-year costs to an on-going level estimate to continue the program into the biennium.

Maintenance decision units will be allowed for caseload growth and for agency specific inflation approved by the Budget Division. See the section on Agency Request Limits in this manual for information.

Enhancements

Agencies should focus early on potential policy decisions to be addressed in their Agency Request Budget. Any enhancement units submitted by agencies for consideration in the upcoming budget cycle will need to align with one or more of the Initiatives identified by the Governor and agencies must clearly outline how the enhancement will advance the state's performance relative to the priority and related goal(s). The enhancement narrative must include how the additional investment will incrementally improve annual targets for each applicable existing agency performance measure or identify what benchmark will be used for any newly proposed performance measure, should the enhancement be enacted. If circumstances change or information arises late in the process which would affect the Agency Request Budget, revisions will be considered for inclusion in the final Governor Recommends Budget.

Any agency proposing an enhancement unit affecting another agency's budget should coordinate early in the process. For instance:

- An agency planning to consolidate its vehicles into the state's fleet should coordinate with the Depart-

ment of Administration Fleet Services Division so Fleet Services can also take those vehicles into account while preparing their Agency Request Budget.

- An agency proposing a new office location or the expansion of existing staff should coordinate with the State Public Works Division Leasing Services staff.
- Agencies utilizing centralized information technology services must coordinate with Enterprise Information Technology Services to ensure their utilization is considered in the overall impact to proposed rates.

Major Phases

Agency Request

The Agency Request Budget is the first document in the process. It lays out the policies and finances the agency requests the Governor recommends to the Legislature and includes descriptive narrative information and line-item detail by budget account. Agencies generally start the budget process early in even-numbered years and prepare it under guidelines set by the Governor's Finance Office Budget Division. The Agency Request Budget is due to the Budget Division by 5:00 P.M. on or before September 1st of the even year.

Governor Recommends

The Governor's Office and the Budget Division review Agency Request Budgets to compile the Governor Recommends Budget which reflects the Governor's goals and priorities as well as statutory policies. The Governor Recommends Budget is submitted in four sections and is the starting point for budget discussions during the legislative session. Pursuant to Nevada Revised Statutes (NRS) 353.205, the four sections are:

1. A budgetary message including a general summary of the long-term performance goals and how the proposed budget progresses the state to achieve those goals. This section includes a general summary showing the balanced revenues and expenditures in aggregate for the last completed fiscal year, the fiscal year in progress and the next two fiscal years.

2. A line-item detail to support the summary provided in section 1, including the cost of continuing each program at the same level of service as the current year and itemized recommendations to enhance or reduce the level of service. This section includes mission statements and measurement indicators for each agency that articulates intermediate objectives towards achieving the state's long-term goals.
3. Information on economic development incentives
4. Any recommended legislation necessary to implement the Governor Recommends Budget.

Legislatively Approved

The Governor Recommends Budget is presented to the Legislature early in odd-numbered years just prior to the convening of the session (the Legislatively Approved phase). The Assembly Ways and Means Committee and the Senate Finance Committee, usually in a joint sub-committee, hold public hearings after the Session convenes to review the proposed revenues and expenditures for each agency. The sub-committees report their recommendations to the two full committees who then vote individually on the recommendations for each of the agencies. Once all of the agency budgets have been approved by the Ways and Means and Finance Committees, they are compiled into at least one of the five budget implementation bills:

1. The Appropriations Act (generally for General Fund and Highway Fund budget accounts);
2. The Authorizations Act (generally for non-General Fund budget accounts);
3. The K-12 Education Funding Act (which must be passed first per the Nevada Constitution);
4. The State Employee Compensation Act (which sets forth salaries for certain employees and statewide compensation policies for the upcoming biennium); and
5. The Capital Improvement Plan (CIP) Act (which outlines construction related projects for the upcoming biennium).

- Agencies must also update the Work Program year column in NEBS to reflect adjustments to the legislatively approved budget adopted via work program.
- Agencies must reconcile all positions and related information in NEBS to the legislatively approved positions as adjusted by any Interim Finance Committee actions to add, change or remove positions. Position costs include all applicable full-time equivalent (FTE) driven costs, including: retirement, health insurance, personnel assessments, labor relations assessments, payroll assessments, employee bond and tort assessments, retired employee group insurance assessments, infrastructure and security assessments, and applicable payroll taxes.
- Agencies must ensure revenues equal total expenditures in all four years presented in the biennial budget and appropriately account for any allowable reserves within the limitation of those reserve levels. If reserves are generated from more than one revenue source or are for more than one program, the reserves must be allocated to the appropriate revenue source or program.
- Submission of the Agency Request Budget must be consistent with any legislation enacted from the prior Legislative Session. Agencies should thoroughly review all legislation for potential changes to their budget or structure as well as adhere to any agency-specific instructions provided by their Executive Branch Budget Officer.
- A budget is considered submitted only if all required forms and electronic data in NEBS are complete as of the budget deadline.

Executive Branch Budget Officers are available to provide one-on-one assistance to agency staff in preparing the Agency Request Budget. More time and attention given during the initial budget building process saves time and energy for both agencies and the Budget Division later in the process.

Key points for budget building

For those who are unfamiliar with the process, general items to note are:

- Agency Request Budgets must be built in alignment with the goals and initiatives set by the Governor.
- Agencies must update the base year Actual column in NEBS to reflect the final agency expenditures as of August 31st, including items that have not posted as of the date the agency completes the data entry into NEBS.

Strategic Planning and Activity Measures

This section discusses the importance of strategic planning in developing the budget and how items in your budget should tie to goals in the strategic plan. This section also discusses measurements in general and in the budget in particular.

Strategic Plan

A strategic plan is an organized, documented method of determining what an agency hopes to accomplish and how it will accomplish it. A strategic plan looks forward, indicating to management and staff what the agency's focus will be for the next three to five years or more. **An update of the plan is expected five years from the last revision.**

A strategic plan is a management and communication tool. First, it's a means for management and line staff to discuss what the agency's goals should be for the upcoming biennium, to share ideas, and learn the perspectives of coworkers. Second, it lets staff know where the agency is headed over the next few years and the role they will play in moving the agency forward.

A strategic plan is the foundation of the agency's budget request. During the goal-setting phase of strategic planning, the agency will come up with several strategies to work toward the agency's mission and goals. Some of those strategies may have costs or savings associated with them in terms of personnel, travel, supplies, and equipment. These costs should be detailed in the appropriate decision unit within the agency's budget request.

Performance Measures

NRS 353.205 section 1(b) states, **Part 2** [of the Executive Budget] **must include a mission statement and measurement indicators for each program.** Performance measures are included at the agency activity level. If performance measures are warranted, the agencies should identify and define relevant and quantifiable performance measurements.

Performance measurement facilitates accountability and provides an opportunity to identify programs that work and those in need of improvement or elimination. They are intended to answer the question: "Are we making progress toward achieving our targeted results?" A

credible answer must be backed by evidence in the form of performance measures which provide data on how the program is operated, how well the customers are served and whether the program is achieving its intended outcome. Analyzing the performance of an Activity is important to assess whether the investment has proven worth the cost and whether performance can be improved or a different strategy could better contribute toward achieving the desired statewide result. Agencies should use performance data to target low-performing programs for elimination and to redirect funding to programs with a higher return on the state's investment.

Performance measures should be logically and directly related to the Activity they are purported to measure, incorporate significant aspects of the operations of the agency and be responsive to changes in levels of performance. The three main types of measures for agency activities are:

- output/workload ("How much did we do?")
- efficiency ("How well did we do it?" or "Are we doing things right?")
- effectiveness ("Is anyone better off?" or "Are we doing the right things?")

Wherever possible, agencies should use performance measures tied to data already provided to external parties, such as measures reported to a federal agency in support of a grant received from that agency.

Performance measures will continue to be at the Activity level reflecting that not all budget accounts will have separate indicators. *While each Activity must have at least one performance measure, there is no right or wrong number of performance measures as long as the measures provide the full story of the operations and value of the Activity.* An agency may also have several Activities targeted toward achieving the same outcome and should identify the link of the Activities to the Performance Measure. If an agency and the Budget Division agree it is not possible to identify an appropriate quantitative performance measure for an Activity, the agency must submit a narrative description of the intended outcome for the Activity.

If an agency submits an enhancement decision unit, whether to add a new program or increase or reduce funding for an existing program, it must:

- Include performance measures in the decision unit to clearly indicate the change in performance expected from the investment if the decision unit is approved.
- Performance measures may show an incremental change to an existing indicator or a new measure for the Activity.
- Proposed performance measures should be included in the narrative for the decision unit or as an attachment to the decision unit description (or included in the Business Plan if one is being submitted), and should clearly indicate what is being measured, how the measurement is being calculated and what will happen if the program does not meet its proposed metrics.
- Performance measure data provided by agencies must be valid and accurate with any data limitations clearly noted. If the decision unit is expected to support a performance change for which a performance measure would not be relevant, the expected outcome of funding the investment should be described, and if possible quantified, in the decision unit narrative.
- Decision units submitted without corresponding performance measures or appropriate supporting narrative will not be considered.

Statewide Strategic Plan and Strategic Priorities

The Agency Request budget must tie to the agency's mission statement and performance measures.

Each agency budget request should follow its department's strategic plan as the basis of the budget structure.

Every request must relate to one of the Governor's strategic priorities. Agencies budgeting for an enhancement decision unit must select the strategic priority that the decision unit will help the state achieve.

Components of a Strategic Plan

There are several components of a well-written strategic plan. Each component is briefly defined as follows.

Vision Statement

The vision statement is a brief, bold, broad statement of the agency's ideal future. It states how Nevada will be better as a result of an agency's work.

Mission Statement

The mission statement is a declaration of what the agency does, for whom, and why it's important. Mission statements should rarely change, as they define an agency's core purpose. Mission statements can be short, explaining only the big picture of the agency's purpose and clientele or they can be over-arching, including all groups and their tasks. Short mission statements are easier to remember. Keep in mind the strategic plan is a communication tool. The easier it is for staff to understand the mission, the more likely they are to help the agency achieve it.

External / Internal Assessment

Some agencies choose to include an external/internal assessment with their strategic plans. Whether or not it is included with the final plan isn't as important as actually doing the assessment. The external/internal assessment focuses on things happening outside the agency (external) that will impact it, such as pending legislation, other funding sources, public perception, etc., and determines whether or not these things will be an opportunity or a threat. Then the agency repeats the process, only this time looking inside its walls (internal). What does the agency do well? What are its weaknesses? These questions help identify areas the agency can address and improve on in the strategic plan.

Philosophy Statement

An agency's philosophy statement defines its core beliefs and values as it goes about achieving its mission. Does the agency value its employees and their contributions? Does it value teamwork, honesty, and integrity? Will it treat customers fairly and in a timely manner? Will staff act professionally? The philosophy statement can be a single sentence to a longer paragraph.

Goals

A goal is a broad statement of what the agency hopes to accomplish over the next several years. Each goal must support the mission, and often the goals come from the external/internal assessment. Other times they come from employee or customer opinion surveys. A goal does not generally have any numbers or dates. It should start with

a verb. For example: reduce, increase, provide, promote, develop, improve, etc.

Strategies

Strategies are the “how” part of a strategic plan. Strategies detail the steps an agency will take to achieve each goal. There may be many strategies per goal or only a few. It is here that the agency can get creative in planning how to achieve each goal and also where information can be found to support the agency’s budget request. For example, if a goal is to be user-friendly to the public, then a strategy might be to move more documents to the agency’s website. However, if an agency’s computer system is outdated, this goal and strategy might provide justification for the agency to request a new computer system as a budget enhancement decision unit. Similarly, if a goal is to do more public outreach, a strategy might be to reclassify an existing position or request a new position to be a public information officer. Again, this decision would be reflected in the budget request in an enhancement decision unit or a decision unit within items for special consideration.

Objectives

Objectives specify how much of a particular goal the agency wants to achieve and when it wants to achieve it. As with strategies, there could be several objectives per goal or only one or two. Objectives should be SMART:

- Specific
- Measurable
- Achievable
- Realistic
- Time-specific

Examples of SMART objectives are:

- Reduce the workload per staff person by 10% by December 31st two years from now.
- Increase the number of clients served by 5% by June 30th of next year.
- Achieve an “excellent” rating by 80% of our clients by January 15th of next year.

Performance Measures

One benefit of SMART objectives is that they lead easily to performance measures, which are included at the activity level in Agency Request. In the examples above, the performance measurements would be:

- **Percent reduction in workload per staff member.** Did the agency hit its target of 10% reduction? Was it 7%? 5%? Did the workload per person increase?

- **Percent increase in clients.** Did the agency hit its target of 5%? Was it only 3%? Did they exceed the 5%?
- **Percent of clients rating services excellent.** What percentage rated the agency as excellent? Was it 80% (the target)? Was it only 50%? Was it better than expected at 85%?

If the agency has been successful in hitting its target (objective), then there is likely no need to revise the strategies for each goal. However, if the agency missed its objective, there could be some room to improve its strategies for the particular goal the agency is working toward.

Types of Performance Measures

There are several types of performance measures as described briefly below. The Budget Division and the Legislature review agency measures to get a sense of how the agency is operating. They use the measurements as supporting documentation to approve the budget request or to make changes. Both will recommend outcome performance measures that demonstrate the impact the agency is having on Nevada. A mix of measure types can help tell an activity’s story.

1. **Outcome** - measures the result (impact) of agency efforts
Examples:
 - Percent of clients employed six months after completing job-training program
 - Percent of third graders reading at grade level
2. **Efficiency** - ratio of outputs or outcomes produced to inputs used
Examples:
 - Cost per client served
 - Number of customers served per employee
 - Number of cases managed per employee
3. **Efficiency (timeliness)** - how quickly a service is provided
Examples:
 - Average wait time for service
 - Number of applications processed per hour
4. **Quality** - measures customers’ opinions of the services provided or goods produced
Examples:
 - Average score on customer satisfaction survey
 - Percent of public approving of service
 - Number of complaint letters or phone calls

Other Types of Measures

1. **Population** – number of people or entities an activity might potentially serve
Examples:

- Number of Nevada children aged 5 - 18
 - Number of businesses in Nevada with employees
 - Number of Nevadans eligible for Medicaid
- 2. Workload** - number of people or things the activity serves or funds (some are output measures)

Examples:

- Number of K-12 students whose education is supported with state funds
- Number of businesses paying unemployment insurance taxes
- Number of Medicaid enrollees

3. Input - measures the resources going into making a product or providing a service (generally for agency internal use, not for the budget)

Examples:

- Amount of money spent on the product/service
- Number of employees devoted to the product/service
- Equipment dedicated to the product/service
- Amount of raw materials dedicated to the product/service

Include measures that are unique to the activity, not generic measures like number of state agencies, even if your activity does affect state government as a whole.

Note: only a few activities have a legislatively approved caseload, while many activities have a quantifiable workload; both measures of work can appear in the population/workload tab.

**Creating Missions and Measures:
The Purpose Tool**

The following tool can help draft a mission statement, a description statement for an activity, and measures:

The purpose of the _____ (agency or activity) is to provide/produce _____ (service/good) to _____ (whom) so that they can/in order to _____ (planned benefit).

After filling in the blanks and a bit of wordsmithing, this can be a mission statement at the agency level, or a description in the budget for an activity.

Additionally, in the purpose tool above, the “service/good” provided or produced is an output, which might be used as a workload measure in the activity population/workload section. The “whom” blank might be completed with a population or workload, and the “planned benefit” is an outcome.

Business Plan

If an agency is adding a new program with a cost exceeding \$1 million, or expanding an existing program at a cost of over \$1 million or an amount exceeding 50% of the existing program cost (whichever is less), a Business Plan must be included with the Agency Request budget submission.

Introduction

The Budget Instructions require the submittal of a business plan with the Agency Request budget due on or before September 1st when seeking:¹

1. An authorized expenditure or appropriation for a new program or existing program expansion if the cost exceeds \$1,000,000 (if the cost is \$1,000,000 or less, no plan is required).
2. An authorized expenditure or appropriation for an existing program that is proposed for enhancement by more than \$1,000,000 or 50 percent of the current program level, whichever is less.

A copy of each business plan prepared, along with a copy of each agency's proposed budget, must be submitted to the Budget Division with Agency Request, on or before September 1st. If the business plan is changed in the Governor Recommends phase, the agency must revise the plans to reflect the changes. A copy of the revised plan will be included with the Governor's budget and provided to the Legislature.

A sample business plan is provided in the **Business Plans** appendix.

Business Plan Contents

1. Cover Page

Include the following:

- Department
- Division
- Budget account number
- Budget account title
- Date prepared
- Name of person submitting the program
- Program title

2. Table of Contents

3. Type of Plan

Indicate all that apply:

- New program
- Enhancement of existing program

Reference all enhancement decision units and any BDR numbers or NRS that may apply.

4. General Description of the Plan

Provide a general overview of the proposed plan, including:

- An organizational chart (current and proposed)
- A summary of projected funds for the current and next two biennia to include a breakout between General Fund and non-General Fund

5. Agency Mission and Goals

Provide:

- A statement of the agency's mission
- The current goals applicable to the agency or specific budget account
- An explanation of how the proposed new or expanded program ties to these goals as well as the Governor's strategic plan

6. Assessment

Briefly describe current services provided, for whom and explain why this proposal is necessary or desirable. The assessment should include an analysis of the benefits that can be expected from this program. The benefit(s) should be described in quantitative terms whenever possible. When benefits cannot be described in quantitative terms, include qualitative data to support the proposal.

7. Detailed Business Plan

The detailed business plan should:

- A. Explain how the plan fits into the Governor's strategic priorities, core function objectives and stretch goals.
- B. Explain how the proposal will be implemented. Include data defining the areas of the state or

¹ Highway construction and public works projects are exempt.

- populations to be served (i.e., rural, urban, north, south, low income, etc.). If resources or services will be shared with other agencies or entities, describe the shared resources or services and how they will be shared.
- C. Include a time line for plan implementation.
 - D. Project customer volume, caseload and other measurements used to evaluate the demand for the proposal.
 - E. Assess financials:²
 - i. Funding sources
 - a. If the proposal is to be supported by fees, supply a proposed fee structure and cash flow analysis.
 - b. If the proposal is to be federally funded, provide the Catalog of Federal Domestic Assistance (CFDA) number and grant description including match requirements, federal funding history and future grant allocations. Provide Federal Funds Information for States (FFIS) data, as well as any other federal, public or private entity data available, that will support the requested proposal. Include the calculation and assumption used to develop the mix of federal and state resources if not specifically outlined in the budget document.
 - c. If the program requires General Fund support for start-up, provide a cash flow analysis phasing in other revenue sources.
 - ii. Staffing requirements and associated operating costs
 - a. If additional staff are not required, describe the impact on existing staff and programs.
 - b. If new staff are required, describe the need for each position and estimate costs including operating and travel.
 - iii. Capital considerations (may require cooperation with State Public Works Division). Building, construction, and remodeling. Describe all proposed projects in detail and include cost estimates.
 - a. Capital equipment: list all equipment needed and estimate cost.
 - c. Equipment: list all items needed and estimate costs.
 - iv. Major purchases
 - a. Lease agreements.
 - b. Contractual services.
 - v. Information technology and telecommunications requirements (requires cooperation with EITS).
 - a. Include time lines for the ordering and receipt of equipment, software, consulting services, contract development and training.
 - b. If the proposal lends itself to sharing information between other agencies/entities, include time lines for interface development.
 - vi. Training requirements
 - F. Analyze the proposal's impact on existing services provided by the state or other agencies or entities.
 - G. Assess the proposal's financial impact on future biennia.
 - i. Provide projections for the following two biennia and estimate the increase in base funding levels.
 - ii. Determine in which year the maximum cost for the proposal will be realized and provide an estimate of the maximum cost.
 - H. Include performance indicators to measure outcomes and determine the effectiveness of the proposal.
 - I. Provide a plan addressing actions to be taken should performance expectations and/or funding requirements not be met. The plan should address the most significant risk factors associated with the program. The risks to be addressed include factors that will significantly impact the project.

² The costs in this section must tie to the detailed budget document. If calculations of costs are not shown in this section, they must be shown in the detailed budget document.

Agencies are required to provide an electronic or hard copy of the agency's proposed organization chart reflecting their Agency Request Budget including any programs or positions proposed to be added, eliminated or changed as part of the request. An organizational chart will be submitted for each agency with the following elements:

- The programs, activities and organizations in the agency.
- The full-time equivalent positions in the agency.
- For agencies submitting requests for personnel changes (transfers, eliminations, reclassifications, etc.), both a current organizational chart and one that includes the requested changes should be included in the Agency Request submittal. Highlight any program or position added, changed or eliminated on the organizational chart reflecting the changes.
- Any boards and commissions overseen, administered or supported by the agency.
- Full-time equivalents in NEBS must reconcile to the agency's Organizational Chart.

Agencies with extensive organizational charts may consult with their assigned Executive Branch Budget Officer for alternative methods of submission.

The Legislative Counsel Bureau Fiscal Analysis Division requests all material be provided in the same format as submitted to the Budget Division. Copies of any additional documents or information supporting the agency budget must be provided simultaneously to the Budget Division and Fiscal Analysis Division.

Supplemental Appropriations

A supplemental appropriation is a request by an agency for additional General Fund or Highway Fund appropriations to cover an unforeseen or unanticipated budget shortfall. Supplemental appropriations are approved to cover expenditures that occur in the fiscal year the Legislature is in session (the odd year of the biennium) and are acted upon by the full Legislature through separate and specific legislation (Bill).

Statutory/Administrative Authority

[NRS 353.235](#). The General Appropriation Act details the general allocation of General Fund and Highway Fund appropriations and any special terms and conditions of the use of those funds to state agencies and/or programs. Agencies that receive appropriations from this Act have two options should their legislatively approved appropriation fail to cover unforeseen expenditures and result in a budgetary shortfall:

Budget shortfalls that occur during the even fiscal year of the biennium

Agencies can request an appropriation from the Interim Finance Committee (IFC) Contingency Fund, a special revenue fund provided by direct legislative appropriation pursuant to [NRS 353.266](#). These requests must first be reviewed and recommended by the Board of Examiners (BOE) pursuant to [NRS 353.268](#). Once approved by the BOE, the request is forwarded to the IFC for its independent evaluation and action [NRS 353.269](#). The IFC is not bound to follow the recommendation of the BOE.

Budget shortfalls that occur in the odd fiscal year of the biennium

For the years the Legislature is in session, agencies should include a supplemental appropriation in their Agency Request submittal. This is similar to a request for funding from the contingency fund except the full Legislature acts upon these requests through a bill and if approved, the funding will be reflected in the agency's current operating budget.

Prior to requesting a supplemental appropriation, the agency must consider all other options and demonstrate there is no funding in the existing budget to cover the unforeseen expenses. Also, the Appropriations Act authorizes the transfer of funds between appropriated agencies within a department to cover a shortfall as a result of salary or payroll costs up to the amount set aside for vacancy savings. Such requests are recommended by the Governor and are acted upon by the IFC.

Agencies should contact their Budget Officer as soon as there is an anticipated need for a supplemental appropriation in order to explore all viable options.

Application

If an agency qualifies for a supplemental appropriation and will experience a budgetary shortfall during the fiscal year for which the Legislature is in session (the odd year of the biennium), the agency can request a supplemental appropriation to cover the shortfall as part of the Agency Request. This request would cover the odd fiscal year shortfall. In some cases, a request for a supplemental appropriation could cover a prior fiscal year shortfall not pursued through the contingency fund.

To request a supplemental appropriation, the agency must build an E-877 (supplemental appropriations) decision unit in the budget account that will experience the shortfall. Fully explain, justify, and document the funding request and include detailed cost projections. To meet this requirement, the decision unit must include:

1. A synopsis of the request
2. Detailed, well substantiated, written justification that explains the need and the adverse consequences should the request not be approved
3. Detailed spreadsheets with calculations, and other documents that demonstrate the need and that the agency has exhausted all resources within its budget to cover the need
4. Detailed expenditures at the line item level that includes amounts associated with the projected supplemental amount and the appropriate object codes

All amounts associated with the request must be entered in the first year of the biennium. The source of funds for the supplemental appropriation request will be General Fund or Highway Fund appropriation, whichever applies to the agency.

Budget Account Decision Unit Text

Budget Period: 2021-2023 Biennium (FY22-23) Decision Unit: E877 SUPPLEMENTAL APPROPRIATIONS

Budget Account: 3740 DPS - DIVISION OF PAROLE AND PROBATION

Version: G03 SUPPLEMENTAL APPROPRIATIONS

Dec Unit Synopsis (Prints in Executive Budget Book): Characters Used: 176 of 2000

Justification: Characters Used: 1003 of 8000

Attached Files

File	Description	Size	Upload Version	Upload Date	Upload User
E877 BA Summary.xlsx		17.4 KB	A00	08/25/2020	pokeefe

Above is an example of the required written justification. The agency explains what necessary unforeseen expenditures transpired to cause them to exceed their appropriation. Justification to support the need should be inserted in Nevada Executive Budget System (NEBS) as illustrated above.

The below example illustrates the filtered supplemental appropriation decision unit in NEBS at the line item level. The agency included line items to support the expenditures incurred to cause a projected shortfall at the end of the previous fiscal year.

Budget Account Line Items

Budget Account Version: ▾ ▸ ▾ ▸ ▾ ▸

Summary									
Line Items									
Schedules									
Positions									
Mapping									
Acct. Maint.									
Decision Unit: <input type="text" value="E877 SUPPLEMENTAL APPROPRIATIONS"/> ▾									
Synchronize Actuals to DAWN <input type="checkbox"/> Reserves <input type="checkbox"/> Highlight Changes <input type="checkbox"/>									
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Year 2	Schedule
	E877	00	2501	APPROPRIATION CONTROL	0	0	92,269	0	- None -
	E877	04	7060	CONTRACTS	0	0	488	0	VENDOR SERVICES
	E877	04	7062	CONTRACTS - B	0	0	616	0	VENDOR SERVICES
	E877	04	7067	CONTRACTS - G	0	0	67,975	0	VENDOR SERVICES
	E877	15	7385	STAFF PHYSICALS	0	0	21,735	0	STAFF PHYSICALS
	E877	26	7290	PHONE, FAX, COMMUNICAT...	0	0	1,455	0	- None -
Total Revenue					0	0	92,269	0	
Total Expenditures					0	0	92,269	0	
Difference					0	0	0	0	

BUDGET ACCOUNT SUMMARY				
Catg	Description	FY2021	Projected Actuals	Balance
00-2501	APPROPRIATION CONTROL	47,177,194	47,177,194	0
00-2511	BALANCE FORWARD	2,419,448	2,419,448	0
00-3701	PSYCHOSEXUAL EVALUATIONS	53,880	53,880	0
00-3702	RESIDENTIAL CONFINEMENT FEES	1,272	1,272	0
00-3802	CLIENT CHARGE (SUPRVSN FEES)	2,883,882	2,883,882	0
00-4103	COUNTY REIMBURSEMENTS (PSIs)	6,720,855	6,720,855	0
00-4213	US MARSHAL SERVICE REIMBURSE	77,772	77,772	0
00-4254	MISCELLANEOUS REVENUE	1,553	1,553	0
00-4284	INDIVIDUAL SUPPORT (DNA FEES)	35,195	35,195	0
00-4355	EXTRADITION	7,807	7,807	0
00-4757	TRANS FROM DPS CRIM JUSTICE ASST	12,482	12,482	0
	Total Revenues	59,391,340	59,391,340	0
01	PERSONNEL SERVICES	45,656,310	45,656,310	0
02	OUT OF STATE TRAVEL	6,215	6,215	0
03	IN STATE TRAVEL	1,645,349	1,645,349	0
04	OPERATING	3,156,879	3,225,958	(69,079)
15	SWORN STAFF PHYSICALS	153,721	175,456	(21,735)
16	EXTRADITION	152,466	152,466	0
17	CLIENT DRUG TESTS	124,031	124,031	0
24	PSYCHOSEXUAL EVALUATIONS	248,418	248,418	0
25	FORENSIC LAB CONTRACTS	8,528	8,528	0
26	INFORMATION SERVICES	711,058	712,513	(1,455)
29	SWORN STAFF SPECIALTY EQUIP	162,364	162,364	0
30	TRAINING	27,045	27,045	0
34	US MARSHAL SERVICE REIMBURSE	77,772	77,772	0
36	RESIDENTIAL CONFINEMENT	1,272	1,272	0
38	OTIS MODERNIZATION SB515.1	2,419,448	2,419,448	0
40	GENETIC MARKER TESTING DNA	37,399	37,399	0
53	OCJA GRANTS	12,482	12,482	0
81	DPS GENERAL SVC COST ALLOCATION	1,023,158	1,023,158	0
82	DPS INTRA-AGENCY COST ALLOCATN	2,809,763	2,809,763	0
83	COST ALLOC NDOT 800 MHZ RADIOS	396,210	396,210	0
87	PURCHASING ASSESSMENT	16,143	16,143	0
89	AG COST ALLOCATION PLAN	544,843	544,843	0
		59,390,874	59,483,143	(92,269)
	Additional General Fund Appropriations Needed (Salaries not included)			(92,269)

The above is an example of the budget account summary spreadsheet that should be attached in NEBS as evidence for the request. This demonstrates the need by showing the overall legislatively approved budget account and specific categories for which there will be a shortfall due to the circumstances described in the justification.

Shortfall detail by Category		
Cat 04 Expenses		
Allied Universal		616
Sentinel Offender Services		488
GEO Reentry (Las Vegas)		40,175
GEO Reentry (Reno)		27,800
	Total Cat 04	69,079
Cat 15 Expenses		
Staff Physicals Las Vegas @ 17 each		6,704
Staff Physicals Reno @ 17 each		6,704
New Hires Pysch Screen @ 16 each		4,400
New Hires HEPTAVAX @ 16 each		3,492
New Hires HEP ABC Screen @ 16 each		435
	Total Cat 15	21,735
Cat 26 Expenses		
Cox Business (Internet July-August)		1,455
	Total Cat 26	1,455
	Total General Fund Needed	92,269

Summary of Supplemental Appropriations

- Agencies funded in whole or in part by General Fund or Highway Fund appropriations are eligible for a supplemental appropriation
- They are intended to fund a shortfall in an agency’s budget that will occur in the year the Legislature is in session (the odd year of the biennium)
- They are requested in an agency’s budget request via an E-877 decision unit in NEBS in the first year of the biennium
- Agencies must justify the need and demonstrate all other resources in their budget have been exhausted.
- The E-877 decision unit is removed from the agency’s budget during the Governor Recommends phase and placed into supplemental appropriation bills

The above is an example of the detailed support documentation for a request for a supplemental appropriation made by an agency to fund unforeseen operating, sworn staff physicals and information services expenditures that could not be covered by their appropriation.

During the Governor Recommends phase, the Budget Division will remove all approved E-877 decision units from the Agency Request submittals and put them in a Supplemental Appropriations version (G03) in NEBS. This will allow for easy extraction of the information to provide to the Legislation for the appropriate supplemental appropriation bills. E-877 decision units will only appear in the Governor’s Executive Budget as a list of supplemental appropriation requests.

After a supplemental appropriation bill has been approved, *a work program is processed using RGL 2522 for General Fund Supplemental Appropriations and RGL 2525 for Highway Fund Supplemental Appropriations.*

One-Shot Appropriations

A one-shot is a unique appropriation for a particular purpose that is not anticipated to continue. Funded in whole or in part by a General Fund or Highway Fund appropriation, a one-shot may be used for items such as small building additions or modifications, to fund the start-up costs for new facilities, or for major purchases of equipment, computer systems or upgrades, or vehicles. One-shot appropriations may be authorized for time periods beyond the biennium. Any balance remaining at the end of the designated funding period reverts to the fund of origin.

Statutory/Administrative Authority

There is no specific statute that controls or defines one-shot appropriations; however, NRS 353.235 states “every appropriation in addition to that provided for in the proposed budget must be embodied in a separate bill and must be limited to some single work, object or purpose...”

During the Governor Recommends phase of the budget process, the Budget Division will determine the amount of funding available for one-shots. Once the Governor’s Office and the Budget Division have determined which requests will be approved as Governor Recommends projects, the Budget Officer will move the agency’s decision units from the G01 (Governor Recommends) version to the G02 (One-Shot Appropriations) version.

At the completion of the one-shot review process, the Budget Division will submit the decision units in G02 to the Legislature for placement in a budget bill specifically for the requested project or purchase for legislative review and approval.

Application

If the agency has a need for a large, one-time purchase, they may build a request in the appropriate decision unit — such as E-710 or E-720 decision units — in the Agency Request submittal and fully explain, justify and document the request including detailed projections such as:

- A synopsis of the request
- A detailed, well substantiated, written justification that explains the need
- Detailed spreadsheets with calculations, and/or other documents, that demonstrate the cost
- Detailed expenditures at the line item level that include the appropriate object codes
- Recent quotes

All amounts associated with the request are typically entered in NEBS in the first year of the biennium, or Year 1. However, when the request is placed in a bill, the language normally included allows the funds to be balanced forward into the second year of the biennium.

The source of revenue for one-shot appropriation requests is General Fund (revenue ledger 2501) or Highway Fund appropriation (revenue ledger 2507), whichever applies to the agency. Note that some agencies receive funding from other sources, such as the federal government, in addition to an appropriation.

In cases where a multi-funded agency is requesting a one-shot appropriation, the agency should build the other funding source into the decision unit in addition to the portion to be paid by the appropriation.

On the next page is a sample request for a one-shot appropriation made by an agency for the purchase of facilities maintenance projects. The agency built its request into an E-380 decision unit. As required, the request included a synopsis (1), detailed justification (2), attachments (3), and described the amounts by line item to support the need.

The agency included a detailed spreadsheet of needed facility projects. Any spreadsheet included with the request to support the need should be attached in NEBS as illustrated. If the Budget Division determines funds are available, the E-380 decision unit may be converted into an E-888 one-shot appropriation during the Governor Recommends phase or could be placed into a bill which requires a work program for receipt.

Multi -Biennium Requests

One-Shot appropriations may be authorized for time periods beyond the biennium. Any unused funds remaining at the end of the designated funding period revert to the fund of origin (General Fund or Highway Fund).

Budget Account Decision Unit Text X

Budget Period: 2021-2023 Biennium (FY22-23) Decision Unit: E380 SAFE AND LIVABLE COMMUNITIES

Budget Account: 3650 MILITARY

Version: G02 ONE-SHOT APPROPRIATIONS

Dec Unit Synopsis (Prints in Executive Budget Book): ☰
Characters Used: 102 of 2000

Justification: ☰
Characters Used: 603 of 8000

Analyst Comments: ☰
Characters Used: 0 of 8000

Attached Files

File	Description	Size	Upload Version	Upload Date	Upload User
E380 NEBS Attachment.xlsx		16.9 KB	A00	09/01/2020	

An example of a multi-biennium request is the replacement of a large computer system which is expected to take four years to implement. Agencies believing their request will require more than one biennium to complete should provide a schedule of anticipated expenditures coinciding with the time period identified in the narrative description. The documentation must be sufficiently detailed to allow the Budget Division to analyze the costs and timing associated with the project. The Budget Division will determine whether or not the request should be in a single One-Shot Appropriation or separated into multiple biennia requests.

Agencies who have previously received an appropriation spanning multiple biennia must provide an update on the status of the project and the expenditures to date along with a reconciliation of the original appropriation to the amount being carried forward and a revised schedule showing the remaining anticipated expenditures. If the project has a Technology Investment Notification, the status of the project should be certified by the Enterprise Information Technology Services Division Administrator.

Summary of One-Shot Appropriations

- One-time purchase
- Represents a significant expense
- Long procurement / completion time
- Appropriation may be authorized for time periods beyond the biennium
- The agency request decision unit may be converted to an E-888 decision unit during the Governor Recommends phase
- Amounts are typically entered in the first year of the biennium
- Amounts are pulled out of agency budget requests during the Governor Recommends phase and moved to the G02 version to be put into a budget bill

Capital Improvement Projects

Capital improvement projects acquire, plan, construct, maintain, or improve state-owned facilities, land, major equipment, or other infrastructure. Capital improvement projects tend to be construction projects and involve new construction, major renovations, major reconstruction, major repairs, major deferred maintenance, land acquisition and site improvements. They may address long-term or large scale maintenance needs.

Typical Projects

A capital improvement project (CIP) typically includes the construction of state office buildings and special state facilities such as prisons, mental hospitals and university buildings. CIPs also relate to issues concerning life safety, ADA modifications, public infrastructure such as water and wastewater treatment systems, installation or replacement of special types of equipment and other basic infrastructure requirements over \$100,000.

Background

The CIP is reviewed and approved through an Executive and Legislative process that is separate from the agencies' budget development.

Agency CIP requests are presented to the State Public Works Board for the initial review and prioritization process. The Budget Division and the Governor's Office are then responsible for developing the Governor's final CIP recommendations to the Nevada Legislature. The CIP is approved through specific legislation (either an Assembly Bill or a Senate Bill) which identifies each approved CIP and its associated funding (i.e., General Fund, Highway Fund and/or other authorized funding sources). The bill also provides the authority for the state to issue general obligation bonds in support of the CIP, authorize spending of other revenues for capital improvements and provide for the levy of a property tax to support the sale of the state's General Obligation Bonds that would be used to fund the CIP.

Statutory/Administrative Requirements

In accordance with NRS 341.083, the State Public Works Board must submit its recommendations for capital improvement projects in the next biennium to the Governor and to the Legislature before October 1 of each even-numbered year. The Board makes specific recommenda-

tions as to cost, as well as the overall priority of projects from those presented in the agencies' requested CIPs.

In order to allow for sufficient time to complete this process, all agency CIP request submittals are due to the State Public Works Division (SPWD) in April of every even numbered year. NRS 341 and SAM 1900 detail the roles and responsibilities of the SPWD and state agencies in the CIP process.

State agencies submitting new building CIP requests must be prepared to provide the funding source(s) for anticipated operating expenses. If an agency's building project is included in the Public Works Board recommendation to the Governor, the agency must provide a Budget with all related expenses such as personnel, operating, equipment, maintenance, data processing and utilities for each project. An estimate of life cycle facility operational costs will be prepared by the SPWD for each new building CIP per NRS 341.151. This requirement applies to all CIPs regardless of the funding source.

Per NRS 341.083, projects that exceed \$10 million shall be scheduled to receive funding for advanced design and planning during one biennium and funding for construction in the subsequent biennium. Therefore, construction projects that exceed \$10 million either must have the design and planning funded in an earlier session or must provide in the project application evidence demonstrating the need for design, planning and construction funding all in one session. Agencies with projects over \$10 million that will be requested in the 2025 CIP should request design and planning funding in the 2023 CIP and should submit the request by the April 2022 deadline.

If the agency is submitting a project as an enhancement unit in the agency's budget, fees will need to be included in the agency's budget for SPWD inspection services and plan review. See NAC 341.171 to calculate these fees.

Recommendations

The agency should consult with the SPWD to determine where best to request the project: CIP bill vs. executive budget. Agencies can not include CIP requests in both their executive budget request and the CIP bill.

It is recommended that agencies use SPWD resources and guidance where practical. If you need support to complete the CIP application or if you have any questions regarding the CIP application process, please contact the SPWD.

Application

Agency capital improvement, major maintenance and deferred maintenance requests fall into two categories:

The first category is the capital improvement program/plan requests which include non-carpet, non-drapery, non-painting, projects that require structural modifications, statewide type projects, projects affecting exiting and egress plans and other projects equal to or greater than \$100,000.

The SPWD website includes the CIP application worksheet and submittal form. The application should include information on the funding source and detailed cost estimates along with the estimating methodology used for the estimates. Cost estimates must include the total cost required to make a facility operational, including necessary initial equipment and furnishings, landscaping, utilities, parking and project related roadwork. Agencies can contact the assigned SPWD project manager for support in developing the construction cost estimate.

The SPWD posted unfunded past requests on the CIP website. Agencies should review the list of historical requests and if the project to be requested is not already on the list, a new application should be submitted. If a historical request should be deleted please email bwacker@admin.nv.gov with the appropriate index number and ask that it be removed.

The second category is the agency's operating budget requests, which include carpet, drapery, painting, non-structural, non-statewide projects and other projects less than \$100,000.

In accordance with SAM 1900, an agency may request projects under this category in its biennial budget through either an M-425 in category 95, E-730 or one-

time decision unit depending on the rationale driving the improvement(s).

In this category an agency may execute projects without project management services of the SPWD. However, all remodeling projects on state land or on land held in trust for any division of state government must be reviewed by the SPWD to ensure code compliance through plan check and inspection services. Normally, when code compliance services are necessary, the agency will include a fee for the design of the improvement by an architect or an engineer.

If a project is within this category and the agency plans to request that the project be managed by the SPWD, the project shall be submitted as a CIP in accordance with the CIP deadlines.

Budget Framework

This section will introduce the revenue and expenditure structure/framework you will typically use in your Agency Request submittal. It will also define the major cost elements that make up the standard expenditure categories and highlight some of the major issues you may encounter in projecting revenue and expenditures for the various categories.

NEBS Budget Version

The Nevada Executive Budget System (NEBS) encompasses multiple versions of the budget during the budget building process. Each version represents a specific phase of the process and is opened and closed as the process moves through them. Below is a list of budget versions and a short description of when each are implemented.

- **A00 Agency Request as Submitted** - Agencies build the initial budget in this version which officially ends September 1st.
- **A01 Agency Request** - While the Controller’s Office finalizes revenues and expenditures for the base year, the Budget Officers review each budget account and work with the agencies on modifications or changes prior to transmission to the LCB’s Fiscal Division. This phase begins September 1st and ends October 15th.
- **A02 Items for Special Consideration as Submitted** - This version will be available for agencies to build decision units for requests that exceed the pre-approved level of budget funding but are viewed important enough by the agency to request that special consideration be given by the Governor.
- **A03 Items for Special Consideration** - The A02 version is moved into A03. Similar to A00 and A01 versions, the A03 version will preserve the agencies’ original submission. The Budget Officer will review and make necessary changes.
- **G01 Governor Recommends** - A01 is copied into G01 and is confidential per NRS 353.205(3). During this phase, the budget accounts are reviewed for accuracy and changes are made based on decisions by the Governor. This budget will not be available to the public until the Governor’s State-of-the-State address in January.
- **L01 Legislatively Approved** - This is the final phase of the budget process. This budget is approved by Legislative Committees and is implemented on the following July 1st after session has ended.

Other budget versions may be created depending on the need or circumstances. Consult with a Budget Officer for definitions of budget versions not listed above.

Standard Categories and Associated General Ledger Numbers (GLs)

The following is a list of “standard use” categories in the Executive Budget:

00	Revenues
01	Personnel services
02	Out-of-state travel
03	In-state travel
04	Operating
05	Equipment and furnishings
07	Maintenance of buildings and grounds
26	Information services
29	Uniform allowance
30	Training
59	Utilities
85	Reserve for reversion to Highway Fund
86	Reserve
87	Purchasing assessment
88	Statewide cost allocation (SWCAP)
89	Attorney General cost allocation (AGCAP)
93	Reserve for reversion to General Fund
95	Deferred facility maintenance

With the exception of personnel services expenditures and FTE-driven expenditures, purchasing assessment, SWCAP and AGCAP, the expenditure GLs defined for standard expenditure categories can also be used in special use expenditure categories. Where it has been deemed appropriate to do so, special use expenditure categories can be used by the agencies to track and report expenditures separately for any program or function authorized in their budget.

For example, assume an agency has a grant-funded program that requires all costs to be tracked and reported separately. A special use expenditure category could be established in the Agency Request budget for this purpose. In that expenditure category, all expenditure GLs associated with that particular program would be recorded in that

special use category for functions such as travel (generally recorded in travel categories 02 and 03), operating (generally recorded in category 04), equipment and furnishings (generally recorded in category 05), etc. Recording all the expenditures to a special use category eliminates the added accounting and reconciliation efforts that would otherwise be required with tracking costs across the various standard expenditure categories.

The following is a discussion on the standard expenditure categories used to develop an Agency Request budget along with a discussion on the various revenue GLs.

Category 00 – Revenues

Primary Revenue GLs

General Fund revenues are projected at the statewide level by the Economic Forum and are balanced to expenditures during the Governor Recommends phase of the budget process. **Highway Fund** revenues are projected at the statewide level by the Department of Motor Vehicles in consultation with the Budget Division. If projections exceed the adjusted base and maintenance decision units, the Governor may consider funding enhancements to the General Fund or Highway Fund budgets. These revenues are also balanced to expenditures during the Governor Recommends phase of the budget process. As a general rule, General Fund or Highway Fund appropriations are only available for the fiscal year to which they are appropriated.

The following table lists some of the primary funding revenue GLs, excluding federal fund revenues, utilized in building the Agency Request budget.

GL	OBJECT NAME
2501	General Fund appropriation
2507	Highway Fund appropriation
2511	Balance forward from the previous year
2520	Federal funds from the previous year
4326	Treasurer's interest distribution

Other Revenue GLs

The following table lists groupings of revenue GLs currently available in the Controller's system. Refer to the Controller's chart of accounts for a description of these revenue GLs.

REVENUE LEDGERS	DESCRIPTION
3001-3299	Unrestricted revenues
3300-3348	Restricted revenues — taxes
3401-3600	Restricted revenues — federal grants
3601-3799	Restricted revenues — licenses and fees
3801-4350	Restricted revenues — charges for services and other revenues
4351-4355	Expense/expenditure reductions/Reimbursement
4401-4499	Translating/asset reductions (contact Controller first)
4500-4599	Translating/pass-through receipts (contact Controller first)
4600-4999	Transfers and non-operating items

Transfer of Revenues

Agencies receiving transfer funds from another state agency must identify the source of the funds and the agency from which the revenue will be received. This information must be verified and reconciled against the transfer-out reported by the agency originating the transfer.

Agencies currently or proposing to transfer funds to another state agency must coordinate their budget requests with the corresponding agency to reflect the same dollar amounts coming into one budget and flowing out of another. The proper transfer GLs must be used for this process.

If one agency transfers federal funds to another in the form of a sub-award or sub-grant, the receiving agency records the federal funds in a transfer-in GL and the sending agency records the expenditure in a transfer-out GL. The receiving agency must be able to maintain the federal identity of the revenues and associated expenditures for federal grant reporting.

If an agency receives a Transfer from Interim Finance, the revenue must be eliminated in the adjusted base decision unit as must any one-time appropriations received from the prior session (adjustment should cite the statutory reference for the one time appropriation). Any associated expenditures must be either eliminated or paid for with another funding source.

Federal Revenue Sources

Federal revenues should only include receipts generated and collected directly from the federal government. Federal funds received from another agency or fund should be shown as "Transfer In" revenue. Federal revenues should not be consolidated into one line but should be reported separately in detail by grant award, including the identification of the source (e.g. federal agency), grant name, revenue account code and amount.

Budgeting federal funds as accurately as possible during the budget development may avoid the necessity for budget adjustment during the biennium. Base federal revenues must be adjusted to cover all base salary costs for any position funded in whole or in part by the applicable grant. Other revenue adjustments may be made in the adjusted base decision unit.

Federal fund revenues should be in the GL 3401-3600 range. Federal revenue submitted in the Agency Request Budget should present the most accurate projections of federal funding available for the biennium. Federal funds are often available on a federal fiscal year and may be available for multiple state and/or federal fiscal years. Documentation, including the Notice of Grant Award (NoGA), must be provided to substantiate any increase or decrease to the grant award amount. Agencies should provide detailed calculations projecting the carryforward of any unspent authorizations in order to substantiate any projected federal revenues included in the Agency Request Budget above or below the projected grant award amount for each fiscal year, including a reconciliation to the projected grant award amount.

Agencies must identify and document all new federal funding sources in the Agency Request budget and in NEBS. When creating/identifying a new federal revenue GL in NEBS, do not use general titles such as federal funds; but rather, specify the type of federal funds involved, grant title, etc. The GL associated with the revenue must be an appropriate number within the statewide accounting system. If a revenue GL needs to be established, use an existing revenue GL number that most closely matches the type of revenue description group from the Controller's Office chart of accounts. The Budget Division and the Controller's Office must approve the new revenue GL number before it can be included in the Agency Request budget. Contact the assigned Controller's Office representative for assistance if none of these descriptions seem to fit the revenue GL requested.

Agencies are required to continually monitor and track their federal awards including any match and/or Maintenance of Effort requirements to ensure compliance with the federal award. Additional information is provided under the Federal Grant Matching and Maintenance of Effort section of this manual. The associated forms which can be found on the Budget Division website under Documents/Forms are required to be included with the Agency Request submittal.

Category 01 – Personnel Services

NEBS Schedule Driven (Calculated) GLs

GL	OBJECT NAME
5100	Salaries
5200	Workers' Compensation
5300	Retirement
5400	Personnel Assessment
5420	Collective Bargaining Assessment
5430	Labor Relations Assessment
5500	Group Insurance
5700	Payroll Assessment
5750	Retired Employees' Group Insurance
5800	Unemployment Compensation
5840	Medicare
5841	Social Security (FICA)

NEBS Non-Schedule Driven GLs

GL	OBJECT NAME
5170	Seasonal/Part-Time Help
5190	Supplemental Military Pay
5810	Overtime Pay
5820	Holiday Pay
5830	Comp Time Payoff
5860	Board and Commission Pay
5870	Overtime Seasonal
5880	Shift Differential Pay
5881	Remote Area Differential Pay
5887	Field Training Officer Pay
5901	Payroll Adjustments
5904	Vacancy Savings (enter amount for work program year using the M-150 decision unit.)
5910	Standby Pay
5930	Longevity Pay
5940	Dangerous Duty Pay
5960	Terminal Sick Leave Pay
5970	Terminal Annual Leave Pay
5975	Forfeited Annual Leave Payoff
5980	Call Back Pay
7170	Clothing/Uniform/Tool Allowance

Base Positions and Payroll Costs

The Budget Division will load the initial base level position roster into NEBS. Base positions will reflect the positions that were legislatively approved during the previous legislative session plus any position augmentations approved in the interim. The only changes agencies will be allowed to make to base positions will be the way positions are grouped. Refer to the Accounts Maintenance in this manual for more information on grouping positions.

NEBS will calculate all schedule driven costs associated with GLs 5100-5841. The appropriate projections and adjustments to the non-schedule driven personnel costs detailed in the table will need to be made. All non-schedule driven personnel service GLs require detailed justification and explanations as to how the amounts were derived and the need for the expenditure. Please refer to Projections: Revenues & Expenditures section within this manual for guidance on projection methodologies and documentation requirements.

Seasonal and intermittent positions recurring from year to year should be included in the Agency Request Budget to the extent revenue to support these positions has been identified and determined to be available. **Any positions, whether temporary or permanent in nature, not supported by available revenues must be deleted from the Agency Request Budget.**

Positions that do not fit into the regular pay schedules must be entered as “manual annual” in NEBS. These manual annual salaries must be entered at the employee/ employer retirement rate, and NEBS will calculate the salary based on the retirement code. Agencies should contact their Budget Officer for further information. Refer to New Position section within this manual for more information on this topic.

Merit Salary Adjustments

Since NEBS calculates the payroll salaries expenditure, merit salary adjustments will be included in this calculation for all eligible positions in the base decision unit for both fiscal years; therefore, if a budget account has actual expenditures in GL 5901 - Payroll Adjustments, they should be eliminated in an M-150 adjustment.

Miscellaneous Payroll Items

Miscellaneous payroll items — overtime pay, comp time payoff, overtime seasonal, shift differential pay, payroll adjustments, standby pay, dangerous duty pay — are required to be pre-authorized (in the legislatively approved budget) to retain these costs. If these expenditures are not legislatively approved, they are considered one-time in nature and must be removed as an M-150 adjustment. Contact your Budget Officer for approval to submit an enhancement decision unit requesting to retain these related expenditures in the Agency Request budget. Submit a well thought-out, detailed justification explaining the agency’s calculations and rationale for continuing these costs as a base expenditure.

Vacancy Savings

The Budget Division will calculate vacancy savings for those budgets that have positions funded in whole or in part from the General Fund, Highway Fund and Internal Service Fund budgets through the Vacancy Savings schedule in NEBS. This is explained more thoroughly in the Adjustments to Base, Schedule Generated M-150 Decision Unit Adjustments section within this manual.

Adjustments to Base – M-150 Decision Unit

All one-time payroll expenditures such as terminal leave pay and paid compensatory time, etc., that are reflected in the base year are deleted using the M-150 decision unit. These types of expenditures are not budgeted. As outlined in NRS 353.262, Statutory Contingency Fund is available to General Fund agencies to assist with the costs of hiring replacements when the agency is unable to do so due to terminal leave costs (see statute for limitations). **New positions cannot be requested through an M-150 decision unit, but should be added in the maintenance or enhancement decision units.** The base budget will reflect the correct costs for all existing positions. Refer to Adjustments to Base section within this manual.

Maintenance Decision Units

The only positions requested in maintenance decision units are for those agencies that have pre-approved case-loads or documented federal mandates. Agencies desiring to begin new positions with an effective date before October 1st must submit justification indicating the ability to recruit, fund and begin employment before that date. Refer to New Position section within this manual.

Items for Special Consideration

Position requests with costs that exceed the pre-approved level of funding must be requested in a decision unit within the Items for Special Consideration Budget Version.

Enhancement Decision Units

All positions requested in enhancement decision units must be tied to one of the Governor’s statewide strategic priorities. Agencies are required to provide justification for all new positions requested. Signed NPD-19s must be submitted with the agency budget submission. Refer to the New Position section within this manual.

Reclassifications – Classified Positions

Requests for reclassification for classified personnel must be requested in an E-805 through E-809 decision units. Narratives must indicate which position is being requested for reclassification and the reason the reclassification is needed. Refer to Position Reclassifications section for additional information regarding the process of reclassifying classified positions.

Unclassified Salary Increases

All requests for salary increases or title changes for unclassified positions are to be requested in E-815 through E-819 decision units. The agency must provide documentation indicating which position is affected and the justification for the request. The salary amount requested must be entered in the “manual annual salary” field in NEBS. The agency’s request may or may not be approved in the Legislatively Approved phase of the budget process since all unclassified salaries are controlled by the Legislature through the Unclassified Pay Bill.

Position Transfers

All requests for transfers of positions, programs, funding, etc., must be requested in an E-900 series decision unit. All transfer requests must have a corresponding and opposite request in the receiving budget account, with the same decision unit number. These E-900 decision units must match by line item. Adjustments to the transfer decision units are made in an E-500 series decision unit. Agencies requesting transfer decision units must ensure that the transfer is coordinated with all agencies involved. Narratives must indicate which positions, program, funding, etc., are being transferred out, the reason for the transfer and the budget impact on the “transfer out” budget and all “transfer in” budget accounts involved in the request. Refer to the NEBS manual for information on how to enter a transfer request in NEBS. Additional information can also be obtained in this function by referring to Transfer In/Out Decision Units section of this manual.

Category 02 – Out-of-State Travel

Use category 02 to record out-of-state travel expenditures for non-training related business. Registration fees for out-of-state travel are coded to category 04, Operating. Training related trips out-of-state are charged to category 30 (including registration fees). The table below lists GLs that should be used to record out-of-state travel expenditures.

GL	OBJECT NAME	OBJECT DETAIL
6100	Per Diem Out-of-State	Payments made for meals and lodging while traveling out-of-state. Reference NRS 281.160 and chapter 0200 of the State Administrative Manual for allowable per diem amounts.
6110	Fleet Services Division Out-of-State Rental Daily Rate	Daily rental of Fleet Services Division vehicles used to travel out-of-state (see Appendix L - Fleet Services Rates).
6115	Fleet Services Division Out-of-State Vehicle Rental	Charges incurred for renting a non-Fleet Services vehicle out-of-state.
6120	Auto Miscellaneous Out-of-State	Miscellaneous auto charges for vehicles used in travel status out-of-state.
6130	Public Transportation Out-of-State	Cost of transportation including taxicabs, buses, railroads, rented vehicles and other forms of transportation associated with out-of-state travel, excluding personal vehicles, airplanes and Fleet Services Division vehicles.
6140	Personal Vehicle Out-of-State	Reimbursements made to employees or board or commission members while on State business out-of-state for using their personal vehicle or aircraft, when used either for the convenience of the employee or the State.
6150	Commercial Air Transportation Out-of-State	Costs of commercial airplane transportation for travel out-of-state paid directly to travel agencies, airlines or to reimburse employees or board or commission members.
6160	State-owned Air Transportation Out-of-State	Charges for transportation on State-owned aircraft. This includes pilot per diem charges.
6170	Travel Card Out-of-State (ATM Charges)	Charges by travel card companies and banks for cash advances for travel reimbursement to the employee or board or commission member.

Base Year Expenditures

Agencies must detail out-of-state travel expenditures incurred during the base year by creating a spreadsheet that describes the title of the traveler (not the name), the destination, the dates traveled, the purpose of the trip and the costs by GL. That information must be attached electronically to the Agency Request budget in NEBS. A sample spreadsheet detailing a typical out-of-state travel budget request is shown on the next page. A template of this spreadsheet can be found on the Budget Division’s web site at <http://budget.nv.gov/> under Documents/Forms/Travel and Training Log.

Maintenance and/or Enhancement Decision Units for Travel

Any request to increase an agency’s out-of-state travel budget must be created and justified in a maintenance decision unit (for caseload related increases only) or an enhancement decision unit using the appropriate GLs and the established rates as identified in SAM 0200. At a minimum, justification for the increase should be contained in the narrative of the decision unit, specifying how the

2018 OUT-OF-STATE TRAVEL EXPENSES

Position Title	Date	Destination	Purpose	COST BY GL (object code)			
				6100 Per Diem	6110 Motor Pool	6130 Ground	6140 Pers Veh
Social Services Program Specialist 3	31-May	Baltimore MD	Annual Medicaid Managed Care Congress-2010	665.00		50.00	30.00
				665.00	0.00	50.00	30.00

out-of-state travel would benefit the agency, the number of staff affected, the geographical areas to be covered, special needs, etc. Include a copy of the current GSA rates for the proposed destinations.

Category 03 – In-State Travel

Category 03 is used to record in-state travel expenditures necessary to conduct non-training related business trips. Training related trips are charged to category 30. The table here shows GLs that should be used under category 03 to record in-state travel expenditures.

Base Year Expenditures

GL	OBJECT NAME	OBJECT DETAIL
6200	Per Diem In-State	Payments made for meals and lodging while traveling in state. Reference NRS 281.160 and SAM 0200 for allowable per diem amounts.
6210	Fleet Services Division In-State Daily Vehicle Rental	Charges from the Fleet Services Division for vehicles used for travel on a daily rental basis (<i>Appendix L - Fleet Services Rates</i>).
6211	Fleet Services In-State Monthly Vehicle Rental	Charges from the Fleet Services Division for vehicles used for travel on a monthly rental basis (<i>Appendix L - Fleet Services Rates</i>).
6213	Fleet Services Vehicle Maintenance	Charges from the Fleet Services Division for maintenance on vehicles.
6215	Non-Fleet Services Vehicle Rentals In-State	Pass through charges by the Fleet Services Division for vehicle rentals from an outside car rental agency.
6220	Auto Miscellaneous In-State	Miscellaneous auto charges for vehicles used in travel status in state.
6230	Public Transportation In-State	Costs of transportation including taxicabs, buses, railroads, rented vehicles and other forms of transportation associated with travel, excluding personal vehicles, airplanes and Fleet Services Division vehicles.
6240	Personal Vehicle In-State	Reimbursements made to employees or board or commission members while on state business for using their personal vehicle or aircraft, when used either for the convenience of the employee or the state.
6250	Commercial Air Transportation In-State	Costs of commercial airplane transportation that can be directly paid to travel agencies or airlines or to employees or board or commission members for ticket reimbursements.
6260	State-Owned Air Transportation In-State	Charges for transportation on state-owned aircraft. This includes pilot per diem charges.
6270	Travel Card Out-of-State (ATM Charges)	Charges by travel card companies and banks for cash advances for travel reimbursement to the employee or board or commission member.

In general, agencies must detail in-state travel expenditures incurred during the base year by creating a spreadsheet that describes the title of the traveler, the destination, the dates traveled, the purpose of the trip and the costs by GL and attach the spreadsheet electronically to their Agency Request in NEBS. A sample of a standard in-state

travel spreadsheet is shown on the next page and a template is also on the Budget Division's web site under forms (it is a separate tab in the travel log and training log).

For agencies with extensive travel as part of their regular functional responsibilities, detailing each trip may not be feasible due to volume of documentation that would be required. For example: The SPWD travels extensively to perform building inspections, attend project management meetings, etc., where purpose, locations, and personnel vary and cannot be projected specifically to the level sampled above. In addition, the budget's historical data reveals that the level of in-state travel has been fairly consistent (adjusting for inflation) over the past three to five years.

In these cases, agencies may summarize travel information to project travel by purpose or function rather than by FTE and location. Projections may be provided at the summary level, but still report costs by expenditure type (i.e., per diem, air transportation, misc., etc.). Contact your Budget Officer to discuss specific documentation and projection options for in-state travel.

Any request to increase an agency's in-state travel budget must be created and justified in a maintenance decision

unit (for caseload related increases) or an enhancement decision unit, using the appropriate GLs and the established rates as identified in SAM 0210. Justification for the increase should be contained in the narrative of the decision unit specifying how the in-state travel is critical to

2018 IN-STATE TRAVEL EXPENSES

Position Title	Date	Destination	Purpose	COST BY GL (object code)					Total
				6200 Per Diem	6210 Motor Pool	6230 Ground	6240 Pers Veh	6250 Air	
Deputy Administrator	10/29/17	Las Vegas	Staff supervision and meeting	71.00	37.40		33.00	238.60	380.00
Social Services Chief III	12/03/17	Las Vegas	Case Review	312.82	161.16		33.00		506.98
Administrator	11/14/17	Las Vegas	Juvenile Justice meeting	185.14		61.21	50.10		296.45
									0.00
									0.00
				568.96	198.56	61.21	116.10	238.60	1,183.43
								double check	1,183.43

The total for all entries should balance to the Base year training expenses in IFS (DAWN) by GL.
 Agencies should insert rows as necessary.
 Agencies should insert columns to record costs for object codes not shown above.

the agency, the number of staff affected, the geographical areas to be covered, special needs, etc.

pick-up 1 ton 4WD standard cab; passenger van 12 passengers; equipped with specialty equipment

New Fleet Services Monthly Vehicle Request

Expenditures associated with vehicles leased from the Fleet Services Division are charged to Category 03-In-State Travel. **New vehicle request must be submitted to the Fleet Services Administrator, via the MP-5 form, by July 1. New and existing long-term vehicle lease requests for the new biennium must be entered in the Fleet Services schedule by July 17.** Authority for daily rentals, or rentals less than 30 days, should be requested under the Category 03-line item GL 6210 "FS Daily Rental In-State". It is required to include Fleet Services when discussing the intent to request or release vehicles. Examples of type of vehicle include:

Vehicle	Description
Compact	4-door sedan; 4-5 passengers; Chevy Cobalt or similar
Intermediate	4-door sedan; 5-6 passengers; Ford Fusion or similar
Premium	Sport utility 1/2 ton 5-6 passengers; sport utility 3/4 ton 5-6 passengers; pick-up 1/2 ton 2WD standard cab; pick-up 1/2 ton 4WD d standard cab; pick-up 3/4T 2WD standard cab; pick-up 3/4T 4WD standard cab; minivan; cargo van 3/4 ton; cargo van 1/2 ton; Chevy Tahoe or similar
Specialty	Sport utility 1/2 ton 8-9 passengers; sport utility 3/4 ton 8-9 passengers; pick-up 1 ton 2-wd standard cab;

Public Safety Vehicles used to protect life or public property and have specialty equipment installed to support public safety operations

When requesting a new vehicle, it will take approximately 6 months for the agency to receive the vehicle; therefore, only 6 months should be included in Year 1 and a full 12 months for Year 2. This gives Fleet Services time to purchase and receive the new vehicle.

Please reference the Fleet Services Division's web site for a detailed listing of vehicles offered by rental rate class and other information pertaining to budgeting fleet services costs.

NEBS will be updated with base year average monthly mileage for current Fleet Services leases by the March deadline. Agencies should review the monthly mileage to ensure the amount reflects mileage usage for the base year. Any changes to monthly mileage must be justified.

Category 04 – Operating

Operating expenditures are recorded using GLs 7020-7984. All final base year expenditures are downloaded into the base portion of the agency budget request in NEBS, by the NEBS programmer, once the base year is

Decision Unit:

Add Line Item													
Action	DU	Catg	Region	Vehicle Type	Year1 Est. Miles (per Month)	Year1 # Months	Year1 Inflation	Year1 Total	Year2 Est. Miles (per Month)	Year2 # Months	Year2 Inflation	Year2 Total	
	B000	03	LAS VEGAS	I INTERMEDIATE	669	12	0	4,807	669	12	0	4,807	
	B000	03	CARSON CITY	I INTERMEDIATE	782	12	0	5,078	782	12	0	5,078	
	B000	03	LAS VEGAS	C COMPACT	660	12	0	4,394	660	12	0	4,394	
	B000	03	LAS VEGAS	I INTERMEDIATE	963	12	0	5,513	963	12	0	5,513	
	B000	03	LAS VEGAS	I INTERMEDIATE	1,362	12	0	6,470	1,362	12	0	6,470	
	B000	03	LAS VEGAS	P PREMIUM	1,088	12	0	7,703	1,088	12	0	7,703	

closed. When agencies first have access to NEBS for the current budget cycle, the line item GLs are populated with the legislatively approved authority amounts. The agencies update these figures based upon their budget projections. Any adjustments (i.e. annualize partial year expenditures, etc.) are reflected in an M-150 decision unit according to the definitions provided in this budget manual.

In an effort to capture specific data, the budget manual designates the use of specific required GLs for a number of expenditures, which are discussed throughout this section. This coding correlates with the information in the Accounting Policies and Procedures of the Controller's Office; however, some GL series have more specific assignments listed for budgeting purposes.

Agencies authorized to budget for expenditures associated with bottled water must submit justification with their Agency Request submittal even if the bottled water is an on-going, existing expenditure. GL 7130 is used for the purpose. Refer to SAM 2650 for details.

Host funds, payments for special entertainment of dignitaries, are recorded in GLs 7240-7241 and must have prior approval by the Legislature. Refer to SAM 2636 for this use of these GLs.

Any moving expenditures resulting from the transfer of a permanent state employee from one community to another in accordance with SAM 0238 should be recorded in GL 7380 - 7382, based on the type of expense, and are considered one-time costs.

If the coding for actual expenditures does not meet the definitions outlined and this correction cannot be done in the accounting system (DAWN), it is important a coding correction be made in the agency budget request through the M-150 decision unit. A coding correction is made by entering a negative amount for the incorrect GL and a positive amount for the correct GL. The narrative should indicate this is a correction and note the GL the amount is coming from/going to.

Adjustments to Base – M-150 Decision Unit

All one-time operating expenditures should be subtracted in the M-150 decision unit. Some examples include, but are not limited to, the following: moving expenditures, one-time medical exam follow-up police/fire, expired contracts, elimination of an off site storage rental unit, one-time insurance deductible, major equipment repairs, postage for one-time report mailing, one-time equipment rental, and phone installation charges associated with office relocation that are reflected in base.

In addition to one-time cost adjustments, all authorized budget augmentations approved in the interim (either by the IFC or the Budget Division) are annualized in M-150. Refer to Adjustments to Base section of this budget manual for additional information on this function.

Maintenance Decision Units

Maintenance decision units should include operating expenditures for new staff that are requested as a result of pre-approved caseloads, federal mandates, and court decrees only. Refer to the New Position Section within this manual when considering these costs. Detailed calculations and rationale for maintenance operating expenditures must be provided. A new position cost projection template is available on the Budget Division's website.

Enhancement Decision Units

Requests that are not related to caseload, federal mandates and court decrees should be included as an enhancement decision unit and should correspond with a statewide strategic priority. This would include operating expenditures associated with new personnel, programs and expansion of existing programs, not caseload, federal mandates and court decrees. If an enhancement decision unit includes new staff, the agency should include rent space, phone line and voicemail, internet access, postage, office supplies, vehicle expenditures, if appropriate, and possible publications, dues, insurance (tort/liability) and any equipment related to new personnel and new or expanded programs.

If the enhancement decision unit is not associated with new personnel, but simply a program expansion, the agency will need to consider those incremental operating expenditures in addition to those existing expenditures that relate to the program expansion. Detailed calculations and rationale for enhancement operating expenditures must be provided.

Each enhancement request submitted must include:

- A description of the proposed new or expanded activity.
- An explanation of the purpose for which the requested funds will be used.
- Supporting detail identifying the proposed classification of any positions requested, proposed capital equipment and a breakdown of all other proposed expenditures.
- Any related revenue and/or transfers.

Police, Fire, and Correctional Officer Heart and Lung Evaluations

NRS 617.135 lists the job classifications that have annual physical exam requirements, which include certain position within the following:

- Department of Public Safety
- Department of Corrections
- Department of Conservation and Natural Resources
- Department of Motor Vehicles
- Department of Wildlife
- Nevada System of Higher Education
- Division of Public and Behavioral Health

The Risk Management Division has established the minimum physical exam requirements in SAM 0524 pursuant to NRS 617.455 and 457, which apply to firefighter, arson investigators and police officers as defined in NRS 617.135.

The Risk Management Division has procured a myriad of statewide contracts covering police/fire exams, and OSHA required medical evaluations and screening of bloodborne pathogens, respiratory projections, toxic/hazardous substances and hearing conservation programs per NRS 618. Additionally, the Risk Management Division has statewide contracts for contagious disease screening for firefighters and EMTs as required by NRS 617.485 and NRS 616C.052.

Agencies must submit a spreadsheet attached to their budget request showing the specific positions requiring the specialized types of exams, evaluations and screenings in each fiscal year.

Category 05 – Equipment

Category 05 is used to purchase equipment defined as items that have a useful life of at least one year, not permanently attached to a building and valued in excess of \$5,000. See the list of common GLs used in this category.¹

All equipment purchases recorded in this expenditure category must be deleted from base in an M-150, except for ongoing principal payments.

Replacement and new equipment should be built into separate decision units, E-710 and E-720 respectively, using the equipment schedule in NEBS. The E-710 decision unit is to be used for replacement equipment requests and the E-720 decision unit is to be used for new equipment

¹ Refer to the Equipment Schedule in NEBS for additional equipment GLs available for use in your budget.

OBJECT CODE	DESCRIPTION
8240	New Furnishings Over \$5,000
8241-8242	New Furnishings
8290	Telephone Equipment Over \$5,000
8291-8293	Telephone Equipment
8310	Pick-Ups, Vans - New
8330	Office And Other Equipment Over \$5,000
8331-8334	Office And Other Equipment
8360	Automobiles - New
8410 - 8412	Principal Installment / Lease Purchase – Costs associated with the purchase or lease purchase of capital equipment.

requests. Agencies are required to complete the equipment schedule in NEBS for all equipment requests. The NEBS drop down menu should be used unless the item requested is not included in the menu.

If new equipment is requested for new staff, new programs or any other specific decision, either in a maintenance or enhancement decision unit, the new equipment must be included in the same decision unit as all other associated costs. For example, expenditures for new staff associated with population/demographics in an M-200 decision unit should include any equipment associated with the staff requested. Another example may be an agency requesting to start a particular program associated with one of the Governor’s statewide strategic priorities. Staff, travel, operating, equipment and all other expenditures associated with that decision should be included in the decision unit. The purpose is to isolate the total cost of implementing the particular proposed program within one decision unit.

All non-information technology related equipment costing less than \$5,000 is budgeted and charged to operating category 04, per SAM 1544. Except for the items listed under executive and secretarial units, agencies must use GLs 7460-7464 to record equipment purchases costing less than \$1,000 and GLs 7465-7469 for items costing between \$1,000 and \$5,000.

Refer to the drop-down menu section of the NEBS Equipment Schedule for the latest unit costs for office equipment, vehicles, computing equipment, etc. Updated prices can also be obtained from the Purchasing Division’s web site or by contacting the Purchasing Division directly.

Information Technology Purchases

Equipment purchases involving the Telecommunications section of the Enterprise Information Technology

Services Division (EITS) must be coordinated through and approved by that division before inclusion in the Agency Request submittal. Services include, but are not limited to, the following:

- The purchase of additional or replacement telephone sets and related telephone equipment.
- Any telephone system expansion, modification or change involving the purchase of telephone equipment.

Complete the appropriate EITS schedule in NEBS and receive EITS approval prior to submitting the request to the Budget Division.

Agencies with technology investments costing \$50,000 or more are required to submit a Technology Investment Notification (TIN) to EITS on or before the posted deadline within the Budget Instructions for consideration in the Governor's Recommended budget. Refer to the Information Technology Investments section within this manual.

Category 07 – Maintenance of Buildings and Grounds

Category 07 is used to record maintenance costs, not classified as deferred maintenance, for state owned and non-state owned buildings including contracted services.

These are generally considered critical maintenance needs and are needed to address issues that contribute to an unhealthy work environment for employees, clients and the public and for maintenance on buildings and equipment to ensure it lasts the intended life span. The following are examples of maintenance, building and grounds expenditures.

- Balancing of HVAC systems (every five years)
- Bird and rodent control
- Carpet cleaning and replacement
- Cleaning and maintenance of HVAC systems (annually)
- Deep cleaning (annually of all surfaces including files, upholstered chairs, drapes, and hard to reach areas)
- Drainage control
- Recommendations made in SPWD facility audit reports
- Repair of water and plumbing leaks
- Roof repairs not included under warranty
- Sealing of building exterior surfaces (cracks, windows, roof flashings)

Refer to the Facilities Maintenance section for additional information on these maintenance issues.

Adjustments to Base – M-150 Decision Unit

All one-time operating costs must be deleted in the M-150 decision unit. Examples are: one-time contractual services, major building/grounds maintenance expenditures, one-time equipment rentals, etc.

Please refer to the Facilities Maintenance section within this budget manual for additional information regarding facility maintenance issues and planning for budgetary considerations, as well as methods for determining costs. Areas discussed include issues associated with building envelopes, carpeting, facilities deep cleaning, HVAC, water treatment, and roofing maintenance.

Enhancement Decision Units

Budget enhancement requests include maintenance expenditures associated with new programs and expansion of existing programs.

Requests that exceed the pre-approved level of funding must be submitted as an item for special consideration.

Category 26 – Information Services

Category 26 is used to record expenditures related to information technology services provided primarily by EITS for internal information technology services and by outside (non-EITS) vendors for various expenditures such as software maintenance, MSA programmers, computer hardware and software purchases, etc.

Refer to the Information Services section of this budget manual for a detailed description of EITS services, various assessments and instruction on budgeting for information services.

Category 29 – Uniform Allowance

NRS 281.121 requires reimbursement to persons purchasing and wearing uniforms in order to perform their duties. There are exceptions where uniform allowance is included in category 01, Personnel Services, rather than category 29. Please refer to Uniform Allowance section of this budget manual for detailed information on budgeting for uniform allowances.

Category 30 – Training

Category 30 is used for all training related expenditures including travel associated with attending the training. These expenses must be charged to category 30 using the appropriate in-state and out-of-state travel GLs shown below.

GLs related to training must be based on the nature of the event. For example, if an agency uses the services of an independent contractor to provide training in-house, GL

OBJECT CODE	OBJECT NAME	OBJECT DETAIL
6100 Series	Out-of-State Travel Expenditures	See Category 02 object codes discussion in this section. Expenditures involve per diem, lodging, airfare, etc. incurred while attending training out-of-state.
6200 Series	In-State Travel Expenditures	See Category 03 object codes discussion in this section. Expenditures involve per diem, lodging, airfare, etc. incurred while attending training in state.
7060	Contract Services (BOE)	Services of an independent contractor to provide training in-house over \$9,999.
7070	Contract Services (Non-BOE)	Services of an independent contractor to provide training in-house under \$10,000.
7300	Dues and Registration	Registration codes to attend conferences and/or training sessions.
7320	Instructional Supplies	Costs related to instructional aids which are used in training seminars such as text or training materials.
7430	Professional Services (under \$2,000)	Costs related to obtaining professional training services such as paying a local community college for teaching a computer class to staff.

7060 – Contract Services, would be the only GL required. However, when agencies send employees off-site for training, a travel GL and an operating GL for a registration expenditure may be used. There are no GLs that are specific to category 30.

Base Year Expenditures

Agencies must provide a spreadsheet detailing all training expenditures incurred in the base year by employee title, date(s) of training, the training subject, location of training, number of employees involved, total cost of each event by GL and relativity to agency’s operation and mission. A spreadsheet must be attached electronically to your request in NEBS using the GSA rates for the proposed destination. A template of the appropriate format of the spreadsheet is available on the Budget Division’s web site.

Maintenance and/or Enhancement Decision Units for Training

Any request to increase an agency’s training budget (such as training for new positions and/or special projects) must be created and justified in a maintenance decision unit (for caseload related training increases) or an enhancement decision unit using the appropriate GLs. Justification for the increase should be contained in the narrative statement, specifying how the training would benefit

the agency, the number of staff affected, the geographical areas to be covered, special needs, etc.

Category 59 – Utilities

Category 59 is used to record utility related expenditures using GLs 7131-7139. If GLs used for actual expenditures in the base year differ from the following GLs, a correction needs to be made in the agency budget request through the M-150 decision unit.

Changes in utility expenditures resulting from the acquisition of additional office space (square footage) or from other changes affecting agency utility costs should be budgeted in the appropriate decision unit and category and fully explained in the narrative.

Increases due to inflation cannot be included in the Agency Request. The Budget Division will calculate incremental increases in an M-100 (inflation) decision unit if

authorized by the Governor. It is critical that all expenditures be charged correctly against standard GLs to ensure

OBJECT CODE	DESCRIPTION
7131	Hazardous Waste Disposal
7132	Electric Utilities
7133	Oil Utilities
7134	Natural Gas Utilities
7135	Propane Utilities
7136	Garbage Disposal Utilities
7137	Water and Sewer Utilities
7138	Other Utilities (i.e. cable TV services)
7139	Charges Paid to Buildings and Grounds for Water Usage

that NEBS computes inflation accurately.

Miscellaneous utility charges such as trash pick-up and cable television should be budgeted in this category. Do not include tele-

phone charges or bottled water in this category.

Category 86 – Reserve

Category 86 is used to record and track agency reserves. Reserves are the projected amounts of “cash” remaining in a budget account at the end of a fiscal year to be used for future obligations of a particular budget or program. The established GL required for recording and budgeting for a reserve is GL 9178.

Agencies with programs supported by other revenues must retain enough ending fund balance (Reserve) to meet the cash flow and contingency needs of the program as well as to accommodate any statewide increases in salaries, benefits and assessments included in the Governor Recommends budget. Reserves are generally considered non-recurring funding sources and should only be used to cover unanticipated expenditures, one-time expenditures, economic downturns impacting future revenues and gaps in cash flow due to timing of receipts.

Reserves generally are limited to between 30 and 60 days of operating expenditures depending on the volatility and risk associated with the revenue source. An excessive Reserve may indicate the need for a revenue reduction. A continual reduction to reserves may indicate revenues are not supporting expenditures and the cause of the reduction should be evaluated to stabilize the reserve amount. Agencies should work with their assigned Executive Branch Budget Officer to determine appropriate Reserve levels.

Those agencies with a balance forward and reserve must adhere to the following rule: For the coming biennium, the reserve balance in the work program year equals the beginning Balance Forward in the first year of the biennium, and subsequently, the reserve balance in the first year of the biennium will be the balance forward in the second year of the biennium.

Category 87 – Purchasing Assessment

Category 87 is used for the assessment to fund the Purchasing Division. The Purchasing Division will update the assessment. The required GL for this expenditure item is 7393. This issue is discussed in detail in Assessments and Full-Time Equivalent (FTE) Driven Costs section of this budget manual.

Category 88 – Statewide Cost Allocation

Category 88 is used for indirect cost recoveries to the state General Fund. The state contracts with an independent consulting firm to update the plan each biennium. The required GL for this expenditure item is 9159. This issue is discussed in detail in Cost Allocations section within this manual.

Category 89 – Attorney General Cost Allocation

Category 89 is used for cost recoveries for the Attorney General’s (AG) Office. The required GL for this expenditure item is 7391. This issue is discussed in detail in Cost Allocations section of this manual.

Category 95 – Deferred Maintenance (M-425)

Items for deferred maintenance must be budgeted in category 95 using decision unit M-425.

New or ongoing maintenance should be requested under category 07, Maintenance of Building and Grounds in an E-730 decision unit.

The difference between the E-730 and an M-425 is that critical maintenance costs is considered “deferred” when costs were previously submitted in an Agency Request submittal, but did not go forward for various reasons.

Non-Standard Expenditure Categories

Agencies with existing special use categories or those anticipating the creation of new special use categories for the purpose of isolating expenditures related to a specific program, grant award, etc., should continue to budget

Summary Line Items Audit Log Schedules Positions Mapping Acct. Maint.										
Decision Unit: B000 BASE				Synchronize Actuals to DAWN Reserves Highlight Changes						
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2	
	B000	00	2511	BALANCE FORWARD FROM PREVIOUS YE...	687,336	733,472	817,249	0	524,040	
	B000	00	2512	BALANCE FORWARD TO NEW YEAR	-733,471	0	0	0	0	
	B000	00	3890	BIRTH-DEATH CERTIFICATE CHARGE	622,312	774,591	680,596	0	680,596	
	B000	00	4326	TREASURER'S INTEREST DISTRIB	14,753	10,066	5,907	0	5,907	
	B000	14	8798	NON-TAXABLE GRANTS	0	0	950,000	0	1,050,000	
	B000	14	9038	TRANS TO HUMAN RES DIR OFFICE	0	700,880	0	0	0	
	B000	14	9153	TRANS TO CHILD AND FAMILY SERVICES	590,930	0	29,712	0	30,511	
	B000	86	9178	RESERVE - BAL FWD TO SUBSEQUENT FY	0	817,249	524,040	0	130,032	

those expenditures in the special use category. The exceptions are personnel services, FTE-driven expenditures, purchasing assessments, SWCAP, and AGCAP, which must be reflected in the appropriate expenditure category.

All related expenditures in special use categories, including information services, training, travel costs or any other expenditures associated with a standard category, should be placed in the special use category using the correct corresponding GL.

New costs associated with a special use category must be separated into adjusted base, maintenance or enhancement decision units, where applicable.

Account Maintenance

Before building a budget, certain necessary components must be setup in the Nevada Executive Budget System (NEBS). The account maintenance function allows the user to tell NEBS what decision units, categories, specialized revenue ledgers, position groupings and position-related assessments will be included in the budget.

Application

Agencies should first complete a review and revision, as appropriate, of all populated items in the account maintenance tab before making any changes or additions to an Agency Request budget. Attempting to create a decision unit, or an expenditure category, etc., without first defining it in the **Account Maintenance** screen will result in the system rejecting the input and generating an error message indicating the input is an invalid action.

Setting up and defining the components of the agency budget is done in the NEBS **Account Maintenance** screen. There are six primary options on this screen as shown below. The default option is the “Decision Units” view (see below).

Establishing Decision Units

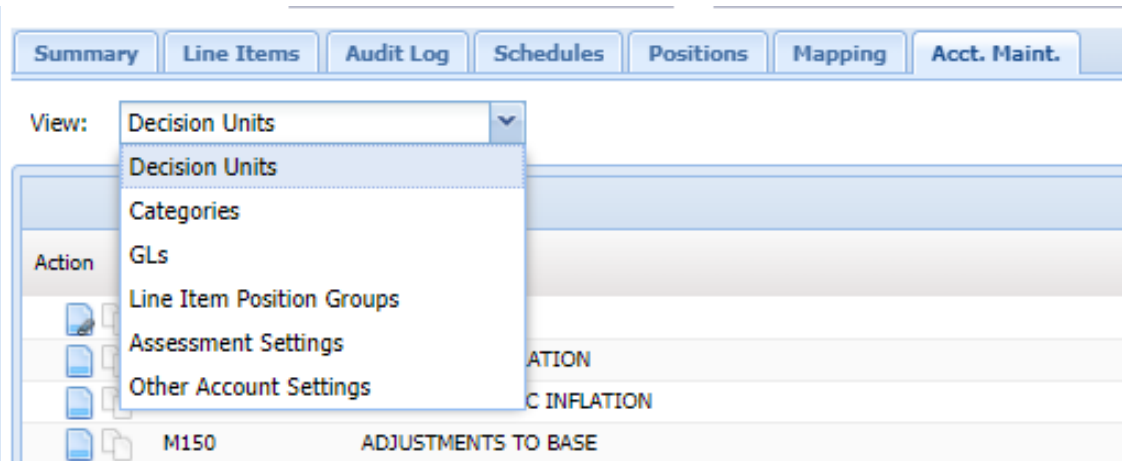
When beginning the setup process, three decision units, including all relevant GL and expenditure categories, will already be established in NEBS:

- The Base decision unit (B-000)
- The Inflation decision unit (M-100)
- The Adjustments to Base decision unit (M-150)

Use the account maintenance function to define any additional decision units required in the budget request. Decision units can include requests for new programs or positions; new and replacement equipment (E-720 and E-710); agency specific inflation (M-101); funding to meet federal mandates or court orders (M-500 and M-600); caseload requirements (M-200); position or program transfers (E-900); and supplemental and one-shot appropriation requests (E-877 and E-888). Any request for funding outside the adjusted base budget must first be defined before costs can be associated with it in NEBS. The following figure is the **Decision Unit** screen under the Account Maintenance tab in NEBS.

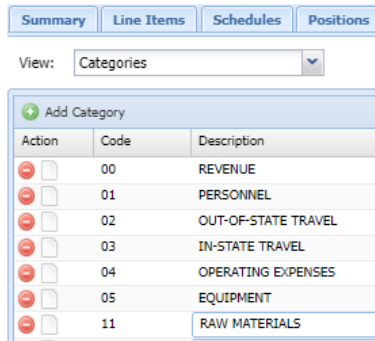
Establishing Categories

All categories that have associated line items in the biennial legislatively approved budget will already be established NEBS. Carefully review the budget and identify any categories, including titles, that need to be added or modified due to adjustments to the base budget. If new decision units are added, new expenditure categories may also need to be added. When creating a new or specialized expenditure category, be certain to include a clear, concise definition at the category level. Also include justification and any documentation supporting the request. Click on the yellow note icon to add this information. The follow-



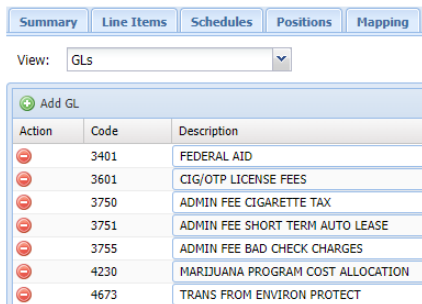
ing is an illustration of the NEBS **Categories Maintenance** screen:

Remember to change the name of a specialized category added to the budget in NEBS from Title Needed to the agency specific category name. Categories no longer used may be deleted as long as no value exists in any of the four budget years. Standard categories cannot be changed.



Establishing GLs (General Ledgers)

The **GLs** screen allows to establish revenue ledgers in a budget. These are ledgers listed in the Controller’s Office statewide chart of accounts and primarily relate to federal grants and transfers. These tend to have somewhat vague names such as Revenue Ledger 3500 - Federal Receipts. It is useful to rename these ledgers to reflect how they apply to a budget. For instance, Federal Receipts can be renamed to Federal USDA Food Safety grant. This better describes the ledger and it will be displayed that way in the budget and on the reports generated for the budget.

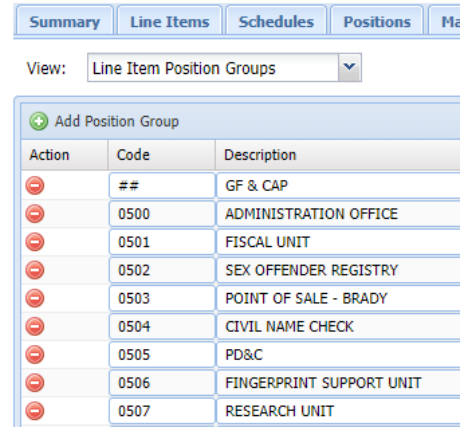


Defining Position Groups

The **Line Item Position Groups** screen allows the establishment of groups to organize positions in the budget and affects how positions will be displayed on payroll reports. It is not mandatory to establish position groups, but for agencies with a large number of positions or multiple position funding sources, it helps to organize them.

How position groups are established is up to the individual agency. Position grouping should be consistent with the position fund map discussed in the fund mapping section of this manual. *It is recommended grant funded positions be grouped by funding source since NEBS allows fund mapping at the position group level.* This is especially helpful for multiple positions funded by the same funding source.

The payroll reports from NEBS will print in line item



group or PCN (no grouping) order depending on the selection made. The positions in each group will be in position control number order in the report. However, within the **Position Groups** screens, agencies will be able to sort positions in various other orders.

Defining Assessments Settings

The assessment settings are established globally for the entire budget account within the **Account Maintenance** screen. The **Assessments Settings** screen is available to officers within the Budget Division only. Attempting to access this screen will generate an error message. The sample on the top of the next page contains the data on this screen.

Agency analysts, through the **Fringe View** screen within the **Positions** Tab in NEBS (on next page), can view assessment setting information by position for their budget account. Agencies should review this information to ensure the information is accurate and they are not being incorrectly assessed.

Generally, there are two exceptions that may exempt an agency from an assessment:

1. NRS 242.131 states certain state agencies may negotiate utilizing EITS services which in turn ex-

Summary Line Items Schedules Positions Mapping **Acct. Maint.**

View: Assessment Settings

Retirement: Worker's Comp: Personnel Assessment:
 Unemployment Insurance: Payroll Assessment: Retirement Group Insurance:
 Medicare: FICA: AG Employee Tort:
 Employee Bond Insurance: EITS Infrastructure: EITS Contract Administration:
 EITS Security: EITS Planning:

Save Save & Return Cancel

Summary Line Items Schedules Positions Mapping **Acct. Maint.**

Decision Unit: B000 BASE Class: Display All View: SIMPLE Recalc Payroll

Action	DU	PCN	Class	Class Description	Type	Ret	FTE		Health Ins		Part. Health Ins	Ret.	WC	Pers Assmt	Unemp. Ins.	Pysl Assmt	Ret. Grp.	Medicare	FICA
							Act	WP	Yr1	Yr2									
	B000	000001	07921	IT PROFESSIONAL 4	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	B000	000002	07233	REVENUE OFFICER 2	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	B000	000003	07233	REVENUE OFFICER 2	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	B000	000004	07233	REVENUE OFFICER 2	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	B000	000005	07233	REVENUE OFFICER 2	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	B000	000006	07255	TAX EXAMINER 2	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

empt those agencies from being assessed various EITS assessments. Currently agencies authorized to negotiate EITS services include the following:

- Court Administrator
- Department of Motor Vehicles
- Department of Public Safety
- Department of Transportation
- Employment Security Division of the Department of Employment, Training and Rehabilitation
- Department of Wildlife
- Housing Division of the Department of Business and Industry
- Legislative Counsel Bureau
- State Controller
- State Gaming Control Board and Nevada Gaming Commission
- Nevada System of Higher Education

2. State agencies that have their own payroll system, and do not utilize central payroll services, are exempt from the payroll assessment. Currently agencies include the following:

- Supreme Court
- Legislative Counsel Bureau
- Public Employees' Retirement System of Nevada
- Tahoe Regional Planning Authority

- Nevada System of Higher Education

Position Reconciliation

Position reconciliation is the process of ensuring base positions and all associated information in the Nevada Executive Budget System (NEBS) accurately reflects the legislatively approved positions plus any Interim Finance Committee (IFC) approved position changes that occurred during the interim. Budget Division initiated position changes, sunseting or otherwise terminating positions need to be accounted for in the base position reconciliation.

Statutory/Administrative Authority

The authority for this request is implied in NRS 353 of the State Budget Act.

Application

The Budget Division will populate Agency Request in NEBS with the legislatively approved positions from the previous legislative session. This information is then merged with the payroll data from SuccessFactors (SF) to determine the base positions and associated payroll costs as of January in the even-numbered year. After July 1st of the even-numbered year, the payroll data will be merged again so all incumbent payroll information is as current as possible and will reflect the legislatively approved budget.

Agencies should confirm the accuracy of the payroll data in Agency Request positions in NEBS. If there is an error in the base position download, contact the assigned Budget Officer to make any necessary adjustments. With the exception of position groups, the Budget Officer is the only person authorized to make changes to the base positions and payroll data. It is recommended agencies e-mail the Budget Officer position related changes, as this will provide documentation of the request and allow the officer to follow-up accordingly.

Position reconciliation occurs in two phases. The *first phase reconciles the full-time equivalent (FTE) position count* to legislative action and verifies the position control number (PCN) to SF. Remember, SuccessFactors has a crosswalk report which will trace new SF position control number to original Advantage position control numbers. This is necessary because if the position does not exist in base, incumbent data will not be captured during the payroll merge in July of the even-numbered year. During *the second phase of the position reconciliation, the agency will reconcile the FTE count, and verify the PCNs in-*

cident information such as class code, grade, step, retirement code, and associated assessments.

Reconciliation Phase One

Must be completed prior to June 30th of the base year.

1. Verify the total FTE count is accurate. This should equal the count approved during the previous legislative session plus all IFC additions and deletions to the respective budgets. Be certain to:
 - a. Eliminate sunset positions and positions funded with expired grants or other expired funding sources.
 - b. Verify that the base FTE count does not include temporary, overlaps, seasonal, intermittent, or board positions.
 - c. Review the New Positions, Application section of this budget manual for more information on any positions added during the interim with or without Interim Finance Committee approval.
2. Check NEBS PCNs against those in SF/HR Data Warehouse. If there is a discrepancy, advise the Budget Officer in writing of the correction needed no later than June 30th of the base year.

The sample shown on the following page highlights areas to review by agency staff for accuracy during phase one.

Reconciliation Phase Two

Must be completed prior to September 1st of the base year

Begin the second phase of the position reconciliation process once the Budget Division completes its final payroll download (approximately mid-July) of the even-numbered year. Agencies will receive notification when

Decision Unit: B000 BASE Class: Display All View: Basic Recalc Payr

Action	DU	PCN	Funding Group	Class	Class Description	Type	Grade	Step	Adj	FTE				Start		End	
										Act	WP	Yr1	Yr2	Month	Year	Month	Year
	B000	000001	CTAL2 INFORM		PROFESSIONAL 4	Existing	42	10	0	1.00	1.00	1.00	1.00	Jan	2019	Jun	2024
	B000	000002	CTAL4 COMPLIANCE - ...	07233	REVENUE OFFICER 2	Existing	32	10	0	1.00	1.00	1.00	1.00	Jan	2019	Jun	2024
	B000	000003	CTAL4 COMPLIANCE - ...	07233	REVENUE OFFICER 2	Existing	32	5	0	1.00	1.00	1.00	1.00	Jan	2019	Jun	2024
	B000	000059	CTAL5 EXCLUDED POS...	07255	TAX EXAMINER 2	Vacant	30	1	0	1.00	1.00						2024
	B000	000060	GF GENERAL FUND PO...	07233	REVENUE OFFICER 2	Vacant	32	1	0	1.00	1.00						2024
	B000	000061	GF GENERAL FUND PO...	07255	TAX EXAMINER 2	Existing	30	1	0	1.00	1.00	1.00	1.00	Oct	2019	Jun	2024
										404.00	404.00	404.00	404.00				

the final download is complete. Agencies need to finalize the position reconciliation prior to submitting the Agency Request budget to the Budget Division and LCB Fiscal on or before September 1st.

Phase Two of the position reconciliation includes the following steps:

1. Verify each employees’ class code and position type. Be sure to review all reclassifications that have occurred during the interim period between sessions.
2. Verify the employees’ grade and step.
3. Verify the retirement code matches the class code. For example, if the class code is for a police/fire position, the retirement code should be the corresponding police/fire retirement code. The common codes are:
 - 1 - Employee/Employer Paid
 - 2 - Police/Fire Employee/Employer Paid

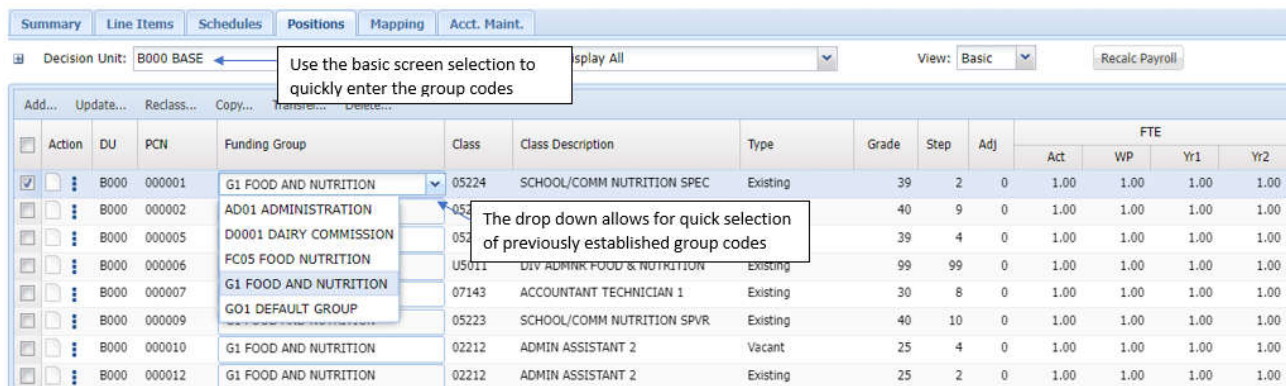
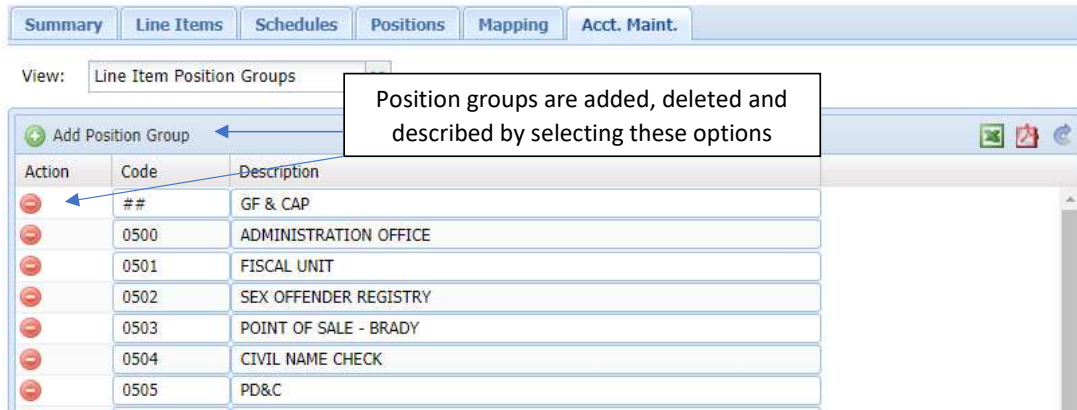
8 - Employer Paid

9 - Police/Fire Employer Paid

4. Verify the payroll and FTE assessments. A quick way to review this is to click on the fringe view while in the position tab of NEBS or simply run the NEBS 130 payroll report. NOTE - Non-classified positions should not be charged the personnel assessment.
5. Verify the “grouping” of the positions, which is a function you can perform in NEBS. “Grouping” is simply a common denominator of multiple positions. For fund mapping purposes, it is recommended positions are grouped by funding source. Fund mapping by position groups is much easier than mapping each individual position. Refer to the NEBS Manual or Accounts Maintenance, Defining Position Groups section of this budget manual for more information.

Class: Display All View: Fringe

Class Description	Type	Ret	FTE				Health In		Salary	Health Ins	Ret.	WC	Pers Assmt	Unemp. Ins.	Pyrl Assmt	Ret. Grp.
			Act	WP	Yr1	Yr2	Yr1	Yr2								
IT PROFESSIONAL 4	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
REVENUE OFFICER 2	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
REVENUE OFFICER 2	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
REVENUE OFFICER 2	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
REVENUE OFFICER 2	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
TAX EXAMINER 2	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
TAX EXAMINER 2	Existing	8	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
TAX EXAMINER 2	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ADMIN AID	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ADMIN AID	Vacant	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ACCOUNTING ASSISTANT 2	Vacant	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ACCOUNTING ASSISTANT 2	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ADMIN ASSISTANT 3	Existing	1	1.00	1.00	1.00	1.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	



The examples for position grouping screens in NEBS are above.

After Reconciliation Phase Two

Agencies should notify their Budget Officer of changes to positions after the reconciliation phase two (mid-July of the even-numbered year) has been completed through the end of the Governor Recommends phase. The Budget Officer will determine if the change can be made. Examples include:

- Hiring an employee on September 15 at a step 8, retirement code 8, but the position is budgeted at a step 1, retirement 1.
- A reclassification approved on or before November 15th of the even-numbered year (during Governor Recommends)
- A position is eliminated/added as of October 1st (during Governor Recommends) when the new federal grant award was expired/received.

Actual and Work Program Revenues and Expenditures

Nevada develops a biennial budget and estimates future biennial funding needs based on current ongoing actual revenues and expenditures. Since Nevada begins its budget building process for the next biennial budget period prior to the beginning of the second year of the current biennial budget (the work program year), the base budget for the up coming biennium must be predicated on the even numbered year (the base year) of the current biennial budget. Therefore, it is imperative agencies edit their actual and work program amounts to ensure the base budget is as complete and accurate as possible.

Statutory/Administrative Authority

The authority for this request is implied in [NRS 353.150 through NRS 353.246](#), the State Budget Act. With each Agency Request budget submitted, the Budget Division requires agencies to edit their actual and work program year amounts in order to ensure agency budgets are sufficiently established and defined in the Nevada Executive Budget System (NEBS) prior to agencies developing their adjusted base budgets.

Action	DU	Catg	GL	Description	Actual	Work Pgm
	B000	00	2511	BALANCE FORWARD FROM PREVIOUS YEAR	595,532	639,325
	B000	00	2512	BALANCE FORWARD TO NEW YEAR	0	0
	B000	00	3816	DATA PROCESSING SERVICES	4,580,644	4,580,644
	B000	00	3819	EXTRA MAIL SERVICES	117,807	117,807
	B000	00	3820	INTEROFFICE MAIL SERVICE	684,500	684,500
	B000	00	3821	MAIL SERVICE ADMIN CHARGE	1,345,660	1,336,352
	B000	00	4203	PRIOR YEAR REFUNDS	0	0
	B000	01	5100	SALARIES	804,169	822,160
	B000	01	5200	WORKERS COMPENSATION	15,976	16,733
	B000	01	5300	RETIREMENT	170,306	173,914
	B000	01	5400	PERSONNEL ASSESSMENT	5,305	5,379
	B000	01	5500	GROUP INSURANCE	182,580	188,000

Application

“Actual” refers to a budget account’s total year-end revenues and expenditures for the even numbered fiscal year of a biennium preceding a legislative session, which is also referred to as the base year. The fiscal year 2022 actual revenues and expenditures will represent the initial base year budget. Work program refers to the fiscal year 2023 revenues and expenditures authorized in the odd numbered year of the biennium preceding a legislative session.

The Budget Division will load agencies’ base and work program legislatively approved budget figures into NEBS. The sample screen shot to the right illustrates how this data appears in the system and below is where the Edit Actual/WP screen is found in NEBS in the Line Item tab,

near the top of the page, and to the right of the Decision Unit Filter.

The base year amounts need to be adjusted in the Edit Actual/WP screen in NEBS to reflect the agency’s projected expenditures at the end of the current fiscal year. A suggested approach for this process is to enter the anticipated base expenditures for the end of the current fiscal year early in the budget building process. Use these projections until it is near the end of the fiscal year and final expenditure projections can be more accurately determined. In other words, it is not necessary to update expenditures for actuals periodically throughout the budget building process, but is better to enter the projected expenditures and then revise the amounts for large changes to projections

Budget Account Line Items

Budget Account Version: 2023-2025 Biennium (FY24-25) ▾ 2601 TOURISM - STEWART INDIAN SCHOOL LIVING LEGACY ▾ A00 AGENCY REQUEST AS SUBMITTED ▾

Summary Line Items Schedules Positions Mapping Acct. Maint.

Decision Unit: B000 BASE Synchronize Actuals to DAWN Edit Actual/WP Reserves Highlight Changes

Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Year 2	Schedule
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Summary Line Items Schedules Positions Mapping Acct. Maint.									
Add Line Item Decision Unit: B000 BASE Synchronize Actuals to DAWN									
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2
	B000	04	7100	STATE OWNED BLDG RENT-B&G	70,108	70,511	70,108	0	70,108
	B000	04	7131	HAZARDOUS WASTE DISPOSAL	124	124	124	0	124
	B000	04	7176	PROTECTIVE GEAR	102	102	102	0	102
	B000	04	7260	TAXES AND ASSESSMENTS	163	163	163	0	163
	B000	04	7289	EITS PHONE LINE AND VOICEMAIL	3,075	3,075	3,075	0	3,075
	B000	04	7290	PHONE, FAX, COMMUNICATION LINE	572	572	572	0	572
	B000				41	41	41	0	41
	B000				120	120	120	0	120
	B000				176	0	176	0	176
	B000				2,856	2,856	2,856	0	2,856
	B000				2,041	2,041	2,041	0	2,041
	B000				110,673	110,673	110,673	0	110,673

Updates to actual expenditure automatically carry over to the Year 1 and Year 2 columns in the NEBS base line items screen.

when final expenditure projections are available for the base year.

It is imperative agencies use appropriate object codes (GL expenditures) assigned by the Controller’s Office when coding expenditures. Object codes that were not included in the legislatively approved budget, but are included in the agency’s projected base budget, will need to be included in the actuals, as will changes to object codes by the Controller’s Office. Journal vouchers should be processed to correct coding errors in expenditures to ensure the base budget is as accurate as possible.

The Data Warehouse for the State of Nevada (DAWN), which can be accessed at <http://dawn12.state.nv.us:7777>, contains the most current information regarding year-to-date amounts. This data serves as the agency’s basis for the base year expenditure projections. As the base year actual data is updated in the Edit Actual/Work Program screen, NEBS will automatically reflect these changes in the corresponding base expenditure line item for Year 1 and Year 2 in the NEBS Line Item screen. The sample NEBS screen above illustrates this data flow.

As an added note when changing the legislatively approved figures to the projected actuals in the Actual/Work Program screen, remember the amount used for salaries in budgeting is equal to the salaries and leaves object codes in actuals. Budgeted salary amounts are the combination of object codes: 5100 - Salaries, 5610 - Sick Leaves, 5620 - Annual Leaves, 5640 - Comp Time Leaves, and 5650 - Other Leaves.

Once the actual expenditure amounts have been updated and edited for missing or incomplete data, and project-

ed fiscal year-end expenditures through June 30th, then base year actual revenues need to be adjusted to balance to changes made to the expenditures. Revenues must be entered directly into the Line Item screen in NEBS for Year 1 and Year 2. Another change that will need to be reflected in the revenue adjustments is NEBS calculated payroll cost changes. Payroll-related object codes will be initially calculated based on the legislatively approved positions and related position information (position control number, class code, grade, step, benefits, etc.). Due to the system calculation of the updated payroll-related line items, base budgets will initially be out of balance in NEBS.

A final download of base year actual revenue and expenditure amounts from the Statewide Integrated Financial System (IFS) will occur after the budget accounts are closed by the Controller’s Office in October. This will be the final adjustment to the agencies’ actual revenues and expenditures. The Budget Division will make the necessary adjustments to revenues based on information provided by the agencies as needed. Periodic updates of base year actual expenditures will not occur while agencies are developing their budgets in the Agency Request phase.

The work program year revenue and expenditure authority will also be downloaded into NEBS at this time and again near the end of the Governor Recommends phase, which will update the work program information through the latest IFC meeting held during this phase.

Summary of Actual and Work Program Revenues and Expenditures

- Legislatively approved budgets are loaded into NEBS for the base and work program years.
- Actual revenues and expenditures for the even numbered year preceding the legislative session represent the agency's base budget amounts for the current biennium.
- Agencies must edit their base year revenue and expenditure amounts in their Agency Request budget to reflect their most current ending year estimates.
- The work program year (the odd numbered year preceding the legislative session) is the legislatively approved budget adjusted for work programs approved by the Budget Division or the IFC.
- The Budget Division will download final base year actual revenues and expenditures and work program year authority after the Controller's Office closes budget accounts in October and the work program year information may be downloaded again near the end of the Governor Recommends phase.

Federal Grant Requirements

Information agencies should provide if funding includes federal grant awards.

Federal Grant Matching Requirements

The federal government provides significant funding to the State for services provided to our citizens. For certain federal grants, the State must provide a percentage of the total cost of the program. This is known as a Match Requirement. In some instances, agencies obtain the Match Requirement from third parties.

Agencies must document any Match Requirements for federal operating or capital grants received and include the following as part of their budget submittal request:

- Grant Name
- Federal Catalog of Federal Domestic Assistance (CFDA) number
- Grant amount awarded by state fiscal year for the term of the grant
- Match funds required by state fiscal year for the term of the grant
- Source of match funds and
- The impact of not providing the match requirement

Agencies must submit the Grant Match Summary Form (available on the Budget Division website) for each federal grant received or certify that a specific federal grant does not have a match requirement. Agencies may consult with their assigned Executive Branch Budget Officer with any questions regarding documentation of Match Requirements.

Federal Grant Maintenance of Effort Requirements

In addition to or in place of Match Requirements, some federal grants require recipients to maintain their level of state and/or local expenditures. This is known as the Maintenance of Effort requirement (MOE). If a recipient fails to meet the required level of financial commitment, the federal government may rescind funds promised to the state. Agencies are required to maintain documentation necessary to show the federal government the State of Nevada is complying with the required level of financial commitment.

Agencies must include their assumptions and calculations for meeting required MOE levels for the current and upcoming biennia in their budget submittal request. Since state and federal fiscal years are not aligned and the MOE calculations can change based on actual expenditures incurred, agencies will be required to update MOE documentation, assumptions and calculations during the budgetary cycle.

Agencies must submit the Grant Maintenance of Effort Form (available on the Budget Division website) for each federal grant received or certify that a specific federal grant does not have a MOE requirement. Agencies may consult with their assigned Executive Branch Budget Officer with any questions regarding documentation of MOE provisions.

Projections: Revenues & Expenditures

Revenue projections forecast the amount of revenues that a government will have available to support operating costs and capital expenditures over a given period of time. Expenditure projections quantify the net financial resources required to meet specific needs for a specific period. Both revenue and expenditure projections may be limited to an individual receipt, program, or department, or may project total state receipts and expenditures. Additionally, these projections can be short or long-term in nature.

Purpose

The state budget process is the most important endeavor the Governor (supported by state agencies and the Budget Division) undertakes each biennium. Public policies and priorities cannot be implemented, vital state services cannot be provided, and state sponsored programs cannot be operated without adequate funding. The budget process provides an avenue in which public priorities on programs and spending can be appropriately defined, clearly presented, debated, and ultimately decided upon by the state's primary decision makers (the Governor and the Legislature). Comprehensive, precise, and reliable caseload, revenue, and expenditure projections are the cornerstones of the budget process.

Statutory/Administrative Authority

NRS 353.150 through NRS 353.246, the State Budget Act.

The proposed budget must be supported by explanatory schedules or statements, classifying the expenditures contained therein by organizational units, objects and funds, and the income by organizational units, sources and funds.

Application

Agencies must adjust revenues directly in the **Line Item** screen in NEBS. Those adjustments must reflect the most recent revenue projections and tie directly to the most current expenditure projections. It is critical that agency fiscal personnel work closely with the Budget Division staff and the Legislative Counsel Bureau Fiscal Analysis Division staff to ensure proposed changes in budget priorities and related expenditures sufficiently meet the constraints and limitations of the estimated funding resources (revenue projections).

The estimating of caseloads, revenues, and expenditures can be easy and straightforward or they can be extremely complicated and cumbersome. The amount of time and level of research and analysis that will be required in this process of the budget will be dependent upon several factors, including, but not limited to the following:

- Availability and quality of data
- Time
- Number of estimating variables (number and quantity of available funding sources, number of programs sharing those resources, program funding constraints or limitations, etc.)
- Required confidence level

When determining the appropriate methodology to use, consider the costs and benefits of more detailed and time consuming estimating techniques: will investing more time and resources into a complicated and detailed estimating methodology result in a significantly more reliable and useful projection? Will the results be worth the additional investment?

Most agencies have already established accepted methodologies for estimating revenues and expenditures. If agencies are uncertain as to what methodology to use, or are proposing a new methodology, contact your assigned Budget Officer.

Revenue Projections

The methods used for projecting revenues vary and depend on the specific revenue source(s). Adjustments to Year 1 and Year 2 revenue projections should be made at the line item level in the base decision unit. Changes to revenue amounts are made through an M-150 adjustment **only** when a revenue source is used to balance adjustments to expenditures in the M-150 decision unit or if there is a need to eliminate a revenue source (and corresponding expenditures) anticipated to be one-time or no longer exists

such as an allocation from the Interim Finance Committee Contingency Fund, elimination of a fee, etc. For federal grants, base revenue must be adjusted to cover all base salary costs for any position funded in whole or in part by the applicable grant. If adjustments are necessary for a grant specific expenditure category, they must be made in the M-150 decision unit.

If there is documentation that the grant is going to increase or decrease from the most recent grant award, adjust the grant category accordingly to balance the grant revenue. Agencies should provide detailed calculations projecting the carryforward of any unspent authorizations in order to substantiate any projected federal revenues included in the agency budget submittal above or below the projected grant award amount for each fiscal year, including a reconciliation to the projected grant award amount. Verbal confirmation is not sufficient to justify an increase to the federal grant amount. In the absence of a final notice of grant award from the federal regulating agency, provide written notification from the granting agency indicating an increase to the award is forthcoming. Proper supporting documentation must be attached to the M-150 revenue object code in NEBS to support the request.

The General Fund appropriation for Agency Request must be budgeted in accordance with the Agency Request Appropriations Limit. General Fund revenues are projected at the statewide level by the Economic Forum (NRS 353.228) and are then balanced statewide to expenditures during the Governor Recommends phase of the budget process. If the Economic Forum projections exceed the General Fund needed for adjusted base and maintenance decision units, then the Governor may consider revising funding on enhancement decision units or include additional enhancements.

Budgeted revenues should be reasonable estimates with justification provided that is based on a sound methodology of amounts available in the respective fiscal years. *It is not a balancing figure.* Each revenue source should be projected separately, accounting for seasonal or other fluctuations in collections and for any rate changes approved for fees collected, federal participation rate changes, or funding criteria required by state or federal agencies, etc.

For budget accounts with reserves, enhancement decision units should be balanced with reserves unless a corresponding revenue is one-to-one and requires a revenue decision (i.e., fee increase). In these accounts, the revenue should be adjusted in the Base decision unit.

Sound practice of revenue forecasting starts with good historical data. Revenue sources must be projected sepa-

rately and account for any seasonal fluctuations in collections. Patterns that have historically repeated themselves are likely to occur again in the future. Even though, the past revenue patterns are often good predictors of the future revenue patterns, it is important to examine the sensitivity of the revenue data to the business cycle environment, gather any information that may have an impact on anticipated revenues, and identify important drivers for the data being forecast. These steps will increase the agency's basic familiarity with the data.

Forecasts are only educated guesses with varying degrees of subjectivity and uncertainty. Supporting documentation for the chosen projection methodology along with historical information, assumptions which could materially change the projections and calculations of future estimates must be submitted with the Agency Request Budget. Any programs where anticipated revenues are not expected to be sufficient to support current service levels must be shared with the assigned Executive Branch Budget Officer as early as possible.

Adjustments should be made to account for any previously approved rate changes, and agencies must provide documentation of the approval of the rate change (e.g., legislation, regulation, policy and procedure, as applicable). Any request to implement a fee change as part of the Agency Request Budget must be included as an enhancement decision unit.

Agencies should be prepared to submit updated projections during the Governor Recommends phase as well as during the Legislative Session.

Agencies must base their estimates of revenues available in each fiscal year on a reasonable and sound methodology.

Expenditure Projections

The method used for projecting expenditures depends on the specific expenditure category and line item (object code). For example:

- The number and types of positions requested may be based on approved staffing ratios for a specific program and caseloads (number of new clients).
- Specific operating expenses (object codes) for new positions may be based on the average cost per existing FTE in the base year; and/or may be schedule driven based on an approved rate per month per FTE.
- Rent would be based on the number of square feet needed times the average market price per square

foot for the specific location or based upon average rent increase for previous fiscal years.

- Expenditures for caseloads may be based on the average cost per client for a service provided.
- Obtain recent estimates from vendors for each piece of equipment not listed in the NEBS drop down menu and attach to each line item.
- The use of historical averages is not an acceptable method of projecting expenditures. The base year expenditure amounts represent the agency's current expense pattern. Changes to base year amounts require justification of the change in pattern.

General Considerations

The following are a few general considerations when determining the best estimating technique:

- A variety of forecasting methods are available. These techniques can be used to predict both revenues and expenditures.
- Always remember forecasts are only educated guesses that carry with them varying degrees of uncertainty. The imprecision of the estimates should always be communicated to decision makers.
- Even with the most sophisticated methods, subjective judgment is usually necessary in developing a projection. Agencies will be required to apply personal experience with logic and historical knowledge to the methodology chosen.

For a majority of the revenues and expenditures, projections for the coming biennium may be as simple as base or base plus some small known adjustment for program stipulation. Others will require more sophisticated techniques requiring more time, research and analysis. The following is a discussion of some of the common types of estimating methodologies agencies may utilize in estimating revenues and expenditures.

Estimating Methodologies

Mathematical Methods

These methods use relatively simple mathematical calculations, such as moving averages, to discern trends and patterns for predictive purposes. A majority of the expenditure items such as federal grant revenues and fees with a known or fairly fixed caseload history; approved service

contracts and lease agreements with established escalations; and FTE related expenditures (phone line, certain EITS services, etc.) may fall into one or more of these estimating categories:

Base and Adjusted Base - Some expenditures estimated in an agency's budget request will require no formal estimating methodology. The amount the agency expended in the base year is carried over to the agency's requested amount for the next biennium. Slight adjustments to the base amount may be needed to reflect adjustments for one-time expenditures or FTEs. Some examples may include costs associated with phone lines, telephones, and furnishing.

Many of the expenditure and revenue projections will be suited to this method of estimation. This method uses the base year expenditure, adjusted for one-time events, and adds or decreases that amount by some estimate factor, usually a percent based on historical data or a fixed known amount. Some examples of revenue and expenditure items that may be projected using this method include:

- Service fees
- Some service contracts and other operating expenses
- Lease payments
- Operating leases
- Uniform allowance
- Minor building improvements
- Some EITS services (i.e., non-utilization based services such as long distance services and data wiring services)
- Membership fees

Example 1

Assume the base year amount for contracted janitorial services was \$5,000. Also, assume the agency has contracted for this service from the same contractor for the past six years. The approved contract includes an annual escalation factor of 3 percent per year. The projection for the coming biennium will resemble the following:

$$\begin{aligned} & \$5,000 \text{ (Base Amount)} \times 1.03 = \$5,150 \text{ - Work Program Year} \\ & \$5,150 \text{ (Work Program Year Amount)} \times 1.03 = \$5,305 \text{ - Year 1} \\ & \$5,305 \text{ (Year 1 Amount)} \times 1.03 = \$5,464 \text{ - Year 2} \end{aligned}$$

Example 2

Assume the program is funded 75% federal funds and 25% matching state funds (General Funds). The base year federal allocation was \$80,200. Also assume it is unclear

how much in federal funds the agency will be allocated until sometime in the first year of the coming biennium. However, the federal agency overseeing the grant program for the agency provides documentation that the next federal allocation will increase by \$7,200. The projection for the coming biennium will resemble the following:

$$\text{Federal Fund} = \$80,200 + \$7,200 = \$87,400$$

$$\text{Total Funds} = \$87,400 / .75 = \$116,533$$

$$\text{General Fund} = \$116,533 \times .25 = \$29,133$$

Unless federal funding levels change, this calculation is applicable for both Year 1 and Year 2.

In situations where the projection of revenues is predicated on indications from the federal regulating agency, attach documentation from that agency supporting the projection in NEBS.

Averaging - This method generally requires three to five years of historical data, normalized and, if applicable, adjusted for inflation, to develop an average value to represent future revenue and expenditure levels. As a general rule, the more historical data there is, the more dependable the average value is in determining future amounts. Agencies need to be very careful in the interpretation of this general rule and may need to apply a significant amount of subjectivity and logical reasoning in determining the applicability of historical data to their projections.

For instance, assume the agency is attempting to project future expenditures for microfilming. Also assume the agency has 10 years of historical data, adjusted for inflation and for one-time expenditures. Developing a 10-year average to estimate the need for the coming biennium will likely not be a reasonable estimate in this example. It may not be reasonable to assume the operating environment from 10 years ago, or even five years ago, is reflective of the current operating environment. Four years ago, the agency microfilmed its records on an as-needed basis. Three years ago, the legislature approved a bill requiring the agency to microfilm more records on a regular basis. In this example, historical microfilming data older than four years would not be relevant to the current operating environment.

Research the operating environment under which historical data was derived and determine whether the data is reflective of the agency's current operational environment. Using averages without understanding the environment under which the historical data was derived could produce significantly misleading and inaccurate projections.

Average Percent Change - The average percent change method refers to historical data that may also be used to adjust base amounts. Use three to five years of historical data, normalized and, if applicable, adjusted for inflation to calculate the percent change from year-to-year and the weighted average percent change over the entire period. That weighted percent value is then applied to the base amount to arrive at a projected value. Again, as with the straight average value method, be careful to examine the environment under which the historical data was realized and determine if that is reflective of the agency's current operating environment.

Statistical Based Methods

The degree of sophistication of revenue projections will depend on the background of the person developing them and the forecaster's familiarity with the data. If the agency has more statistical forecasting background then the various econometric techniques may be used to develop forecasting methodology. Projection methodology should be transparent and relatively easy to understand.

Simple Linear and Non-Linear Regression - A linear regression analysis uses statistical relationships of single or multiple variables to extrapolate historical relational trends into the future. This method works well when there is a significant amount of historical data and a fairly stable future (little change expected in estimating parameters in the future). Caseload projections for established programs tend to be well suited for this type of estimating technique.

Time Series or Seasonal Analysis - Time series or seasonal analysis also uses statistical techniques, but makes projections based on historical patterns in the variable being forecast without much reference to fundamental driving variables. Compared to econometric analysis, time series methods need less data, usually only one data series (i.e., the one wanted to predict), and are theoretically simpler. Explanations of a forecast are usually extensions of past trends, with no clear linkages to basic driving variables. There are a number of easy-to-use mainframe and PC-based software packages for time series analysis.

This is a common estimating technique for state programs exhibiting a strong caseload relationship to time or seasonal effects. For instance, the Nevada Department of Transportation may utilize seasonal adjustments to its projections for road maintenance and construction resources. These adjustments take into consideration resource levels needed during warmer months (high construction with low to moderate maintenance) versus winter months (low construction with high maintenance in the northern portion of the state for snow related operations).

Another example may be unemployment claim projections for the Department of Employment, Training, and Rehabilitation. Here, the agency may be able to show that unemployment rates in January through March and August through October are historically higher than other months and directly relate to unemployment claim (caseload) patterns. Showing this relationship would allow the agency to adequately plan for higher resource needs in the peak months of February to April and September to November (allowing for a four week lag in effect) and lower or normal, ongoing resources in the other months of the year.

Econometric Analysis - Econometric analysis uses statistical methods to estimate the relationship between the predicted variable and known explanatory variables. If forecasts of the explanatory variables are available or can be generated, then the primary variable of concern can be forecast. Econometric analysis offers the greatest possibility for explaining a forecast using clear linkages to intuitive basic independent variables. However, proper application of econometric analysis requires more sophisticated training and data.

This estimating technique will rarely be used in agency projections of revenues and expenditures, but may be more applicable in performing complex caseload projections where state programs are constricted by various federal and state regulating factors and controls. Various statistical software packages make econometric analysis relatively easy to execute. The primary decision criteria here would be the need of such a detailed estimate and the availability of historical data.

Other Estimating Techniques

Ad Hoc Methods - Ad hoc methods refer to any approaches other than what has been previously discussed in this section. Ad hoc methods are usually required when there is not enough data or historical stability for more sophisticated techniques. If the fundamental economic, social, and institutional relationships underlying or driving a particular variable are shifting or unsure, more sophisticated techniques often prove inadequate.

Choosing the Technique

Variables with long and readily available historical data and stable estimating relationships with respect to economic, caseload, demographic, or policy drivers are very conducive to econometric, time series, and mathematical techniques. Projections of tax and non-tax (i.e.,

fees) revenue sources often, but not always, fit in this category.

As a variable's history (and data availability) shortens or as basic relational structural relationships become less stable, formal techniques such as econometric and time series analyses become less useful compared to mathematical and ad hoc techniques.

In summary, whatever technique or methodology agencies select, they must provide logical and compelling documentation to support the projections. Additionally, agencies must justify and present both methodologies if they are requesting to migrate to a new standard methodology.

Outliers

An outlier is an observation that is numerically distant from the rest of the data. Outliers are often indicative of either a measurement error or an anomaly. Outliers should be researched to determine if an error exists or if unusual circumstances caused the data to be skewed. Typically, outliers are excluded from the calculation and should be noted as such.

Adjustments to Base

Adjustments to fiscal year 2024 (Year 1) and fiscal year 2025 (Year 2) amounts in the base decision unit (B000) are made through the M-150 decision unit. M-150 adjustments include the elimination of one-time expenditures incurred in fiscal year 2022 (base year), the elimination of programs that are no longer required or funded, to fully annualize costs only partially reflected in the base year budget, or to increase revenues and expenditures for ongoing programs that were not operational the entire base year.

Statutory/Administrative Authority

NRS 353.211 requires the Chief of the Budget Division to provide to the LCB Fiscal Analysis Division, on or before December 31st of each even numbered year, each agency's adjusted base budget by program or budgetary account for the next two fiscal years. The adjusted base budget is the estimated cost for continuing the operation of state government, kindergarten through 12th grade education and higher public education at the current base year level of service. To meet statutory requirements, agencies are required to use decision unit M-150 to make base budget adjustments. The base budget combined with decision unit M-150 is known as the adjusted base budget for the coming biennium.

Application

The revenue and expenditure amounts populated in Year 1 and Year 2 of the base decision unit at the opening of NEBS represents the base year legislatively approved revenue and expenditure amounts. ***Year 1 and Year 2 revenue amounts need to be updated at the line item level in the base decision unit.*** Year 1 and Year 2 expenditure amounts must represent base year projected year-end actuals and, once adjusted, can only be changed through an M-150 decision unit adjustment. The only exception is salary and fringe amounts.

The first step to making M-150 adjustments is to update the amounts found under the **Edit Actual / WP** screen in NEBS. This screen contains two columns, the **actual column** and the **work program column**. The initial amounts in the **actual** and **work program columns** represent the legislatively approved budget amounts for the base and odd-numbered fiscal year (after the base year). ***The actual column must be updated to base year projected year-end actual amounts for each category and GL.***

Only update the work program column if:

- Changes were made via a work program approved by the Budget Division and possibly the IFC.
- The agency is fee funded and must balance to reserve as a result of adjusting the balance forward amount.

Once the amounts in the actual and work program columns of the **Edit Actual / WP** screen have been updated and changes saved, process all schedules. Year 1 and 2 expenditure amounts will automatically update to represent the amounts entered in the actual column.

Amounts will be removed from the base decision unit with an M-150 adjustment for the following two reasons:

- They are either considered one-time expenditures (For example: equipment schedule GLs) and must be requested through an enhancement decision unit.
- They are GLs that are retained in the base year through a schedule in NEBS. (For example: Vendor schedule contract changes)

Next, review the revenue and expenditure amounts contained in the Year 1 and Year 2 columns of the base decision unit and determine whether adjustments are required.

Adjustments to Year 1 and Year 2 revenue amounts are made in the base decision unit at the line item level. Revenue adjustments are made through the M-150 decision unit **only** when a revenue source is used to balance expenditure adjustments in M-150 or if there is a need to eliminate a revenue source (and corresponding expenditures) that are one-time such as an allocation from the IFC Contingency Fund or the revenue no longer exists such as elimination of a fee. For federal grants, base revenue must be adjusted to cover all base salary costs for any position funded in whole or in part by the applicable grant. Grant

Summary Line Items Schedules Positions Mapping Acct. Maint.											
Decision Unit: Display All Decision Units											
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2	Change	Schedule
	B000	01	5910	STANDBY PAY	25	0	25	0	25	0	- None -
	M150	01	5910	STANDBY PAY	0	0	-25	0	-25	0	- None -
	B000	01	5960	TERMINAL SICK LEAVE PAY	2,500	0	2,500	0	2,500	0	- None -
	M150	01	5960	TERMINAL SICK LEAVE PAY	0	0	-2,500	0	-2,500	0	- None -
	B000	01	5970	TERMINAL ANNUAL LEAVE PAY	24,788	0	24,788	0	24,788	0	- None -
	M150	01	5970	TERMINAL ANNUAL LEAVE PAY	0	0	-24,788	0	-24,788	0	- None -

Budget Account Line Item Text

Budget Period: 2021-2023 Biennium (FY22-23) Decision Unit: M150 ADJUSTMENTS TO BASE

Budget Account: 2361 DEPARTMENT OF TAXATION GL: 5970 TERMINAL ANNUAL LEAVE PAY

Version: G01 GOVERNOR RECOMMENDS Category: 01 PERSONNEL

Object Code Text:

Characters Used: 130 of 8000

specific expenditure category adjustments must be made in the M-150 decision unit.

As previously mentioned, salary and fringe amounts are the only exception with the calculated costs of the positions in the base decision unit as a result of the position attribute settings tied to each base position in NEBS, i.e., class code, grade, step, Medicare, retirement, etc.

Changes to salary and fringe amounts in the base decision unit can only be made by the Budget Division as a result of changes to the Basic/Fringe/Salary view of base positions. As part of the budget building process, agencies must reconcile the position attribute settings tied to each position in the base decision unit and notify the assigned Budget Officer in the Budget Division of required changes. The Officer will recalculate payroll as a result of any changes they made to the position attributes settings, which will update the salary and fringe amounts in Year 1 and Year 2 of the base decision unit. This process is discussed in detail in the position reconciliation chapter.

M-150 decision unit adjustments are required under the following circumstances:

One-time expenditures occurring in the base year.

A one-time expenditure is defined as an expenditure not required on an ongoing basis which includes, but is not limited to, overtime, terminal employee leave payments, late fees, stale claims, one-shot appropriations, equipment, moving costs, start-up costs for new buildings or programs, legislatively mandated programs for elimination, etc. Review expenditure transactions using DAWN and internal agency information to determine which expenditures are not considered ongoing and remove them from Year 1 and Year 2 through either a manual or system-generated M-150 decision unit adjustment in NEBS. Shown above is an example of a manual M-150 decision unit adjustment to remove terminal annual leave from Year 1 and Year 2 of the agency’s base budget and also illustrates an adequate note justifying the adjustment.

An expenditure occurring every other year requiring either the elimination or addition of the cost in one year or the other.

For example, the Nevada Revised Statutes (NRS) are purchased by an agency every even year. The agency’s base budget includes the amount for the publication in both years of the base budget because the cost was in-

Add Line Item								
Action	DU	Catg	GL	Vendor Name	Actual	Work Prog.	Year1	Year2
	B000	04	7370	LCB - Annual NRS Updates	2,370	0	2,370	0

Therefore, the agency must generate an M-150 adjustment through the vendor services schedule to eliminate the cost of the publication in the odd year of the biennium. This example illustrates how to use the vendor services schedule to remove an expenditure from the odd year of the biennium.

When the vendor schedule processes, an M-150 line item is generated removing the expenditure from Year 2 as shown below and on the next page. Along with the schedule adjustment, agencies must explain the reason for the M-150 adjustment in a note at the line item level.

Ongoing programs not operational the entire base year, but will be fully operational throughout the upcoming biennium (annualization).

Examples of annualization include programs legislatively approved for an effective date later than July 1 of the base year, new programs and positions legislatively approved in the work program year, or programs approved by the IFC during the base year. Programs that started in October of the base year will need to be adjusted to add costs for July, August and September in Year 1 and Year 2 in order to appropriately reflect a whole year of costs for those programs.

The following illustrates how to increase the base year expenditures through an M-150 adjustment using the vendor schedule in NEBS.

A contract was added with a beginning date of October in the base year at \$1,000 per month. Actual expenditures in B000 equal \$9,000. To annualize the amount for Year 1 and Year 2, \$12,000 is needed for each year. The contract is added in the vendor schedule as shown below with a note explaining the contract provides a specific service

beginning in October of the base year with an increased amount in Year 1 and Year 2 to annualize the contract. The contract summary should be attached in the note. Once the schedule is processed, an adjustment is added in the M-150 as shown at the bottom of this page.

Programs whose funding were discontinued in the base year, such as expired federal grants, or programs that sunset by legislative mandate.

The use of a M-150 decision unit for the elimination of a program or expired grant is dependent upon the time period the program is due to sunset or expire. If in the middle of a base year or current odd year, the actual and or work program column in NEBS will need to be adjusted accordingly. This can be achieved in the M-150 decision unit by adjusting within the actual or work program column and not the year 1 or year 2 columns.

When eliminating a program or expired grant within the upcoming biennium (year 1 and year 2), the adjustment will be accounted for in an E-490 decision unit and include supporting documentation. Contact your assigned Budget Officer if you have questions on whether an expiring grant or eliminated program should be shown in the M-150 or E-490.

Coding errors in the recording of revenues and/or expenditures.

If a base revenue or expenditure amount was coded incorrectly in Advantage and a journal voucher was not submitted to correct the error prior to the fiscal year closing, a correction must be made to the Year 1 and Year 2 amounts through an M-150 adjustment.

Add Line Item								
Action	DU	Catg	GL	Vendor Name	Actual	Work Prog.	Year1	Year2
	B000	04	7060	XYZ Company	9,000	12,000	12,000	12,000

Summary											
Line Items											
Schedules											
Positions											
Mapping											
Acct. Maint.											
Add Line Item											
Decision Unit: Display All Decision Units											
Synchronize Actuals to DAWN											
Edit Actual/WP											
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2	Change	Schedule
	B000	04	7060	CONTRACTS	9,000	12,000	9,000	0	9,000	0	- None -
	M150	04	7060	CONTRACTS	0	0	3,000	0	3,000	0	VENDOR SERVICES

There are two ways to generate M-150 adjustments in NEBS: *system-generated* or manual *user-generated*. System-generated M-150 line items are line items that NEBS generates as a result of information (or the lack of information) input into a schedule. User-generated M-150 line items are created by inserting a line item directly in the NEBS tab.

User-generated adjustments require a detailed explanation including calculations and methodologies used in determining the amount in a note at the line item level.

It is critical agencies provide complete explanations along with calculations for any adjustment made in the M-150 decision unit. Adjustments that are not sufficiently documented may not be included in the Governor Recommends phase of the budget process.

For example, an agency uses GL 7063 in Category 07 – Maintenance Buildings & Grounds, to cover costs associated with a monthly water treatment and preventative maintenance program from a contractor on the water chiller system at a Las Vegas facility. The current contract is \$12,000 annually. The base expenditure amount was \$42,000 due to a \$30,000 major repair to the central system. The agency made an M-150 adjustment to account for this one-time expense reducing the amount required for Year 1 and Year 2 in this GL to \$12,000 in the Vendor Services schedule. The following note describing the reason for the change is included:

The cost of a major repair to the central system in the base year of \$30,000 was removed as a one-time expenditure. Ongoing contract provides monthly water treatment and preventative maintenance program for a private vendor's water chiller system located at the Las Vegas facility. Current contract is \$12,000 annually or \$1,000 per month. The contract summary is attached.

The following is an example of an inadequate note that does not support the reason for the decrease:

The decrease is due to a repair on the central system.

Also, simply pasting in the definition of the GL straight out of the Controller's Accounting Policies and Procedures does not count as adequate documentation, nor does referencing the system generated schedule. Notes must clearly support the M-150 adjustment so the reviewer can understand why the adjustment is being made.

Schedule Generated M-150 Decision Unit Adjustments

The following schedules in NEBS will generate M-150 line items based on information input (or lack of input) into the schedules in NEBS:

Budget Account Schedules

- Caseload
- Vendor Services
- Uniform Allowance
- EITS
- Fleet Services Vehicles
- Agency Owned Vehicles
- Building Rent – Non-B&G
- Equipment
- Building Maintenance
- Staff Physicals
- Vacancy Savings

Statewide Schedules

Agencies do not have access to the following statewide schedules. Schedule data is maintained by Budget Division Officers.

- Agency-owned property and contents insurance
- B&G-owned building rent

Department Schedules

- Departmental Cost Allocations

These schedules have specific GLs tied to them and adjustments cannot be made at the line item level. Attempting to use agency specific cost allocation GLs at the line item level in NEBS will cause an error. The schedules will generate line items for these costs once data is entered in the schedule and processed. Refer to the Cost Allocations section within this manual for additional information.

General Schedule Guidance

All of the schedules listed previously will generate M-150 adjustments at the line item level to remove any expenditure tied to the GLs from the base decision unit.

Only those costs that should be retained in the base budget should be itemized in these schedules. If a cost no longer exists, then no action is necessary because NEBS already eliminated the expenditure from the base budget once the schedule was processed. This statement applies

to system-generated M-150 decision unit adjustments only and the costs tied to the GLs that are schedule-driven.

The following is an example of how these schedules work:

An agency spent \$2,800 in contractual services in the base year. This amount was recorded in the Edit Actual/WP screen under category 04, GL 7060 causing the amount to be carried over into Year 1 and Year 2 of the base decision unit as illustrated above.

- If the vendor schedule is processed in NEBS without entering any data in the vendor schedule, an M-150 line item will generate removing the \$2,800 from the base budget in Year 1 and Year 2 because the cost was not itemized in the schedule.
- If \$2,800 is entered in the vendor schedule tied to category 04, object 7060, for both Year 1 and Year 2, then the schedule processes, no M-150 line item will generate because the exact cost was itemized in the vendor schedule.
- If the existing contract's service rates are expected to increase by \$200, enter a base line item in the vendor schedule, tie that line item to category 04, object 7060, and enter a cost of \$3,000 in Year 1 and year 2, then NEBS will generate an M-150 line item for \$200 in Year 1 and Year 2 to reflect the increased costs.

Division's website to reconcile this column to actuals in Advantage.

The EITS Schedule

In prior binennia, the EITS schedule was an exception to the way schedules function. Other schedules, when the base year amount is updated and the schedule processes, NEBS will generate an M-150 line item for the difference between base year and amounts entered in the schedule. The EITS schedule now functions more like other schedules in prior years.

The EITS schedule calculates the amount used based on the base year monthly utilization times the rate. EITS bills agencies based on their utilization for all EITS services with the exception of security and infrastructure assessments (which are billed per FTE), and Silvernet and Shared Web Server Hosting (which are billed based on tier levels).

Processing the EITS schedule will populate base line items within the schedule that itemize each EITS service an agency paid for in the base year. If an agency did not pay for any EITS services in the base year, then no base line items will be populated in the schedule. If it did pay for EITS services in the base year, processing the schedule will make NEBS divide the actual year-end amounts by EITS's rates for those line items to calculate the amount of

Add Line Item								
Action	DU	Catg	GL	Vendor Name	Actual	Work Prog.	Year1	Year2
	B000	04	7060	Contracts	2,800	2,800	3,000	3,000

Summary Line Items Schedules Positions Mapping Acct. Maint.											
Add Line Item Decision Unit: Display All Decision Units Synchronize Actuals to DAWN Edit Actual/WP											
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2	Change	Schedule
	B000	04	7060	CONTRACTS	2,800	2,800	2,800	0	2,800	0	- None -
	M150	04	7060	CONTRACTS	0	0	200	0	200	0	VENDOR SERVICES

It is important to note all line items inserted in schedules to itemize base year expenditures must reflect only costs to maintain services at the existing base level of service. Additional service costs must be reflected in a separate maintenance or enhancement decision unit.

The best way to ensure the vendor schedule's accuracy is to correctly complete the actual column in the vendor schedule. An Excel template is available on the Budget

the service the agency used.

For example, let's say an agency spent \$2,000 in programmer charges in the base year and recorded \$2,000 in the **Edit Actual / WP** screen under category 26, GL 7510 (the GL used for programmer/developer costs). The rate for programmer charges in the base year was \$100 per hour. When the EITS schedule is processed, NEBS will populate a base line item in the schedule recording programmer utilization of 20 hours (\$2,000 actual divided by

\$100 per hour). The Year 1 and Year 2 amounts in the EITS schedule under the base programmer line item will reflect the 20 hours of utilization multiplied by the rates for the service. If the programmer cost was a one-time expenditure, the user can zero the line item in the EITS schedule eliminating the 20 hours of programming time from the schedule. The EITS schedule will then automatically create the M150 adjustment.

To ensure the EITS schedule is functioning properly and agencies are adequately budgeted for existing EITS services in the adjusted base budget, it is imperative to:

- Accurately project the year-end expenditures for each EITS service and enter them in the actual column on the Edit Actual / WP screen using the correct GL for the EITS service.
- Thoroughly review the base year utilization in the EITS schedule and adjust the base decision unit line item in the schedule to record any increases or decreases to base year utilization to meet existing needs.
- Prior to budget submittal, work with EITS staff to have concurrence on utilization. (See biennium specific due dates provided in the budget instructions).

See the EITS website (EITS.nv.gov) under the IT Service Catalog for a complete description of all EITS services and rates. For additional EITS information see the Information Services section within this manual.

Vacancy Savings (GL 5904)

Vacancy savings is a budgeting tool used by the Budget Division to estimate General Fund and Highway Fund savings by recognizing each agency having a certain amount of staffing turnover every year. Rather than tie money up in the personnel services category of each agency, an estimated value for turnover is calculated and budgeted allowing the money to be used for other things.

The Budget Division updates the vacancy savings table and calculates savings for those budgets with positions funded in whole or in part by the General Fund or the Highway Fund and those internal service fund budgets supported in whole or in part by the General Fund (such as the Division of Human Resource Management and the Enterprise IT Services Division).

The vacancy savings calculations are automatically created in the mapping tab in NEBS, under CAT 01 non-position costs for General Fund and Highway Fund, if applicable.

The Vacancy Savings Schedule is located under the Schedules tab for each budget account.

Vacancy savings is applied as follows:

1. Vacancy savings includes the legislatively approved Year 2 amount as a starting point for Year 1 and Year 2.
2. In late July of the even numbered year, the Budget Division will upload vacancy data received from DHRM into the vacancy savings table. This is similar to uploading the payroll information in that revisions can only be completed by the Budget Division Officer. Therefore, once this information is uploaded, NEBS will update the vacancy savings calculation.
3. Consideration is given to positions that were “phased in” and start dates are delayed beyond the July 1st regular start date. If a position started on October 1st, for example, rather than July 1, it may skew the number of days available for occupancy. In addition, other factors that may cause the calculation to be overstated or understated may be considered.
4. NEBS has been programmed to apply percentages to the calculations based on the following criteria:
 - **Agency budget accounts with 1-30 positions** plus Internal Service budget supported FTEs: 0 vacancy savings.
 - **Agency budget accounts with 31-100 positions** plus Internal Service budgets supported FTEs: 25% of the vacancy percentage applied against the total salaries and fringes on the payroll worksheet.
 - **Agency budget accounts with 101-200 positions** plus Internal Service budgets supported FTEs: 50% of the vacancy percentage applied against the total salaries and fringes on the payroll worksheet.
 - **Agency budget accounts with 201 or more positions** plus Internal Service budgets supported FTEs: 75% of the vacancy percentage applied against the total salaries and fringes on the payroll worksheet.
5. Vacancy percentages are applied against total salary and fringe amounts only, which include the following GLs:
 - 5100 Salaries
 - 5200 Workers Compensation
 - 5300 Retirement
 - 5500 Group Insurance
 - 5750 Retired Employees Group Insurance
 - 5800 Unemployment Compensation
 - 5840 Medicare
 - 5841 Social Security
 - In other words, the Adjusted Salary column for this calculation is reduced by the amounts budgeted for overtime, standby pay, shift differential, etc., before applying the percentage.

6. Vacancy savings may also apply to new positions requested in other decision units depending on the materiality. The vacancy rate established for base positions will be applied to any maintenance or enhancement decision units requesting new positions.
7. Once the Budget Officer has determined the vacancy savings amounts for the various decision units of each budget account, the calculations and amounts will be visible in NEBS. If there are special or unique circumstances that influenced the vacancy savings calculations, or if an agency believes the amount would place undue hardship on the budget account in the upcoming biennium, discuss the issue with the Budget Officer and provide documentation to substantiate any special situations. There may be room for adjustment; however, the decision rests with the Budget Officer and his or her assessment of the documentation provided by the agency.¹

8. The vacancy savings calculations:
 - Total % Vacancy = Input from Budget Officer;
 - Rate % = Total % Vacancy x Factor;
 - Adjusted Salary = NEBS populated value imported from the agency's salary amounts;
 - Gross Savings = Base Salary x Rate %;
 - General/Highway Fund Saving % = Budget Officer Input value;
 - Net Savings = Gross Savings x General/Highway Fund Savings %.
9. Within the Vacancy Savings tab, three vacancy savings data fields require validation:
 - The applicable vacancy percent to use for the calculation. Generally, the percentage used is the one that appears to be most reasonable, which can be any of the percentages from the previous four years, an average of those years or some other calculation from those percentages.
 - The vacancy factor (based on FTE – the system will populate a number for this field, (but exceptions may apply requiring the analyst to adjust this value); and

¹ Agencies may negotiate a different approach in lieu of vacancy savings where the net effect of the alternative will generate an overall budget savings. The goal is to provide the agency with the flexibility to meet its mission while at the same time reflecting a realistic budget requirement.

Historical vacancy rates will be populated with the processing of the vacancy schedule

Text box provided for description of the standard vacancy savings methodology for the budget account. Check the "Use Std?" boxes below to indicate this standard methodology

Add link is used for attachments

You will be responsible for ensuring the validity of these 3 vacancy savings data fields. NEBS will calculate the remaining fields

Vacancy Saving Schedule

Budget Period: 2013-2015 Biennium (FY14-15)
 Budget Account: 1349 ADMINISTRATION - SPWD - BUILDINGS & GROUNDS
 Version: W9 DRAFT

Status: **IN PROGRESS**

FY 09 Vacancy: 6.31
 FY 10 Vacancy: 2.63
 FY 11 Vacancy: 6.31
 FY 12 Vacancy: 9.16
 Average: 6.1

Schedule Text and Standard Methodology [1000 char max]:
 General or "Standard" Methodology that applies to most of the vacancy savings calculations decision units. Those boxes not checked to indicate use of the standard methodology will require a specific note for that line entry.

Attachments - 0 attachments

Vacancy Savings

Use Std?	DU	Total % Vacant	FY 14 FTE #	FY 14 Factor	FY 14 Rate %	FY 14 Adjusted Salary	FY 14 Gross Saving	FY 14 Gen/Hwy Saving %	FY 14 Net Saving	FY 15 FTE #	FY 15 Factor	FY 15 Rate %	FY 15 Adjusted Salary	FY 15 Gross Saving	FY 15 Gen/Hwy Saving %	FY 15 Net Saving
<input type="checkbox"/>	B000	2.78	61.25	75.00	2.09	3,881,512	81,124	100.00	81,124	61.25	75.00	2.09	3,975,194	83,082	100.00	83,082
<input type="checkbox"/>	E244	2.78	1.00	75.00	2.09	34,309	717	100.00	717	1.00	75.00	2.09	47,854	1,000	100.00	1,000
<input checked="" type="checkbox"/>	E248	2.78	-1.00	75.00	2.09	-122,325	-2,557	100.00	-2,557	-1.00	75.00	2.09	-123,774	-2,587	100.00	-2,587
<input type="checkbox"/>	E670	2.78	0.00	75.00	2.09	-122,979	-2,570	100.00	-2,570	0.00	75.00	2.09	-125,601	-2,625	100.00	-2,625
<input type="checkbox"/>	E671	2.78	0.00	75.00	2.09	-46,082	-962	100.00	-962	0.00	75.00	2.09	-77,970	-1,630	100.00	-1,630
<input checked="" type="checkbox"/>	E805	2.78	0.00	75.00	2.09	5,305	111	100.00	111	0.00	75.00	2.09	5,288	111	100.00	111
						FY 14	3,515,852									

- The percent General / Highway Funds subject to the vacancy savings.
10. NEBS will calculate/populate the remainder of the fields in the schedule based on the July vacancy data collected from DHRM for each fiscal year.
11. The “standard” vacancy savings calculating methodology is indicated in the Schedule Text and Standard Methodology text box at the top of the screen by simply checking the “Use Std?” box. For vacancy calculation lines that do not follow the “standard” methodology, a note **must** be completed for that decision unit indicating the calculating methodology used for that particular vacancy savings calculation. Attachments can be added in the vacancy savings table by clicking on the “Add...” link right below the schedule text box.

User-Generated (Manual) M-150 Decision Unit Line Items

User-generated M-150 decision unit adjustments are line items entered manually at the line item level in NEBS with the following steps:

1. Insert a line at the line item level.
2. Tie that item to the M-150 decision unit.
3. Tie the item to the category requiring an adjustment.
4. Enter the appropriate GL.
5. Enter the amount of the adjustment under the Year 1 and Year 2 columns

User-generated M-150 line items are tied to GLs that are not driven by a schedule. Insert a line at the line item level in NEBS, type in a known GL or click on the binocular icon next to the GL field to see a list of GLs that can apply to the line item. Only those GLs that are available for line item entry will be shown. If a schedule driven GL is entered, NEBS will reject it and prompt for a valid code.

A differentiation can also be made between whether an M-150 line item is system or user-generated by reviewing the schedule column. System-generated line items will identify the applicable schedule and user-generated will reflect none.

M-150 Adjustments Summary

- Can be user or system-generated depending on the GL.
- Requires a note that fully justifies the adjustment in both the line-item entry and schedule driven entry. Cost justification calculations may be included on the note or in a separate spreadsheet as applicable.

- Processing the schedules will remove certain amounts from the base decision unit through an M-150 decision unit adjustment because the amounts are either considered one-time (such as equipment schedule GLs) or they must be itemized through schedule driven base line items.
- Itemize in the schedules only those base year costs that should be retained in the base budget. If a cost no longer exists, then no action is necessary because NEBS will eliminate the expenditure from the base budget once the schedule is processed. This only applies to system-generated M-150 decision unit adjustments and the costs tied to schedule-driven GLs.
- All base line items inserted in schedules to itemize base year expenditures must reflect costs to maintain services at the existing level. Any new services/costs must be reflected in a maintenance or enhancement decision unit.

M-150 adjustments include, but are not limited to, the following:

- Remove one-time expenditures that may have occurred in the base year such as: overtime pay, comp time payoff, seasonal pay, shift differential pay, payroll adjustments, standby pay, dangerous duty pay, terminal employee leave payments, holiday pay, forfeited annual leave payoff, call back pay, moving costs, late fees, telephone data and wiring and plaques. Some agencies have been pre-authorized to retain certain costs in the base budget, such as overtime pay, standby pay, and call back pay. If an agency has not been legislatively approved to retain certain costs in the current biennium, the costs should not be in the base budget. Instead, it needs to be requested in an enhancement unit and must include a well thought-out detailed justification.
- Annualize utilities (if needed).
- Annualize partial-year expenditures.
- Annualize building rents that began in a month other than July (use the Building Rent-Non Buildings and Grounds schedule).
- Annualize worker-driven expenditures for employees phased in over the actual year such as rent, supplies, travel, training etc. Annualization is not allowed for vacant positions.
- Annualize programs legislatively approved for an effective date later than July 1st.
- Annualize programs approved by the IFC during the base year.
- Remove or add expenditures that occur every other year such as biennial publications.
- Remove equipment greater than \$1,000, including hardware and software (done automatically through the equipment schedule). If agencies want ongoing equipment expenditures under \$1,000 retained in

their base budget, they must justify them through a base line item in the equipment schedule. Refer to Equipment, Application, section of this budget manual for additional information.

- Remove one-shot appropriations.
- Remove start up costs.
- Remove allocations received from the IFC Contingency Fund.
- Remove stale claims paid in fee-funded accounts.
- Incorporate programs and positions legislatively approved in the work program year.
- Remove programs legislatively mandated for elimination.
- For those agencies subject to vacancy savings, the vacancy savings schedule will adjust the fiscal year 1 and year 2 amounts in base budgets after the payroll and vacancy savings schedules are updated.

Costs Agencies Can Retain in the Base Budget

Certain costs can be retained in the base budget as on-going costs if the agency *fully justifies* the expenditure in the base decision unit through a note at the line item level. These costs include:

- Overtime for pre-approved agencies such as public safety.
- Equipment repair.
- Buildings and Grounds Special Services.
- Equipment under \$1,000. The agency must justify and adjust base line items entered in the equipment schedule.

Note: There may be other costs that historically have been approved by the Budget Division and the Legislature which are retained in Base. These are on a case-by-case basis and specific to an agency or budget account. The methodology for these exceptions must be justified in a note or attachment in NEBS.

Costs Agencies Should Not Adjust

Agencies should not adjust for travel related expenditures due to increases in airfare or fuel prices or increases to utilities or postage. Those adjustments are considered inflationary in nature and will be made by the Budget Division through the M-100 decision unit if the Governor authorizes an adjustment. Refer to the Inflationary Adjustments portion of this manual.

Other Schedule-Driven Adjustments in NEBS

The table below includes a list of schedules and their related GLs that **DO NOT** generate M-150 line items.

Note: Payroll schedule amounts are reflected in the base decision unit for Year 1 and Year 2 as adjusted base costs. No adjustments are necessary in M-150 for the payroll schedule GLs listed.

The remaining schedules in this list will generate line items tied to the M-100 decision unit.

OBJECT SCHEDULE			
PAYROLL SCHEDULE			
5100	Salaries	No adjustments to Base line items are made. The amounts in the Base decision unit represent year one and year two costs.	
5101	University Salaries		
5200	Workers Compensation		
5300	Retirement		
5500	Group Insurance		
5750	Retired Employees Group Insurance		
5800	Unemployment Compensation		
5840	Medicare		
5841	Social Security		
5420	Collective Bargaining Assessment (EMRB)		Adjustments for these costs are made through an M-100 decision unit
5430	Labor Relations Assessment		
7050	Employee Bond Insurance		
7054	Ag Tort Claim Assessment		
7392	DoIT Assessments		
5400	Personnel Assessment		
5700	Payroll Assessment		
PURCHASING ASSESSMENT SCHEDULE			
7393	Purchasing Assessment		
STATEWIDE COST ALLOCATION SCHEDULE			
9159	Statewide Cost Allocation		
ATTORNEY GENERAL ASSESSMENT SCHEDULE			
7391	Attorney General Cost Alloc		

Assessments and Full-Time Equivalent (FTE) Driven Costs

Assessments represent charges for services provided by various departments within the state to individual state agencies.

Statutory/Administrative Authority

The authority for this request is implied in NRS 353.150 through NRS 353.246, the State Budget Act, as well as, NRS 284.115, Personnel and Payroll Assessments; NRS 287.046, Retired Employees Group Insurance; NRS 242.211, Enterprise Information Technology Services Division; NRS 333.450, Purchasing Assessment; and NRS 288.475, Collective Bargaining Assessment approved in the 2021 Legislative Session.

Application

In preparing your biennial budget request, **do not** make any adjustments to the base year actual assessment amounts. Assessment amounts are schedule-driven in NEBS. Any changes made to the amounts will be done by the Budget Division in the M-100 decision unit. This decision unit is for Budget Division use only.

Personnel Related Assessments

Personnel Assessment

The personnel assessment represents an allocation to state agencies of the costs for the recruitment, examination, classification, compensation, and training functions of the Division of Human Resource Management (DHRM), and is allocated to each state agency based on full-time equivalent (FTE) in agencies' budgets. The assessment for Judicial, Legislative Counsel Bureau (LCB), non-classified positions, Nevada System of Higher Education (NSHE), seasonal, temporary and intermittent positions is through the Personnel Subsidy cost allocation.

Payroll Assessment

The payroll assessment represents an allocation to state agencies of the costs for the central payroll function of the DHRM. The payroll assessment is allocated to each state agency based on FTE in agency's budget. The following agencies do not pay the payroll assessment since they have their own payroll centers:

- LCB
- NSHE
- Public Employees Retirement System (PERS)

- Tahoe Regional Planning Agency (TRPA)
- Judicial Branch

Agency Human Resource (HR) Assessment

The Agency HR assessment represents an allocation to certain state agencies of the cost of the Agency HR unit, which provides human resource services to agencies so they do not have to have the expertise. The assessment is allocated to each budget account served by Agency HR by FTE count.

Employee Bond

Employee bond provides for loss caused by any fraudulent or dishonest act committed by an employee acting alone or with others. Employee bond is assessed by the Risk Management Division of the Department of Administration and is based on the FTE in each state agency budget.

Employee Tort

Employee tort is self-insurance for general liability claims (torts). A tort claim may be filed against the state for an incident or accident in which a state employee or agency has caused damages to another party. Employee tort is assessed by the Attorney General's Office based on the FTE in each state agency budget.

Retired Employees Group Insurance (REGI)

REGI provides a centralized collection mechanism for the receipt of contributions made by each state entity for the benefit of all retired state employees. These contributions defray a portion of the individual insurance premiums for employees who retire from state government and elect to continue coverage in the state group insurance plan. The program is funded by an allocation to each state agency as a specific percentage of total gross salaries and covers all state agencies, boards, and commissions including the Judicial Branch, LCB, PERS and NSHE.

Enterprise Information Technology Services Division (EITS) Assessments

The EITS assessments represent allocations to state agencies of the costs of several statewide functions provided by the division. The allocated functions are categorized into two areas: infrastructure and security. Both functional areas included in the EITS assessments are allocated based on FTE positions in each state agency budget.

Infrastructure Assessment

This assessment supports several units within EITS and is designed to more appropriately charge for the following services. The infrastructure assessment includes: Domain Name System (DNS) routing, state help desk, state web portal, web page development and platform, state ADA compliance-evaluation, state HR business infrastructure, state FTP services and state ListServe support, state single sign-on and identity management, state toll free access, state on-line phone book, and state operator service.

- Centralized DNS servers route all incoming and outgoing web traffic.
- The EITS help desk serves all state agencies by providing one access point for all EITS services (e.g., mainframe security and passwords, e-mail accounts, billing questions, WAN outages, etc.) as well as help desk services for other Department of Administration divisions such as DHRM.
- The state web portal is the state's main web page and is the starting point for the general public and state staff to access the state web.
- The web page development unit provides a variety of web page development and support services for all agencies within the state, including constitutional officers.
- State toll free access provides an "800" number which is available to anyone to access the state operators.
- The state phone book is available on-line via the Internet and it provides a complete listing of all employees. The state phone book is routinely updated and has replaced the printed state directory.
- The state operator service supports full time state phone operators who answer calls from the general public and forward these calls to the appropriate department, agency, board, or commission.

EITS Security

EITS provides security services including vulnerability scanning, penetration testing and incident triage and/

or response coordination; supports agencies in developing and managing agency-specific security programs, policy, standards and plans including backup and recovery, incident response and disaster recovery plans; maintains and develops State-level information security policy, standards and procedures; provides security oversight and guidance for Executive Branch.

Purchasing Assessment

The purchasing assessment represents an allocation of the costs for the procurement and inventory services provided by the Purchasing Division to state agencies. The apportioned amounts are allocated to each agency based on activity in prior years.

Labor Relations Unit Assessment

The labor relations assessment represents an allocation of costs for the unit in DHRM to administer collective bargaining. The apportioned amount are allocated to each agency based on positions eligible for collective bargaining.

Collective Bargaining Assessment

The assessment for collective bargaining funds for the activities of the Government Employee Management Relations Board. This fee of up to \$10 per employee eligible for collective bargaining is collected through the Department of Administration for executive branch agencies except NSHE, which is collected directly.

Summary of Assessments

- Assessments represent charges for services provided by various departments within the state to individual state agencies.
- The personnel assessment represents an allocation to state agencies of the costs for the recruitment, examining, classification, compensation and training functions of the DHRM.
- The payroll assessment represents an allocation to state agencies of the costs for the central payroll function of the DHRM.
- Employee bond provides for loss caused by any fraudulent or dishonest act committed by an employee acting alone or with others.

- Employee tort is self-insurance for general liability claims (torts).
- REGI provides a centralized collection mechanism for the receipt of contributions made by each state entity for the benefit of all retired state employees.
- The EITS assessments represent allocations to state agencies of the costs of several statewide functions provided by the division. The allocated functions are categorized into two areas: infrastructure and security. See the Information Technology section of this manual for more information.
- The purchasing assessment represents an allocation of the costs for the procurement and inventory services provided by the Purchasing Division to state agencies.
- The labor relations assessment represents an allocation of costs for the unit in DHRM to administer collective bargaining
- The assessment for collective bargaining funds the activities of the Government Employee Management Relations Board.

See also the Assessments and Full-Time Equivalent (FTE) appendix.

Collective Bargaining

Collective Bargaining Units as defined by NRS Chapter 288 - Relations Between Government And Public Employees.

Statutory/Administrative Authority

The authority for this request is defined by NRS 288.

Description

Collective bargaining is a method of determining conditions of employment by negotiation between representatives of the executive department of the state and representatives of an employee organization or labor organization. Senate Bill 135 of the 2019 Legislature created the structure for state employees to collectively bargain with the state regarding wages, hours, and other terms and conditions of employment. Each job classification within the classified service was assigned to one of 11 Collective Bargaining Units (CBUs) with bargaining rights or was determined to not be eligible for bargaining rights according to the bill.

The normal term of a collective bargaining agreement runs concurrent with a fiscal biennium, from July 1st of an odd-numbered year through June 30th of the next odd-numbered year. Collective bargaining begins on or before November 1st of an even-numbered year and concludes by roughly March 1st of an odd-numbered year. Any impasses in negotiations are resolved by arbitration by March 15th of the odd-numbered year (or a later agreed date). Any bills to provide appropriations in support of bargaining provisions are submitted by the Governor between March and May during the legislative session. Bargaining agreements take effect on July 1st of odd-numbered years, except any provisions that did not receive funding.

Bargaining units

The Government Employee-Management Relations Board (EMRB) of the Department of Business and Industry is empowered to determine bargaining units, recognize employee organizations, designate the exclusive representative of a bargaining unit, and hear and decide upon grievances and appeals.

Classified employees of the State or of the Nevada System of Higher Education (NSHE), with exceptions as listed below, are grouped into the following bargaining units:

1. Labor, maintenance, custodial and institutional
2. Administrative and clerical
3. Technical aides to professional employees
4. Professional (non-medical)
5. Professional health care providers
6. Health care and personal care, except professionals
7. Category I peace officers
8. Category II peace officers
9. Category III peace officers
10. Supervisory employees from all occupational groups
11. Firefighters

Excluded employees

Employees excluded from collective bargaining include:

- Managerial employees - positions required to use independent judgment in administering and controlling the business of an agency or unit; includes various classes at Grade 36 and higher, such as administrators and deputies, chiefs, directors, managers, administrative services officers, and lieutenant and higher ranks - refer to the official lists for exact classes
- Confidential employees - positions providing administrative support to employees making and carrying out personnel or managerial policies concerning collective bargaining or supplemental bargaining; includes personnel officers, analysts and technicians
- Temporary employees - staff employed for a fixed period of 4 months or less
- Commissioned officers and enlisted members of Nevada National Guard
- Public Employees' Retirement System (PERS) employees
- Unclassified and Non-classified employees

Collective Bargaining Costs

The EMRB is also empowered to assess agencies an amount not to exceed \$10 per year for covered employees to support these activities. The amount is determined by the board and is charged for each employee who was employed during the first pay period of the preceding fiscal year.

The Labor Relations Unit (LRU) of the Department of Administration, Division of Human Resource Management (DHRM) is responsible for administering the requirements of NRS 288 as well as the terms of individual Collective Bargaining Agreements. The costs of operating the LRU will be allocated to agencies through a Labor Relations Assessment for each position eligible for collective bargaining.

Equipment

This section describes the process for adding equipment to a budget. Equipment generally consists of large, costly, durable items that are not permanently attached to a structure.

Definition

For the purpose of this section, items purchased as equipment must conform to ALL of the following criteria with the exception of computer equipment and software:

- 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
- Must cost \$5,000 or more

Generally, the following items shall not be considered as equipment:

- Items that become part of a building or structure or permanently installed in a building
- Component part or parts of another equipment item or replacement part
- Items consumed in the performance of work
- Small hand tools

For budgeting purposes, ALL computer, printer, tablets, software, and video-conferencing equipment requests are considered equipment, and authority must be requested in Category 26 via the NEBS Equipment Schedule (unless a specific exemption exists for an agency).

All new furniture requests are also considered equipment and authority must be requested in Category 05 via the NEBS Equipment Schedule.

Statutory/Administrative Authority

Chapter 333 of the Nevada Revised Statutes, Chapter 333 of the Nevada Administrative Code, and Chapter 1500 of the State Administrative Manual.

Application

Equipment expenditures that occurred in the base year (even numbered year) and are included in agency budgets are removed from Year 1 and Year 2 of the base decision unit in the NEBS through a system-generated M-150 line item. All equipment planned for purchase in Year 1 and Year 2 must be requested in the equipment schedule through a maintenance or enhancement decision unit in NEBS.

The following illustrates how an agency inserts a base decision unit line item in the “other amounts” section of the equipment schedule to retain miscellaneous equipment

The screenshot shows the 'Other Amounts' section of a budgeting system. It features a table with columns for Action, DU, Catg, GL, Description, Y1-Quantity, Y1-Rate, Year1, Y2-Quant..., Y2-Rate, and Year2. Two rows are visible, both for 'EQUIPMENT <\$1,000' with a quantity of 1 and rates of 14,888 and 12,251 respectively. Below the table is a 'Schedule Text' box containing the text: 'Small office equipment under \$1,000 purchased in the Base year such as calculators, chairs, bookshelves, file cabinets, credenzas, desks, etc. that are used to replace on a regular, as needed basis, existing furnishings for the agency's 26 employees.' The character count is 250 of 8000.

Action	DU	Catg	GL	Description	Y1-Quantity	Y1-Rate	Year1	Y2-Quant...	Y2-Rate	Year2
	B000	04	7460	EQUIPMENT <\$1,000	1	14,888	14,888	1	14,888	14,888
	B000	26	7460	EQUIPMENT <\$1,000	1	12,251	12,251	1	12,251	12,251

Schedule Text: Small office equipment under \$1,000 purchased in the Base year such as calculators, chairs, bookshelves, file cabinets, credenzas, desks, etc. that are used to replace on a regular, as needed basis, existing furnishings for the agency's 26 employees.

Characters Used: 250 of 8000

up to \$5,000, which will create an M-150 decision unit adjustment. Include a note to justify the need for the entry.

When the schedule is processed, NEBS will remove the line item in the M-150 decision unit that zeroed out these expenditures from the agency's budget, allowing the agency to retain the costs in the base budget.

A good rule of thumb as to the allowable amount for equipment up to \$5,000 to calculate based upon is a 3 to 5 year average. These calculations must be attached to or included in the note.

Replacement Equipment

Any equipment intended to replace existing equipment must be itemized in the equipment schedule in NEBS on individual line items that tie to E-710 series decision units. You must use the E-710 through E-719 decision units to request replacement equipment. The same decision unit should be used when budgeting computer software associated with computer hardware. The decision unit justification must include a detailed explanation as to why the equipment requires replacement and a replacement equipment schedule must be attached at the decision unit level in NEBS. A template is available on the Budget Division's website.

Note that Windows 10® will continue to be supported by Microsoft until October 14, 2025. Agencies may need to plan for additional software or hardware for the upcoming transition to Windows 11®. See the Information Services section of this budget manual for more information.

New Equipment

You must use E-720 through E-729 decision units to request new equipment that stands alone and doesn't have any other costs tied to the decision. For instance, E-720 decision unit is used to request a new conference table and chairs for new unfurnished space.

Equipment for new staff, new programs, or any other specific decision, either in a maintenance or enhancement decision unit, must be included in the same decision unit as all other associated costs and not the E-720 decision unit. For example, an M-200 decision unit for new staff needed for caseload growth should include any equipment the new staff may need.

In another example, an agency requests a new program associated with one of the Governor's strategic priorities.

Staff, travel, operating costs, equipment and all other expenditures associated with the program should be included in the same decision unit. Building decision units this way ensures all associated costs are funded if the program is implemented. Since some of the decision units might not be funded, breaking the costs of a program into separate decision units could create a situation of having staff with no equipment or equipment with no staff.

Equipment Schedule

The equipment schedule in NEBS contains two sections: "Equipment Schedule" and "Other Amounts."

The *Equipment Schedule* section provides a list of common equipment grouped by types such as furniture, software, hardware and vehicles in a drop-down format. If the type of equipment needed appears on the list, select it and tie the selection to a decision unit and category, enter a quantity in the applicable fiscal year, and process the schedule. It is important to note there are multiple options for equipment and software, so be sure to select the equipment option that appropriately addresses the agency's needs. NEBS will generate a line item for the total cost of the equipment. The object code is determined by NEBS based on the selection from the list.

The State Purchasing Division and the Enterprise Information Technology Services Division provide the costs of the items in the equipment schedule. The Budget Division normally will update rates in the Governor Recommends phase. *Agencies are required to use the Equipment Schedule section of the schedule, in lieu of the "Other Amounts" section of the schedule (as described below), unless they have specialized equipment needs and can justify the need to budget for equipment outside the common equipment listed.*

The second section of the equipment schedule, the *Other Amounts* section, provides agencies that have specialized equipment needs with a means to budget for them. This section is used for building base equipment of small, ongoing costs under \$1,000, and in some cases up to \$5,000 back into the budget (see the previous page) and to request specialized equipment not listed in the drop-down menu.

Before processing the schedule, be certain to tie any specialized equipment to a decision unit, category, and object code (GL) and describe the item, the quantity, and the unit cost in the appropriate fiscal year. NEBS will generate a line item for the total cost of the equipment based on the information you provide.

Equipment Schedule										
+ Add Line Item										
Action	DU	Catg	Equipment Group	Equipment Type	Y1-Count	Y1-Rate	Y1-Total	Y2-Count	Y2-Rate	Y2-Total
-				0004 EXECUTIVE BOOKCASE	5	605	3,025	6	611	3,666
				0002 EXECUTIVE *** ENTIRE UNIT ***						
				0004 EXECUTIVE BOOKCASE						
				0006 EXECUTIVE CHAIR						
				0008 EXECUTIVE CREDENZA						
				0010 EXECUTIVE DESK						
				0012 EXECUTIVE SIDE CHAIRS						
				0014 EXECUTIVE 4 DRAWER FILE CABINET						
				0016 SECRETARIAL *** ENTIRE UNIT ***						
				0018 SECRETARIAL BOOKCASE						
				0020 SECRETARIAL CHAIR						
				0022 SECRETARIAL CREDENZA						
				0024 SECRETARIAL DESK						
				0026 SECRETARIAL 4 DRAWER FILE CABINET						
				0028 WASTEBASKET						

Specialized equipment entered in the “other amounts” section of the equipment schedule requires a quote less than six months old from a vendor that must be attached to the line item. The quote must describe the item being requested and the estimated cost. Fully justify and explain the need for the specialized equipment.

Automobile and Truck Purchases

State vehicles must be at least 10 years old or have a minimum of 100,000 miles for sedans and 125,000 miles for SUVs, vans, and trucks at the time of replacement. NEBS lists some common vehicles ordered by agencies, but they are not the only vehicles available. Prices include many commonly ordered options, but may not include all the options required. Prices are based on the model year of the base budget year. Agencies can access the Purchasing Division’s vehicle price agreement at http://purchasing.nv.gov/Contracts/Documents/Vehicle_Purchase to determine more precise costs for the types of vehicles and options required.

It is important to note that some agencies may be subject to the requirements for purchasing alternative fuel vehicles pursuant to SAM 1314. For additional information regarding this, contact the Governor’s Office of Energy.

NOTE: When requesting new vehicles the Agency Owned Vehicles Schedule must also be completed with the appropriate decision unit to assure vehicle insurance is appropriately budgeted.

Office Furniture

Office equipment, eg., secretarial/executive units or workstations requested for new positions must be budgeted at the prices included in the equipment schedule in NEBS and must be included in the same decision unit as the new position. Secretarial or executive units are listed both as packages and individual furniture items in NEBS. Executive units should only be budgeted for Section Chiefs, Deputy Division Heads, Deputy Directors (Secondary Cabinet Member) or Directors (Cabinet Member). Typically, this would include grade 39 and above. Exceptions to this guideline must be justified at the decision unit level in NEBS. The pricing for packages are estimates from the Purchasing Division for either a cubic station, including panels, work surfaces, a built-in 2-drawer file cabinet and overhead bookcase/storage unit; or stand alone furniture including a desk, credenza, chair, four-drawer file cabinet, wastebasket, side chairs (only in the executive unit), bookcase, and workstation. All packages include a chair.

Hardware and Software Purchases

All computer hardware and software purchases requested in any decision unit must be itemized in the equipment schedule. A Technology Investment Notification (TIN) may be necessary for any technology-related investments with an aggregate value of \$50,000 or more; see the Information Technology Investments section of this budget manual for more information.

When budgeting for a new or replacement computer, also budget for appropriate software within the same decision unit. Software may include any licensing or subscription costs for cloud-hosted software as a service (SaaS) product, which requires a Cloud Investment Notification (CIN); see the Information Technology Investments section of this budget manual for more information. When replacing computers, agencies can choose to replace the personal computer (PC) only. This option does not include the monitor replacement. Agencies can choose between a 3 year or 5 year warranty for this option. Refer to Computer Hardware and Software Appendix in this manual.

Facilities Maintenance

This section covers the steps necessary to provide for maintenance, improvement, and repairs to an agency's buildings in a budget request.

Scope of Facilities Maintenance

Facilities maintenance includes the cost associated with the maintenance of state and non-state owned buildings, where appropriate. This includes all routine and scheduled maintenance, building improvements, and repairs under \$100,000.

These are non-structural alterations that do not affect the safety of the building and do not change, in any manner, its structural elements. Non-structural alterations may be included in the agency's budget in a special expenditure category within either an M-425 deferred maintenance decision unit, or a standard E-730 series maintenance enhancement decision unite, depending on the rationale driving the improvement request.

All State Public Works Division (SPWD) statewide projects Capital Improvement Plan (CIP) will be requested in the Capital Improvement Program regardless of costs. SPWD statewide projects include all Americans with Disabilities Act (ADA), roofing, life safety, advance planning, paving, mold remediation, asbestos abatement, and indoor air quality projects. Projects that alter the path of egress (exiting) out of a building are considered life safety projects and should also be requested in the CIP regardless of costs.

Statutory/Administrative Authority

Minor 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 require the services of the SPWD and may be initiated by the agency controlling the building pursuant to SAM 1908. These projects are not considered capital improvements and should be requested in the agency operating budgets in accordance with SAM 2508.

The SPWD building and grounds is the agency responsible for assisting other state agencies with facility maintenance and construction improvements to state owned buildings. Agencies implementing projects should be aware of the requirements of NRS 333, NRS 338 and NRS 341. All such projects must be bid and contracted in compliance with NRS 333 or NRS 338 and require Attorney

General approval. Agencies that do not have the appropriate contract documents and expertise for the management and implementation of these projects should submit the project to SPWD for inclusion in the CIP or to be managed by the SPWD as an agency project.

The agency must also be aware of the property conservation and loss prevention requirements associated with their buildings/projects. These requirements are outlined in SAM 0520.

Application

When requesting maintenance, especially as a form of justification for the request, the agency should refer to Facility Condition Analysis (FCA) reports where available. The reports are designed as a planning level document for agencies and SPWD to assess the general needs of the facility and to help support requests for capital improvement/maintenance projects. While these reports can be used to identify, classify and justify facility maintenance needs they should not be used as the final authority in determining project scope and cost. The final scope and estimate of any budget request should be developed by a qualified individual and ratified by the SPWD. The cost estimates reflected in the FCA reports are based on general, high end estimates of materials, labor, location factors, profit and overhead. The costs of project design, management, special testing and inspections, inflation and permitting fees are not included in the FCA reports. Cost estimates are derived from the R.S. Means Cost Estimating Guide and/or from comparable construction projects which are provided by SPWD project managers. It is also important to reference the date the FCA reports were generated as this may affect project costs due to inflation, change in requirements and/or changes in facility condition.

When using cost estimates from the FCA reports, be sure to add funds in your facilities maintenance budgets (M-425, E-730 and regular maintenance) to cover the costs for the design, plan check and inspection fees (permitting) which are not included in the FCA reports.

If an agency is submitting a facilities maintenance budget, such as renovations, additions, remodels, changes of use, major equipment replacements, and maintenance

work, add fees for SPWD inspection services and plan review. See NAC 341.171 to calculate these fees.

- Expenditure category 07, category 95, or a special use category may be appropriately used to record all facilities maintenance costs for state owned and non-state owned buildings. This includes contracted services for facility maintenance, repair, and improvements. The following are common object codes (general ledger numbers) used within these categories:
 - 7060-7072 Contracts for services
 - 7140-7149 Maintenance of buildings and grounds
 - 7230-7231 Minor improvements - buildings/fixtures (less than \$10,000)
 - 7960 Equipment rental (if applicable)

Specific or unique maintenance action items and building improvements in excess of \$100,000 should be requested as a state CIP on the SPWD website. See the CIP chapter in this budget manual for information on developing a project request.

While remodeling, repairs and maintenance work under \$100,000 are not generally included in the CIP budget, remodeling projects on state land or land held in trust for any division of the state government must be reviewed by the SPWD to ensure code compliance through plan check and inspection services. Agencies requesting remodeling, repairs and major maintenance work on state land, or land held in trust, must include in their request funding for required SPWD code compliance services, plan check and inspection fees in addition to the cost of the remodel. Normally, when code compliance services are necessary, the agency will include a fee for obtaining stamped contract documents from an architect or an engineer.

Agencies that occupy buildings owned and managed by Building and Grounds (B&G) need to forward their CIP requests to B&G. B&G is responsible for the care, maintenance and preservation of these state owned building and grounds per NRS 331.070.

Agencies are required to estimate facilities maintenance expenditures in three NEBS functional areas: Base Adjustments (via M-150 adjustments), requests for facilities deferred maintenance items within maintenance decision units (i.e., M-425) and requests for new maintenance in enhancement (i.e., E-730) decision units.

Building Maintenance Schedule

The building maintenance schedule in NEBS contains two sections: “building maintenance” and “other amounts.”

The “building maintenance schedule” section provides a list of state owned buildings, rates for building envelope repairs, carpet cleaning, carpet replacement and deep cleaning of buildings and the estimate type.

Start by selecting the building where the maintenance is to be performed, the maintenance item and the estimate type. Tie the selection to a decision unit and category, enter the priority, number of people in the building, the frequency and square footage of the building applicable each fiscal year, and process the schedule. NEBS will generate a line item for the total cost of the maintenance items selected. The object code is determined by NEBS based on your selection from the list. The Budget Division does not anticipate any changes to these rates in the Agency Request phase, but may update them in the Governor Recommends phase. No changes to the building maintenance rates will be made without notification being given to agencies through the message screen in NEBS.

The “other amounts” section provides agencies with a means of budgeting for building maintenance needs not covered in the “building maintenance schedule” section and should be used by any state agency responsible for the maintenance of their facilities. Deferred maintenance requests should be included in this section.

Building maintenance entered in the “other amounts” section of the equipment schedule requires a quote from a vendor that must be attached to the line item. The quote must describe the type of maintenance being requested and the estimated cost. Agencies must fully justify and explain the need for all requests.

Adjustments to Base - M-150 Decision Unit

All one-time operating costs must be deleted in the M-150 decision unit. Examples of a one-time adjustment include, but are not limited to:

- One-time cost for contract services (Board of Examiner (BOE) and/or non-BOE contractual services)
- Non-recurring building/grounds maintenance expenditures such as office remodel or modifications, limited roof repairs not expected to be repeated during the biennium and the addition of building fixtures such as shelving or unique work station modifications, etc

- One-time equipment rentals or repairs

Closely examine your facilities expenditures to determine which expenditures are truly one-time versus those facility maintenance expenditures that are recurring in nature.

For instance, a \$10,000 maintenance expense to repair a leak in the roof would be considered a one-time maintenance expense since it would be unlikely that same expense or other similar major structural maintenance expense would reoccur in the next biennium. However, assume you spent \$6,500 to repair a major piece of equipment, like a generator, in the base year. While you may not repeat this particular repair in the coming biennium, your agency may have several other pieces of major equipment (large paper shredders, boilers, computing equipment, etc.) that have required significant repair maintenance actions.

Overall, repair expenditures have been averaging \$20,000 per fiscal year. Based on an agency's historical maintenance repair expenditures, the repair to the generator in the base year could be viewed as part of the agency's normally recurring annual equipment repair costs. It can be reasoned that, while the agency will not need to repair its generator again in the coming biennium, it will likely have other major repair needs associated with one or more pieces of equipment up to the \$20,000 average. Work with a budget officer to make this one-time expenditure determination.

M-425 Deferred Maintenance Decision Unit

Deferred maintenance refers to facility maintenance issues that have been set aside in favor of other projects or programs over multiple budget cycles and, as a result, contribute to an unhealthy or unsafe work environment for employees, clients and the general public. Maintenance can be to buildings or equipment, and the repair action should ensure the building or equipment items last their intended life span. Total equipment replacements are not considered to be a part of this decision unit. These requests should be included in the Building Maintenance Schedule and quotes should be attached for each entry.

When an agency does not complete deferred maintenance that was requested and approved in a M-425 decision unit from a prior biennium, subsequent requests for funding to complete the previously approved deferred maintenance should be requested in a M-425 decision unit using the appropriate funding source.

Agencies that occupy buildings owned and managed by B&G need to forward their requests for maintenance projects directly to B&G and not include the request in their budget requests. Requests can be emailed to BandGCars-onCity@admin.nv.gov. Las Vegas requests can be emailed to bglv@admin.nv.gov.

Classifications of M-425 Facilities Maintenance

The following are typical classifications of deferred maintenance issues an agency may identify. **Remember, for a maintenance repair action to qualify for an M-425 decision unit, it must be a maintenance action item that has been deferred in previous biennia due to budget limitations.** If the maintenance action item does not meet this criterion, the item must be requested in either a maintenance decision unit, if it is caseload related, or an E-730 series enhancement decision unit.

Refer to the SPWD deferred maintenance web page for detailed information.

Building Envelope

The treatment and products on the exterior surfaces of a building envelope are a building's first defense against the weather and moisture infiltration. These treatments and products can include, but are not limited to, paint, stain, oil, water proofing, caulking, and gaskets on windows, doors and fixtures. It is very important that agencies ensure the proper maintenance of the building envelope.

Carpet

Existing carpets should be cleaned every biennium using the following schedule:

- High traffic public service agencies - a minimum of once every year
- Human service agencies - a minimum of once every six months
- General office areas - a minimum of once every two years

Consideration should be given to replacing carpet every seven to ten years with proper justification, depending on the traffic.

Facilities Deep Cleaning

Agencies that have not had a deep cleaning performed of all building contents such as files, upholstered furniture, drapes, and hard to reach areas within the past two years should request funding for this project. Within this

item the agency should insure that duct supply and return registers are cleaned.

Heating, Ventilation, and Air Conditioning (HVAC)

Agencies that have not cleaned their HVAC systems (coils, condensate pans, etc.) within the past two years need to request appropriate funding to meet these requirements. Buildings with changes in occupancy, with comfort issues, or that have undergone remodels may request HVAC systems to be rebalanced if issues are justified.

Water Treatment Maintenance

Costs associated with water treatment apply to facilities with boilers and chillers.

Proper chemical treatment of water involved with boilers and chillers will protect the expected life span of this equipment and will save energy. It is important that agencies ensure the equipment is properly maintained.

Roofing Maintenance

The roofs on all state buildings require annual maintenance, including both steep roofs and flat or low slope roofs, as well as those roofs that are under the state's 20-year warranty and preventative maintenance program. The following is a list of annual inspections and repairs of roofing items that should be budgeted by any state agency responsible for the maintenance of their facilities:

- Annual inspections and repairs to evaluate the metal counter flashing condition at walls, transitions, ventilation equipment, and at parapet wall copings.
- Annual inspections and repairs to evaluate the condition of the drains and sealant at the drain bowl.
- Annual inspections and repairs to evaluate the sealant at the termination of the roof membrane at pipe penetrations, base flashings and metal-to-metal seals on copings and ventilation equipment.
- Annual inspections and repairs to evaluate the roofing membrane to determine if there is any owner abuse or miscellaneous damages.
- Quarterly inspections and repairs to determine if removal of leaves, branches, sand, or dirt or any other debris that will impact the roof is necessary. This may be required more often in the fall if there are trees in close proximity to the building.
- Any repairs or alterations to the roofing system must be performed by the manufacture's approved applicator.

Important: The sealant used on the edges of the roof membrane and metal counter flashings is not covered in the 20-year roofing warranty and routinely needs to be replaced as the caulking fails after extended exposure to the sun. Inspecting, maintaining and replacing the sealant is the responsibility of the agency occupying the building and must be included in the Agency Request budget. If the sealant is not properly maintained, the roof warranty will be voided. For questions regarding cost estimates, contact SPWD at (775) 684-4141.

The SPWD must be notified immediately when **any roof leaks occur**. Roof leaks must be reported to the roofing membrane manufacturer within a certain time frame to maintain the warranty.

Enhancement Decision Units

Requests that are neither caseload driven nor deferred maintenance should be included as an Enhancement decision unit. This would include maintenance expenditures associated with new programs and expansion of existing programs. An E-730 series decision unit, Maintenance of B&G, has been established for agencies to request routine maintenance for existing facilities. The one-time decision units are for maintenance projects not planned to reoccur from biennium to biennium.

Rates

Three options exist to develop the basis for budgetary requests. They may be justified based on contractor quotations, in-house estimates or SPWD facility condition analysis reports.

Information Services

This section applies to any information technology service relating to the creation, maintenance, operation, or use of an electronic data management system. An information system is defined as any communications or computer equipment, computer or cloud-hosted software, procedures, personnel, or technology used to collect, process, distribute, or store information within the Executive Branch of the state.

Statutory/Administrative Authority

NRS 242 and SAM 1600. Additional Nevada information technology governance policies can be found on the Enterprise IT Services website at <http://it.nv.gov> under the “Governance” tab.

Application

NRS 242.071 created Enterprise Information Technology Services Division (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 IT-related 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.

NRS 242.131 charges the division with providing information system design services to state agencies and elected state officers as they may require and are appropriately budgeted. All Executive Branch agencies and elected state officers must use EITS services and equipment, except the following agencies that may negotiate the services provided by EITS:

- Department of Public Safety
- Department of Motor Vehicles
- Department of Transportation
- Employment Security Division of the Department of Employment, Training and Rehabilitation
- Department of Wildlife
- Housing Division of the Department of Business and Industry
- State Controller
- Gaming Control Board and Nevada Gaming Commission
- Nevada System of Higher Education

EITS may review budget requests for information technology services, personnel, equipment, hardware, software, information systems, and communications sys-

tems in conjunction with the Budget Division (excluding expendable supplies) for technological feasibility and compliance with state technical standards. This review is technical in nature and does not imply a recommendation by EITS and does not assure inclusion in the Governor Recommends phase of the budget process.

Regardless of whether an agency uses or negotiated to use EITS services or equipment, a Technology Investment Notification (TIN) must be submitted to EITS for technology investments with an aggregated value of \$50,000 or more. Additionally, cloud service investments of any amount must be reported to EITS for security visibility and investment scalability potential. (See the TIN section within this manual for details).

EITS will also conduct a detailed review of requested utilization for EITS services submitted by agencies in NEBS EITS schedule. When budgeting for EITS services, an agency must project the needs for those services for the coming biennium and demonstrate that projections are based on historical trends and actual need. EITS will assist and review the agency’s utilization projections as necessary.

Accurate projections are essential as EITS’s budget is based on the statewide budgeted demand for their services. In addition, the total budgeted utilization is a factor in determining EITS rates. Inaccurate or incomplete utilization budgeted by agencies will not only affect the rates, but will also affect EITS’s ability to adequately fund their programs.

All non-telephone related EITS services must be budgeted in Category 26 except when an agency has a specialized category for expenditures tied to specialized programs or grants. Telephone related services must be charged to category 04 except when an agency has a specialized category for expenditures tied to specialized programs or grants. Each EITS service is assigned a specific GL that agencies are required to use when paying or budgeting for the expenditure. It is imperative that all base year expenditures are properly coded in order for EITS services to be correctly budgeted for the coming biennium.

The following table lists the most common services offered by EITS.

GL	EITS Service	Description	Unit of Measure	NEBS Schedule
7289	Phone Line & Voicemail	State phone line service is for lines used for telephone, fax or modem for users on the state PBX telephone system. This includes voicemail service. It is billed monthly as incurred.	Per line per month	EITS
7296	Long Distance	Interstate, intrastate, or international long distance phone calls made through a commercial service provider. It is billed monthly as incurred.	Aggregated per minute charge	Line Item
7297	800 Toll Free Service	800 type telephone service is an aggregated per minute charge for all inbound toll free calling to a designated 800 type telephone number. It is billed monthly as incurred.	Aggregated per minute charge	Line Item
7506	PC/LAN Support	PC and Local Area Network Management (PC/LAN, also known as Desktop Support) provides onsite and remote support of state-owned and state-issued computing devices and software used by Customer.	Per FTE per year	EITS
7507	Agency IT Support	Agency IT Support includes access to specialized support services. The Application Infrastructure team provides support of Customer's commercial off the shelf and other software application and system infrastructure environments. The Project Management Office's support is available at the request of Customer for any short-term endeavor to create, procure, or implement IT products or services.	Per FTE per year	EITS
7508	Expanded Help Desk Support	Expanded Help Desk provides primary contact and remote support services for information technology issues Customer may experience outside of Help Desk hours of operation and expands support to twenty-four hours a day, seven days a week. This service is intended to support agencies engaged in public safety operations.	Per FTE per year	EITS
7509	PBX Network Access	Service for agencies that have their own Avaya telephone PBX. This service allows such agencies to have a voice network connection to the state telephone system allowing the using agencies to greatly reduce their intrastate toll charges. It is billed monthly as incurred.	Per connection per month	EITS
7510	Programmer/ Developer	Software development services including maintenance and enhancement of existing software applications; development of new software information systems, software testing and product support; and technical documentation of software. Supported platforms and languages include Microsoft® .NET Framework, C#, T-SQL, PL/SQL, Native SQL, HTML, and JavaScript. It is billed monthly as incurred.	Per hour charge per month	EITS
7511	Database Administrator	Database and technical information management services including administration and tuning of database management programs and systems, database supports for new computer applications and designs, specialized data file management and support for database planning. Current databases that are supported are Microsoft SQL Server, and Oracle. It is billed monthly as incurred.	Per hour charge per month	EITS
7515	Mainframe Services	Includes all mainframe services except Print Management. Mainframe services included under this service are: Batch, TSO (Time Sharing Option), CICS (Customer Information Control System, DB2 (DBMS – Data Base Management System), Tape I/O (Input – Output), Tape Storage, Disk I/O. It is billed monthly as incurred.	Per CPU minute per month	EITS
7529	Print Management	Provides hard-copy printout of information. It is billed monthly as incurred.	Per 1,000 lines per month	EITS
7531	Disk Storage	Disk or Direct Access Storage Devices (DASD) is available to all computer platforms hosted by the EITS Computer Facility. Virtual Server and Server Hosted customers that require additional disk storage may reserve the storage from EITS. User agencies are billed for all reserved space, including disk space actually consumed by data files, allocated volumes and space allocated to volume groups that are dedicated to a specific agency. It is billed monthly as incurred.	Per GB per month	EITS

GL	EITS Service	Description	Unit of Measure	NEBS Schedule
7535	NonServer Hosting - Basic	Environmental support for agency-owned non-server equipment (e.g. tape storage devices, network devices), SAN (storage area network), NAS (network attached storage), external storage arrays, etc.). All equipment must be covered with vendor hardware maintenance. This service includes air conditioning, fire protection, electrical and backup emergency electrical service, raised flooring and racking to accommodate cabling, and security. All system and data management of non-server hosted systems will be the responsibility of the agency that owns the equipment. It is billed monthly as incurred.	Per device per month	EITS
7536	Server Hosting - Basic	Environmental support for agency-owned servers. All equipment must be covered by vendor hardware maintenance. Specific monitoring, backup, and disaster recovery plans will be defined in a Service Level Agreement between EITS and the customer agency. This service includes air conditioning, cooling equipment for the CPUs, fire protection, electrical and backup emergency electrical service, raised flooring and racking to accommodate cabling, and security. All system and data management of basic hosted systems is the responsibility of the agency that owns the equipment. It is billed monthly as incurred.	Per server per month	EITS
7537	Server Hosting - Advanced	Environmental support for agency-owned servers. All equipment must be covered by vendor hardware maintenance. Specific monitoring, backup, and disaster recovery plans will be defined in a Service Level Agreement between EITS and the customer agency. In addition to basic hosting this service includes: Monitoring - EITS will utilize a centralized monitoring tool to verify systems and/or services are up and running and will establish a notification protocol to alert agency staff of possible down systems. OS Security Patch Management - On a regularly scheduled basis EITS will apply critical security patches to each hosted server to ensure protection from OS vulnerabilities. Hardware Management – Through alert notification, EITS will manage hardware failures on hosted systems. Anti-Virus Management - EITS will provide anti-virus software and utilize a centralized AV console to ensure timely updates to new virus definitions. It is billed monthly as incurred.	Per server per month	EITS
7540	UNIX Support	EITS provides technical service and support for UNIX servers and related hardware and software. Services include monitoring, data backup, disaster recovery, and performance tuning. Customers interested in hosting UNIX hardware at the EITS Computer Facility should refer to the Server Hosting section of this document. It is billed quarterly per L01 budget.	Per partition per year	EITS

GL	EITS Service	Description	Unit of Measure	NEBS Schedule																				
7542	SilverNet Access	<p>The state's wide area network (WAN) used by agencies for connection between agency PCs and LANs, host computers and state application programs, and outside access to the Internet. It is billed quarterly per L01 budget.</p> <table border="1"> <thead> <tr> <th colspan="2">Usage Tier</th> </tr> </thead> <tbody> <tr> <td>0 to .099 TB</td> <td>Tier 1</td> </tr> <tr> <td>.10 to .19 TB</td> <td>Tier 2</td> </tr> <tr> <td>.20 to .99 TB</td> <td>Tier 3</td> </tr> <tr> <td>1.00 to 2.49 TB</td> <td>Tier 4</td> </tr> <tr> <td>2.50 to 7.99 TB</td> <td>Tier 5</td> </tr> <tr> <td>8.00 to 15.99 TB</td> <td>Tier 6</td> </tr> <tr> <td>16.00 to 99.99 TB</td> <td>Tier 7</td> </tr> <tr> <td>100.00 to 239.99 TB</td> <td>Tier 8</td> </tr> <tr> <td>240.00 TB+</td> <td>Tier 9</td> </tr> </tbody> </table>	Usage Tier		0 to .099 TB	Tier 1	.10 to .19 TB	Tier 2	.20 to .99 TB	Tier 3	1.00 to 2.49 TB	Tier 4	2.50 to 7.99 TB	Tier 5	8.00 to 15.99 TB	Tier 6	16.00 to 99.99 TB	Tier 7	100.00 to 239.99 TB	Tier 8	240.00 TB+	Tier 9	Tiered charge based on usage pricing tier - Per TB per month	EITS
Usage Tier																								
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7546	Database Hosting - SQL	Allows a customer agency to run their databases in EITS SQL Server database servers housed at the EITS computer facility. Currently EITS has multiple high availability SQL Server hosting environments available to customer agencies for production, test, development, and disaster recovery databases. It is billed monthly as incurred.	Per GB per month	EITS																				
7547	Business Productivity Suite (BPS)	Adds cloud-based functionality to existing desktop and business collaboration services. Includes full version of Office applications for Excel, Outlook, PowerPoint, Publisher, Word, OneDrive, Skype for Business and Teams, and provides the ability to synchronize content across desktops, laptops, and various mobile devices. Enables the user to work from anywhere, accessing content remotely from any device. Provides larger mailbox sizes, is always current with latest tool versions and vendor updates, and allows agencies to share documents. Allows each user to install Office mobile applications on five PCs or Macs, 5 tablets and 5 cell phones. It is billed monthly as incurred per login account (each user needing an O365 service or product login, and each system process or service account that accesses an O365 service or product).	Per login account per month	EITS																				
7548	Server Hosting - Virtual	EITS provides customers virtual servers in lieu of them purchasing a virtual server. Each virtual server will include all hardware and operating system costs and the following services: data backup and recovery, anti-virus, operating system patching, monitoring, high availability and disaster recovery. A "virtual server slice" is 1 vCPU, 4 GBs of memory, and 100 GBs of enterprise storage. Additional storage will be billed at the Disk Storage rate. It is billed monthly as incurred.	Per slice per month	EITS																				
7550	Site Space Rent	Rent for space is used to house and support agency owned communications equipment at remote sites. Site space is defined as the occupied space within an enclosed, environmentally controlled facility with a physical dimension of 2 feet in width, 2 feet in depth and 7 feet in height and includes the provision for one antenna mounted on a vertical support structure and power usage. It is billed annually as incurred.	Per rack per year	EITS																				
7551	DS0 Circuit	Provides a dedicated 64 kbps circuit or channel designated specifically for the user agency and is used primarily for telephone and radio voice circuits, radio control, and remote site services. A standard or basic channel may be used to transmit voice (analog) or data communications (digital). All circuits utilize 2 channel ends. It is billed annually as incurred.	Per channel-end per year	EITS																				
7552	DS1 Circuit	DS1 circuit service provides a dedicated circuit capable of delivering 1.544 MB/s designed specifically for the using agency and is used primarily for high volume voice and data services. It is billed monthly as incurred.	Per circuit per month	EITS																				
7557	NCAS Card Readers	The enterprise Nevada Card Access System is utilized by state agencies that have installed a "keyless" card access control system. EITS provides the central server, software, and administrative support that allow agencies to program access control to their spaces. It is billed monthly as incurred.	Per card reader per month	EITS																				
7559	Ethernet Transport	Provides for Ethernet connectivity to specified locations served by the microwave network to replace DS1 and DS0 TDM point-to-point circuits. It is billed monthly as incurred.	Per MBPS pipe size per month	EITS																				

Planning for Windows 11® Costs

Windows 10 will continue to be supported by Microsoft until October 14, 2025. Similar to the process all state agencies went through to upgrade systems from Windows 7 to Windows 10, state agencies will need to ensure all computers with Microsoft operating systems have a Windows 11 license before October 14, 2025.

As part of this budget build cycle for fiscal years 2024 and 2025, include Windows 11 upgrade licenses costs as part of the agency's equipment schedule. Though Microsoft expects to offer a free upgrade for all eligible licenses by mid-2022, most state licenses (e.g., licenses included with the purchase of a Dell computer and Windows 10 upgraded licenses) will not be eligible for the free upgrade to Windows 11.

Work with your agency's IT staff to ensure that existing hardware that is not scheduled for replacement by fiscal year 2025 meets the minimum system requirements to run Windows 11. Any hardware that does not meet requirements should be included on the agency's equipment replacement schedule.

EITS Rates

EITS will meet with agencies to conduct a detailed utilization review to better calculate rates for various services. Better utilization projections will prevent future mid-biennium rate changes.

EITS continues to work to identify the following for the upcoming biennium:

- Service lines to be considered for statewide offerings
- New service to be added
- Obsolete service to be eliminated

Federally imposed carryforward limits have been complicated by depreciation of equipment and capital purchases. This can result in a rate revision after the fiscal year begins. The revision is necessary to cover cash flow needs but not exceed limits. This event is difficult for EITS to project and the agencies to support.

EITS Assessments

In addition to the charges for direct services, EITS also charges two assessments to cover the costs associated with the state's IT infrastructure and security systems. These assessments are based on the number of legislatively approved full-time equivalent (FTE) positions in each bud-

get account in order to support its administrative and enterprise functions. All agencies pay these assessments except those exempt by statute. Agencies must provide the statute exempting EITS services in NEBS in order to receive the exemption. The assessments are budgeted in category 26 and are calculated in NEBS when a user recalculates payroll. Agencies do not have the ability to adjust these amounts as they are payroll driven. Assessment rate changes will be managed by the Budget Division and updated during the Governor Recommends phase of the budget process.

Infrastructure Assessment

This assessment supports several units within EITS and is designed to more appropriately charge for the following indirect/support services: active directory/domain name system (AD/DNS) routing, EITS Help Desk and business application support, state web portal and support to ensure accessibility compliance with the American's with Disabilities Act, website development, state toll free access, state on-line phone directory, and state operator service. Assessment to all agencies is based on L01 FTE count and is billed quarterly.

Security Assessment

The security assessment is used to cover costs establishing and administering a state information security program and to support all agencies in developing, implementing and maintaining agency specific IT security programs through establishment of statewide security policies, standards and procedures. Specific coordination, direction and support to the state is provided through conducting risk assessments with risk mitigation recommendations, information security plans, IT contingency plans, technical security architecture, security awareness training, and computer security incident response efforts.

The assessment also funds enterprise-level security services including awareness training and testing, a centralized Governance, Risk and Compliance (GRC) platform, threat intelligence research and analysis, vulnerability scanning, penetration testing and incident triage/response coordination.

EITS Schedule in NEBS

The amount of EITS services included in the agency's base budget is based on the amount the agency actually spent for those services divided by the rate in effect at the time of the expenditure to determine the utilization rate. This utilization rate is then multiplied by the new rates for

the coming biennium. A detailed description of this calculation and the EITS schedule is included in Adjustments to Base portion in the Outline of the Workflow section of this manual.

As discussed in the Adjustments to Base section, review the base year utilization rate calculated by the system and make any necessary adjustments to utilization rates within the base line item of the EITS schedule. The schedule will automatically create a M-150 decision unit adjustment.

For example, the agency has 10 employees with telephones and voice mail. These services are billed per employee per month - a typical employee would require 12 units of each service a year. The schedule generated a base line item of 105 units of telephone and voice mail service. Ten employees times 12 months equals 120; therefore, the utilization rate for both services should be 120 in each year of the biennium to budget for the maximum utilization for all employees.

To correct a shortage, the agency would change the base amount from 105 to 120 in the base line item of the EITS schedule for telephones. The shortage in the base year was likely due to vacant positions (the agency wouldn't have paid for these services for vacant positions, thus the actual expenses were lower). Explain the change in a note within that line item.

If the agency is having difficulty with the calculations or are unsure of the utilization rate that should be included in the budget, contact EITS or the assigned Budget Officer for help. Once again, accurate estimates of utilization are essential to ensure the agency is adequately funded for EITS services and that EITS will have adequate resources to accommodate statewide needs.

If the agency requires a new EITS service in the upcoming biennium that was not in the base year, or if the agency is building a maintenance or enhancement decision unit that requires funding for a EITS service, the agency must use the EITS schedule and tie that service to the maintenance or enhancement decision unit. For example, if the agency is requesting a new position in an E-175 decision unit, use the EITS schedule to budget for services such as e-mail, telephone, voice mail, etc. for the new position. Insert line items for each service into the EITS schedule, tie the line items to the E-175 decision unit, and enter a utilization amount. If the new position is requested to begin October 1st in the first year of the biennium and a telephone is required, the utilization for this service would be 9 (nine months of one telephone line) in the first year

and 12 months (a full year of service for one line) in the second year.

The same calculation applies to e-mail and voice mail services. However, if the agency requires use of an EITS programmer tied to a maintenance or enhancement decision unit, the agency would enter a utilization based on the number of projected programming hours that will be needed (programming is a per hour billable service). Contact EITS whenever an estimate of utilization is made so both the agency and EITS agree on the needed amount. See the NEBS manual for more information on how the EITS schedule operates.

Tiered Services — SilverNet and Shared Web Server Hosting

These services are budgeted based on the “tier” assigned by EITS.

For SilverNet, EITS determines the tier based on historical usage from the prior year. The tier assigned normally remains the same for the entire biennium. However, any significant anticipated change in Wide Area Network traffic should be discussed with EITS.

For shared web server hosting, web sites hosted by EITS must be listed in the line item note with the applicable tier. The tier level is based on historical usage over the prior biennium. The tier assigned remains the same for the entire biennium. Also, identify any additions or deletions. For new web sites, EITS assigns the tier for the biennium.

Agency Projected Utilization Reporting Requirements

All agencies must have the EITS schedule updated by the deadline listed in the Budget Timetable portion of this manual for all maintenance and enhancement decision units. This includes updating “actual” projections. Approximately mid-July in the even-numbered year, the Budget Division will send EITS an extract of the NEBS EITS schedule. EITS will confirm the reported utilization in NEBS is accurate and/or reasonable. If, upon review, EITS recommends changes, the agency must adjust the budget using the applicable NEBS schedules. Any utilizations added, deleted or changed after the EITS utilization deadline posted in the budget instructions, must be agreed upon by the Budget Division and EITS. EITS's approval of NEBS 900 reports may be required as determined each budget cycle by EITS. The NEBS 900 reports should be used as an internal tool to verify agency utilizations. Each section is described below.

Section A - New or Replacement Software and Hardware Requests

The IT related hardware and software built into the agency budget request using the Equipment schedule in NEBS. Projected prices for commonly requested hardware and software are included in the schedule. The Budget Division may adjust prices during the Governor Recommends phase of the budget building process.

Section B - Hourly Billable Services for Information Technology Labor (Application Support Services)

The EITS programmers and database administrators, built into the budget request using the EITS schedule.

Section C - Computer Facility Services, Internet, Server, and Application

The various Facility Computing services built into the budget request using the EITS schedule and web services and database hosting cost allocation schedules.

Section D - SilverNet Wide Area Network Services

The costs for establishing and maintaining connectivity to the state's SilverNet Data Communications Network built into the budget request with the EITS schedule and SilverNet cost allocation schedule.

Section E - Telephone Service, System and Communication Wiring (Telecommunications and Security Services)

The telecommunications and data wiring costs built into the budget request using the EITS schedule and by line item entry of non-schedule driven expenses (e.g., long distance, 800 toll-free, conference call).

Section F - Network Transport Services (Radio Microwave)

The communication systems support services and mobile communication ('two-way radio') services requested in the budget from the EITS schedule. This includes space in communication sites for individual agency radio equipment, dedicated communication circuits (microwave channels) for supporting mobile communication systems and high-speed data; coordination of mobile communication plans and service requests; and related communication, engineering, and maintenance services.

Section G - Summary of EITS Utilization by Decision Unit

Summarizes the utilization requested for EITS services using the various schedules in NEBS and reported in the various sections of the NEBS 900 report described above.

Contact EITS with any questions regarding EITS services or utilization projections. EITS's main number is (775) 684-5800.

Uniform Allowance

Nevada state employees who are required to wear a uniform are entitled to receive a uniform allowance. The allowance is equal to the cost of the uniform as well as any accessories such as whistles, flashlights and handcuffs. The budgeted uniform allowance can be delivered as a payroll check, a voucher or by direct agency issue. Each agency should budget for the total cost of the uniform allowance regardless of the method used to deliver that allowance.

Statutory/Administrative Authority

The 1985 Legislature created NRS 281.121 to ensure state employees who require uniforms for their employment are able to acquire them via a uniform allowance.

Application

Agencies are required to use the Uniform Allowance Schedule in NEBS (unless an exemption is provided by the Budget Division).

Uniform allowance amounts and eligible items are determined based on a negotiation process between the individual agencies and the Budget Division in the spring of each even-numbered year. The individual agencies submit the requirements of the uniformed staff and associated costs. Some examples of items may include boots, shoes, specific shirt and slack styles and colors, patches, badges, handcuffs, neckties, hats, jackets, leather duty belts, handcuff cases, chevrons, service stripes, gloves, warm-up suits, holsters, radio holders, baton holders, coveralls, rain gear, swim wear, flashlight holders, whistles and metal name tags. Upon completion of the rate negotiations, the uniform packages and corresponding rates are entered into the Uniform Allowance Schedule in NEBS by Budget Division staff for agency use in the budget building process. Agencies should attach their agency uniform policy and negotiated uniform spreadsheet at the schedule level as back-up and documentation purposes.

Agencies wishing to purchase items outside of the approved schedule or create a new schedule in the interim must work with the Budget Division prior to purchase or implementation. In most cases a newly created uniform schedule will not be considered unless submitted during the negotiation process each even-numbered year.

The negotiated Uniform Allowance consists of two components: replacement costs and new costs. The new

costs of a uniform are based on information provided by the agency in addition to a review of existing statewide/agency specific contracts, which have been completed under the auspices of the State Purchasing Division. The replacement costs are then based on the new costs divided by the life expectancy of each item.

Budgeting for the Uniform Allowance is done in category 01, Personnel Services, or category 29, Uniform Allowance. Category 01 is for cash payments made to employees via the payroll system and represents expenses for items the employee purchases and that have a customized feature to the specific employee (i.e., uniform shirts, slacks, or shoes). Category 29 is for items purchased directly by the agency and/or for the agencies that have implemented the voucher system to fund items that are less personalized (i.e., leather pouches, flashlights, handcuffs, etc.).

There are several advantages to using category 29 rather than the agency issuing a payroll check through category 01. If the agency does the procuring directly, uniforms and accessories are exempt from the payroll federal income tax (FIT), Medicare payroll assessment and the state sales tax because the state is making the purchase as opposed to the individual employee. Additionally, the agency will be able to take advantage of volume purchase pricing with applicable discounts, the uniforms will be more standardized and the dress code will be easier to enforce.

Adjusted Base Budget

When building the Agency Request Uniform Allowance, the agency uses the schedule established in NEBS and enters the total number of FTE positions who qualify for each uniform type (i.e., ranger, correctional officer, maintenance worker, lifeguard, etc.). **All uniform qualified employees, including vacant positions, are to be budgeted annually for replacement uniforms.** Therefore, if an agency has a uniformed staff of 250, the agency would budget for 250 replacement uniforms in both years

Budget Account Version - Uniform Schedule Details

Budget Account Version: 2023-2025 Biennium (FY24-25) | 3751 NDOC - ELY STATE PRISON | B01 BUDGET MANUAL UNIFORMS

Schedule: UNIFORM ALLOWANCE | Status: Complete | View Text and Attachments

Decision Unit: B000 BASE | Category: 29 AGENCY ISSUE UNIFORM | GL: Display All GLs

Action	DU	Catg	Uniform Group	Uniform Type	Y1-Count	Y1-Rate	Y1-Total	Y2-Count	Y2-Rate	Y2-Total
			44037 NDOC - CUSTODY - CLASS A - OTHER - AI NEW - Y1 \$358.18 Y2 \$358.18		0	358.18	0	0	358.18	0
	B000	29	NEVADA DEPARTMENT OF CORRECT... 44038 NDOC - CUSTODY - CLASS A - OTHER - AI REPLACE - Y1 \$67.95 Y2 \$67.95	REPLACE	250	67.95	16,988	250	67.95	16,988
	B000	29	NEVADA DEPARTMENT OF CORRECT... 44093 NDOC - MAINTENANCE - AI NEW - Y1 \$172.31 Y2 \$172.31		0	172.31	0	0	172.31	0
	B000	29	NEVADA DEPARTMENT OF CORRECT... 44094 NDOC - MAINTENANCE - AI REPLACE - Y1 \$72.63 Y2 \$72.63		250	72.63	18,158	250	72.63	18,158

This indicates an adjustment to "Base" for replacement uniforms.

This is the replacement package number selected from the drop-down menu.

This is the number of qualified unformed staff in the "Base" year.

of the biennium. This is illustrated in the NEBS sample screen above.

In addition, a documented turnover factor for unformed staff should be entered as new FTEs, which is based on the turnover factor for the different unformed staff in the base year. If the agency has a unformed staff of 250 and an estimated turnover rate of 11% for the class code, the agency would budget for 28 new uniforms (250 X 11% = 27.5) in both years of the biennium. In this case, the NEBS Uniform Schedule would be completed as illustrated in the NEBS sample screen below.

The total Uniform Allowance request in this adjusted base example is the total number of continuing FTE unformed positions, 250, plus 28 new FTEs due to the turnover factor. The NEBS schedule has a space for indicating which category is appropriate: Category 29 for agency-issued and voucher system and Category 01 for cash payment to employees. In our example, the agency purchases all of the uniforms for its employees, thus Category 29 is the correct usage category.

Maintenance/Enhancement Decision Units

The Uniform Allowance schedule will also be used when a new position is requested in either a maintenance or enhancement decision unit (the position must be of a class code that is eligible for a uniform). In the first year, a new uniform will be requested for each new employee and in the second year a replacement uniform amount will be requested. If there are sufficient new positions in the first year that could possibly be impacted by the turnover rate for the second year, the second year should also be budgeted for the new employees.

For example, the decision unit requests 25 new positions in year one. Therefore, 25 uniforms are requested in year one of the biennium and 25 replacement uniforms are requested in year two.

Budget Account Version - Uniform Schedule Details

Budget Account Version: 2023-2025 Biennium (FY24-25) | 3751 NDOC - ELY STATE PRISON | B01 BUDGET MANUAL UNIFORMS

Schedule: UNIFORM ALLOWANCE | Status: Complete | View Text and Attachments

Decision Unit: B000 BASE | Category: 29 AGENCY ISSUE UNIFORM | GL: Display All GLs

Action	DU	Catg	Uniform Group	Uniform Type	Y1-Count	Y1-Rate	Y1-Total	Y2-Count	Y2-Rate	Y2-Total
	B000	29	NEVADA DEPARTMENT OF CORRECT... 44037 NDOC - CUSTODY - CLASS A - OTHER - AI NEW - Y1 \$358.18 Y2 \$358.18	NEW	28	358.18	10,029	28	358.18	10,029
	B000	29	NEVADA DEPARTMENT OF CORRECT... 44038 NDOC - CUSTODY - CLASS A - OTHER - AI REPLACE - Y1 \$67.95 Y2 \$67.95		250	67.95	16,988	250	67.95	16,988
	B000	29	NEVADA DEPARTMENT OF CORRECT... 44093 NDOC - MAINTENANCE - AI NEW - Y1 \$172.31 Y2 \$172.31		28	172.31	4,825	28	172.31	4,825
	B000	29	NEVADA DEPARTMENT OF CORRECT... 44094 NDOC - MAINTENANCE - AI REPLACE - Y1 \$72.63 Y2 \$72.63		250	72.63	18,158	250	72.63	18,158

This indicates an adjustment to "Base" for new uniforms.

This is the new uniforms package number selected from the drop-down menu.

This number is based on the turnover rate for new staff uniforms in the "Base" year.

In addition, the turnover rate is 11%; therefore, 3.0 positions ($25 \times 11\% = 2.75$) should be requested for new uniforms in the second year of the decision unit. This is illustrated in the NEBS sample screen below.

Any *new* packages negotiated and approved by the Budget Division must be then requested through an enhancement decision unit.

Budget Account Version - Uniform Schedule Details

Budget Account Version: 2023-2025 Biennium (FY24-25) | 3751 NDOC - ELY STATE PRISON | B01 BUDGET MANUAL UNIFORMS

Schedule: UNIFORM ALLOWANCE | Status: In Progress | View Text and Attachments

Decision Unit: E225 EFFICIENCY & INNOVATION | Category: Display All Categories | GL: Display All GLs

Action	DU	Catg	Uniform Group	Uniform Type	Y1-Count	Y1-Rate	Y1-Total	Y2-Count	Y2-Rate	Y2-Total
	E225	29	NEVADA DEPARTMENT OF CORRECT...	44037 NDOC - CUSTODY - CLASS A - OTHER - AI NEW - Y1 \$358.18 Y2 \$358.18	25	358.18	8,955	3	358.18	1,075
	E225	29	NEVADA DEPARTMENT OF CORRECT...	44038 NDOC - CUSTODY - CLASS A - OTHER - AI REPLACE - Y1 \$67.95 Y2 \$67.95	0	67.95	0	25	67.95	1,699

This indicates an enhancement decision unit for new uniforms for new positions being requested in Year 1.

This is the new and replacement uniforms package numbers selected from the drop-down menu.

25 is the number of new uniforms for the new positions being requested in the decision unit.

25 is the number of replacement uniforms for the new positions being requested in Year 2.

3 is the estimated turnover rate for the 25 new positions being requested in the enhancement decision unit.

Cost Allocations

Statewide cost allocations represent recovery of costs from non-General Fund sources for statewide general administrative functions provided by central services agencies. Agency-specific cost allocations enable agencies to charge for services provided in one budget account to other budget accounts such as Director's Office or Administrative Services costs.

Statutory/Administrative Authority

Per NRS 353.331 the Director of the Governor's Finance Office shall annually prepare a statewide cost allocation plan distributing service agency indirect costs among the various agencies in accordance with the principles and procedures established by federal regulations and guidelines.

The authority for agency-specific cost allocation requests is implied in NRS 353.150 through NRS 353.246, the State Budget Act.

Application

Cost allocations are schedule-driven in NEBS. The Budget Division enters the amounts in the statewide cost allocation plan (SWCAP) and Attorney General cost allocation plan (AGCAP) schedules and the agency users distribute the costs appropriately. Agency specific cost allocations must be updated by agency users. Expenditures in these schedules are based on the total revenue needed to support the cost allocated budget.

Statewide Cost Allocation Plan Assessment (SWCAP)

The SWCAP represents recovery of costs for statewide general administrative functions provided by central services agencies such as the Budget Division, Office of the State Controller, Office of the State Treasurer, Internal Audits Division, etc. These agencies provide budgeting, accounting, auditing, and other administrative services to state agencies and are supported by the General Fund. These services benefit not only General Fund programs, but also programs supported by federal funds and other funds (i.e. fees, licenses, user charges, etc.). The state uses the SWCAP to recover an equitable share of the central services costs from the non-General Fund sources.

The SWCAP apportions the costs of providing centralized administrative services to all state agencies that benefit from the services in accordance with federal cost reimbursement policies. The apportioned amounts are allocated to each agency on the basis of workload factors (i.e. budget hours, audit hours, accounting transactions, number of FTE positions, etc.) related to the particular service provided. Adjustments are made in arrears and are also based on workload factors related to the service provided and allocated to all agencies. While all agencies that utilize the services of the central services agencies are included in the cost allocation plan, only agencies funded, in whole or in part, by non-General Fund sources have the SWCAP assessment included in their biennial budget. The SWCAP is allocated based on the percent share of non-General Fund sources within the budget account.

Agency users may move amounts between budget accounts if appropriate¹ and must enter the percentage of chargeable funds in the **Distribute Cost Allocations** screen in NEBS. The adjustment column is available to move a cost allocation from one budget account to another, but the total of the adjustment column must net to zero (see the example displayed on the next page). The "% Chargeable Funds" column on the SWCAP schedule indicates how much of the budget can be charged for central administrative costs. For instance, a budget account funded entirely by the General Fund will have 0% chargeable funds and a budget account funded 25% General Fund, 50% fees, and 25% federal funds will have 75% chargeable funds.

Attorney General Cost Allocation Plan Assessment (AGCAP)

The AGCAP represents recovery of costs for legal and investigative services provided by the Office of the At-

¹ For example, the SWCAP charges assessed to Motor Pool's Vehicle Purchase budget account would be transferred to Motor Pool's Operating budget account.

Edit Cost Allocations

Budget Period: 2017-2019 Biennium (FY18-19)
 Version: A00 AGENCY REQUEST AS SUBMITTED
 Allocation: STATEWIDE COST ALLOCATION (SWCAP)

Status: COMPLETE

Adjustment column must net to \$0.

Line #	Budget Account	BA Description	DU	Allocation		Adjustment		
				Year 1	Year 2	Year 1	Year 2	Year 1
1	1354	ADMINISTRATION - FLEET SERVICES	B000	101,041	99,972	3,582	3,582	104,6
2	1356	ADMINISTRATION - FLEET SERVICES CAPITAL PURCHASE	B000	3,582	3,582	-3,582	-3,582	
Totals:				104,623	103,554	0	0	104,6

torney General to state agencies as well as administrative expenses of the office. The apportioned amounts are allocated to each agency on the basis of attorney hours spent on each state agency as recorded in the Office of the Attorney General’s time reporting and accounting system. The base allocation is calculated using the base attorney hours used and the allocable costs in the Attorney General administrative budget. Adjustments are made to individual agency allocations for the difference between the budget hours utilized in the previous biennium’s plan and the actual hours spent providing services in that biennium.

All agencies utilizing the services of the Office of the Attorney General will have the full cost of the allocation in their budget which should be funded on a proportionate share of the funding in that budget, i.e. General Fund, federal funds and fees. For instance, a budget account funded entirely by the General Fund will have 100% chargeable funds and a budget account funded 25% General Fund, 50% fees, and 25% federal funds will also have 100% chargeable funds with the appropriate funding resources as the offset. The funding percentages will be used for mapping and determining the funding for category 89 - AGCAP.

As with SWCAP, you may move amounts between budget accounts if appropriate and must enter the percentage of chargeable funds in the **Distribute Cost Allocations** screen in NEBS. The adjustment column is available to move a cost allocation from one budget account to another, but the total of the column must net to zero. The “% Chargeable Funds” column on the AGCAP schedule indicates how much of the budget can be charged for central administrative costs.

Agency-Specific Cost Allocations

Agency-specific cost allocations enable agencies to charge for services provided in one budget account to other budget accounts such as Director’s Office or Administrative Services. A separate schedule is created in NEBS for each individual agency-specific cost allocation. The Budget Officer responsible for the budget account receiving the funds initially sets up the required cost allocation schedule. The agency’s expenditure information is entered into the schedule and revenue information in the **Line Item** screen.

For each maintenance and enhancement decision unit in a cost allocated budget, corresponding decision units must be developed in all budget accounts that contribute to its funding. **Contributing accounts are to use an M-800 series decision unit to fund maintenance requests and an E-800 series decision unit to fund enhancement requests for the cost allocated account.** The Budget Divi-

Schedule Details

Budget account funded through a cost allocation for providing service(s) to other budgets.

Budget accounts receiving service(s) from the cost allocated budget.

Line #	Budget Account	DU	Catg	GL	Year 1	Year 2		
1	4551	B000	82	7398	633,498	641,523		
2	4551	M800	82	7398	-179,878	-220,644		
3	4551	E801	82	7398	256,293	281,699		
Total Revenue:					690,696	702,578		
Total Expenditure:					709,913	702,578		
Difference:					-19,217	0		

Out of balance indicator.

sion will adjust these decision units during the *Governor Recommends* phase of the budget process as necessary.

Worksheets must be developed to reconcile the decision units in the contributing accounts to the cost allocated account's budget request. Attach these worksheets to the maintenance and enhancement requests in NEBS. Be sure to identify any funding the cost allocated account receives from other sources, such as federal grants, to ensure the projected revenues and expenditures are balanced. Refer to the cost allocation summary template located on the Budget Division's website.

The screen shot on prior page demonstrates an agency-specific cost allocation schedule. It is recommended that General Fund and/or Highway Fund allocations be budgeted in the paying agency budget account. See your assigned Budget Officer regarding agency specific cost allocation.

Budget Accounts Partially Allocated to Other Budget Accounts

When budget accounts are partially allocated to other budget accounts, the allocations can be existing or new and the process for each is as follows:

If allocations are existing (legislatively approved), use Base and M-150 to display costs. If allocations are new, use the E-800 series. The amounts in both the paying accounts and receiving accounts are shown in aggregate and should not to be broken out in other enhancement units.

NOTE: If salaries are being allocated, do not break out salaries between maintenance and enhancement decision units. For example, do not breakout benefits in M-300 that are associated with an allocated position and move the costs to an M-800 (M-300 isn't displayed in NEBS by position). Similarly, do not breakout costs associated with an allocated position in the E-670 series and move them to an E-800 (salary reductions/furloughs are not displayed in NEBS by position as the reduction is included in the Base salary). Breaking out salaries from M-300 and the E-670 series and moving to M-800 and E-800 would require manual calculations; be extremely time consuming; increase the potential for errors; and adds no value. The

final salary is allocated in aggregate in Base and M-150 if the allocation is pre-existing, or the allocation in aggregate in E-800 if the allocation is new.

Summary of Cost Allocations

- Historically, SWCAP and AGCAP have not been updated during the Agency Request phase of the budget cycle due to the timing of the approval of the SWCAP and AGCAP.
- For the 2023 - 2025 Biennium, SWCAP and AGCAP will be updated by August 1, 2022.
- The SWCAP represents recovery of costs from non-General Fund sources for statewide general administrative functions provided by central services agencies.
- The AGCAP represent recovery of costs from both General Fund and non-General Fund sources for statewide general administrative functions provided by central services agencies.
- Agency users may move SWCAP and AGCAP amounts between budget accounts if appropriate in the **Distribute Cost Allocations** screen in NEBS. The total of the adjustment column must net to zero.
- Agency users must enter the percentage of chargeable funds in the **Distribute Cost Allocations** screen in NEBS.
- Agency-specific cost allocations such as Director's Office or Administrative Services costs enable agencies to charge for services provided in one budget account to other budget accounts. It is recommended that agencies use the cost allocation summary template to determine these costs.
- A corresponding M-800 and E-800 series decision unit must be developed in all budget accounts with maintenance and enhancement decision units requested in a cost allocated budget.

Inflationary Adjustments

An inflationary adjustment, as it pertains to the state budget, is the amount added to projected expenditures that represents the state's estimate of future cost increases for those items or services. Planning for inflation of certain items allows the state to appropriately reflect the potential impact of expected price increases on the cost of government operations.

Statutory/Administrative Authority

While no specific statutory directive exists requiring the state budget be held harmless with respect to inflation, the Governor does approve statewide general inflationary adjustments when deemed appropriate. In addition to the statewide inflationary adjustments approved by the Governor's Office, state agencies may request agency-specific inflationary adjustments in an M-101 decision unit. These requests are reviewed and may be approved by the Budget Division.

Purpose

Inflationary adjustments allow agencies to account for expected future incremental cost increases over the actual base budget expenditures for specific goods and services. The Budget Division determines which goods and services will receive an inflationary adjustment and the appropriate level of inflation to apply to those items. That amount will likely be a percentage similar to, or reflective of, the projected consumer price index (CPI) and will be added to the base budget for each year of the next biennium. General inflationary adjustments will be reflected in a pre-established maintenance decision unit within your budgets.

Application

Statewide General Inflationary Adjustments Initiated by the Budget Division

The Budget Division calculates statewide general inflationary adjustments authorized by the Governor and includes them in an M-100 decision unit in NEBS. After the inflation factors are applied on a statewide basis in NEBS, line items will be created in M-100. The decision unit will need to be balanced with the appropriate revenue source during the Agency Request phase of the Executive Budget.

Some examples of statewide general inflationary adjustments that may appear in M-100 decision unit include:

- Rate Changes (employee bond insurance, Attorney General tort claim assessment, Buildings and Grounds rent, Fleet Services monthly vehicle charges, property and contents insurance, agency-owned vehicle insurance, Enterprise Information Technology Services Division (EITS) services, etc.)
- Cost Allocations and Assessments (Statewide Cost Allocation Plan, Attorney General Cost Allocation, Purchasing assessment, EITS assessments, etc.)
- Utilities (electricity, natural gas, water, etc.)

See the Inflationary Adjustments section of the NEBS Manual for an example of an M-100 adjustment.

Agency-Specific Inflationary Adjustments Initiated by Agencies

While there is no guarantee the Governor will concur with your agency's request, special inflationary adjustments for expenditures that are unique to your agency may be requested in an M-101 decision unit. These requests must be accompanied with adequate justification and documentation supporting the requested increase and the methodology used to develop the estimates. Some examples of agency-specific inflationary adjustments that may appear in M-101 are:

- Pharmaceuticals for patients
- Food for inmates or clients
- Aggregate for the Department of Transportation
- Raw materials for Prison Industries

Similar to the next chapter for caseload, agency-specific inflationary adjustments may have an M-150 component to the calculation. The M-150 adjustment accounts for an increase/decrease in the work program year over base by increasing/decreasing expenditures and revenue attributed to caseload changes. This is done to adequately project expenditures and revenue to the start of the new biennium. Most adjustments to costs are cumulative to account for the increase year-over-year. For example, base expendi-

tures of \$2,000 for pharmacy expenses are projected to increase in the work program year by 3% (\$60.00). The increase is projected to continue in the next biennium by 3% in the 1st year of the new biennium ($2,060 \times 3\% = \$61.80$) and also in the second year of the biennium ($\$2,121.80 \times 3\% = \63.66). It is necessary to adjust the base expenditure using the M-150 for the work program year to add the \$60 to the base year to adequately project expenditure/revenue for the start of the new biennium.

Base year cost - \$2,000
 M-150 WP Year – \$2,060
 Year 1 M-101 cost – \$2,122 (Rounded)
 Year 2 M-101 cost - \$2,185 (Rounded)

The total calculated increase using the M-150 to increase base for the work program year and M-101 for the first and second years of the biennium is \$60.00 (work program year in M-150) + \$61.80 (1st year in M-101) + \$63.66 (2nd year in M-101) = \$185.46.

See the Inflationary Adjustments section of the NEBS Manual for an example of an M-101 adjustment.

Summary of Inflationary Adjustments

- **Agencies are not to submit a request for “general inflationary adjustments.”**
- The Budget Division will calculate and apply state-wide general inflationary adjustments authorized by the Governor to an M-100 decision unit in NEBS.
- It is imperative all base year actual expenditures are charged to the appropriate standardized object code (a.k.a. general ledger number) to ensure inflationary adjustments are calculated and applied accurately in agency budgets.
- Special inflationary adjustments for expenditures that are unique to an agency may be requested in an M-101 decision unit.
- Agency-specific inflationary requests must be substantiated with adequate justification and documentation that specifically support the increase requested and the methodology used to develop the estimates.
- Agencies are responsible for balancing their revenues for inflationary adjustments.

Demographic and Caseload Changes Decision Unit M-200

This decision unit provides for the incremental cost of providing existing services to an increased/decreased number of clients. Only agencies with pre-approved caseload formulas are authorized to use the M-200 decision unit series once their Base caseload is adjusted in M-150 based on applicable activities.

Authorized Use

Currently, the following are the only state agencies with a legislatively approved formula authorizing them to request funding for caseload changes:

- Department of Education
- Nevada System of Higher Education
- Charter School Authority
- Division of Health Care Financing and Policy
- Division of Welfare and Supportive Services
- Division of Child and Family Services
- Aging and Disability Services Division
- Division of Public and Behavioral Health
- Department of Corrections
- Division of Parole and Probation
- Public Employees Benefits Program

All other agencies must submit demographic requests via an enhancement in their Agency Request budget. Some agencies may have M-200 units in their budgets, but do not use the caseload schedule to develop those units.

Statutory/Administrative Authority

The authority for this request is implied in NRS 353.150 through NRS 353.246, the State Budget Act.

Application

There are two parts to the calculation of caseload changes. The first is the annualization of the expenditures, which is included in M-150 or adjusted base. The purpose of the M-150 in this chapter is to account for an increase/decrease in the work program year over the base year by increasing/decreasing expenditures and revenue attributed to caseload changes. This is done to adequately project expenditures and revenue to the start of the new biennium. Most adjustments to costs are cumulative to account for the increase year-over-year.

The M-150 adjustment is the lower of the legislatively approved authority **OR** the projected legislatively approved caseload through the second year of the current biennium. In other words, the M-150 adjustment can not bring the budgeted caseload above the work program year authority.

The caseload calculation is the projected population (count) multiplied by the rate (average cost per client) less adjusted base (Base and M-150). Projections should be based on a formula approved by the previous legislature. This could be in the form of a contracted service, calculations provided by the State Demographer, regression analysis, historical trending, etc.

For example, the legislatively approved caseload is 4,000 clients with a rate of \$200 per client for the year, or 800,000 in costs. Actual population is only 3,000 of the 4,000 clients equaling \$600,000 in actual expenditures for the base year. It is anticipated services will continue for the caseload at 3,500 for the work program year with costs of \$700,000. The M-150 adjustment for the increase in caseload of 500 clients over the number of clients in the base year totals \$100,000, which is still below the legislatively approved caseload costs of \$800,000. The base and M-150, or \$700,000, is the starting point for the next biennium.

The second part calculates the change in the caseload using M-200 through M-220 decision units for Year 1 and Year 2 in NEBS. Using the above example, the agency has already determined the projected average annual population starts at 3,500 and the projection indicates that the agency will be serving 3,750 in Year 1 and 4,150 in Year 2. Therefore, the M-200 should reflect an increase of 250 clients ($3,750 - 3,500 = 250 * \$200 = \$50,000$) in Year 1 and 400 ($4,150 - 3,750 = 400 * \$200 = \$80,000$) clients in Year 2. Note that M-200 only accounts for changes in the client count and not the rate of service. **Rate change requests are reflected in the agency specific inflationary M-101 decision unit.**

Where multiple caseloads exist in one budget account, each caseload will be accounted for in separate decision

units. For example, if there are three caseloads in one budget account, the Year 1 and Year 2 changes will be built in M-200, M-201 and M-202 with the work program year changes in M-150 for all three caseloads.

Note: Examples used in this section are simplistic. Some caseload scenarios can be extensive and complex. The agency's Budget Officer can assist in navigating this process.

A caseload can also drive the need for additional staffing. For instance, if an agency has a legislatively approved caseload ratio of employees per clients served and the projected caseload increases, the need for additional staffing (personnel and associated costs) would be included in the M-200. Therefore, most of the schedules in NEBS could potentially be used during the construction of an agency's M-200. Agencies must determine the requirements of any new positions such as uniforms, supplies, office space, training, equipment, telephones, computers, e-mail, etc. The M-200 decision unit needs to incorporate all of the expenditures required for the agency to complete its mission based on the increase in clientele.

Conversely, a reduction in projected caseload would produce a negative amount. For instance, a decline in the number of clients from 100 to 75 would result in a negative amount in an M-200 decision unit to account for the difference of 25 clients under the amount budgeted at current levels in base.

Whether pre-approved or not, all computations explaining the assumptions and methodology used to determine caseload and population changes must be documented and justified. **Supporting materials and calculations must be attached electronically at the decision unit level in the Account Maintenance tab.**

Service Levels

The current service level is defined as the cost to continue the existing legislatively approved program into the next biennium. To the extent funding is available, agencies should build budgets based on the current service level for each program, as adjusted for any phased-in changes made during the current biennium as well as statewide inflation, any agency specific inflation and any pre-approved caseload growth.

If funding is not available to maintain the current service level, agencies must reduce expenditures to accommodate available funding. This includes programs funded by federal and other revenues where the revenues are pro-

jected to be insufficient to maintain the current service level or where federal funding for a program has been reduced.

Agencies proposing to increase the current service level must do so by including the request in an enhancement decision unit.

Federal Mandates, Court Orders, and Consent Decrees

Federal mandates and court orders are laws or legal decisions that affect the daily operations of state agencies. Examples of federal mandates include the Affordable Care Act, the Every Child Achieves Act of 2015, the Health Insurance Portability and Accountability Act (HIPAA), the Surface Transportation Reauthorization and Reform Act, and the federal regulations enumerated in the Code of Federal Regulations (CFR). Consent decrees are settlements of either criminal or civil cases where the state agrees to take specific actions and the settlement may be monitored by the court for some period of time.

Statutory Authority

The statutory authority for federal mandates varies with each mandate. Mandates can be found in the United States Code (USC) or Code of Federal Regulations (CFR). A mandate also could come in the form of a presidential executive order. Access to all three of these sources is via the U.S. Government Publishing Office's website at www.govinfo.gov. The authority for court orders and/or consent decrees is found in the final decision made by the court or judge overseeing that particular case.

Consent decrees require compliance with the settlement agreement until the court dismisses the decree. This dismissal often occurs after state or federal laws are changed to effect the same result as the decree.

Application

There are budgetary impacts in complying with federal mandates, court orders or consent decrees that program and fiscal staff need to consider when building the agency's budget. Many times, compliance with mandates, court orders and consent decrees involves the addition of staff and associated travel, operating, equipment, and training expenditures.

Within the Executive Budget, cost impacts associated with federal mandates are established via maintenance decision units M-501 through M-597. Cost impacts associated with court orders or consent decrees are established via maintenance decision units M-600 through M-609.

As with all decision units, an agency is required to substantiate its request with adequate justification and backup documentation. The name of the federal mandate, court order, or consent decree; the location where the reader can find the full text of the ruling (i.e. document attachment or Internet link); and a copy of the document must be included with the Agency Request. In addition, agencies must

provide a spreadsheet(s) or similar documentation detailing the assumptions and calculations used in developing the request. Remember, text associated with the justification and documentation should be entered into NEBS via the notes function at the decision unit level. Notes should be entered at the object code level when needed to clarify specific object coded entries that would otherwise be lost if entered at the decision unit level.

It is imperative agencies use maintenance decision units established for federal mandates, court orders and or consent decrees only when they are certain they have costs that apply. Agencies should consult their assigned Executive Branch Budget Officer prior to including the M-501 or M-600 series in the Agency Request to ensure the proper decision unit is being used and to ensure that the agency has correctly determined a new fiscal impact is the result from the federal mandate, court orders and or consent decree.

There are several budgetary issues the agency must consider when contemplating the request for a decision unit for federal mandates, court orders and or consent decrees. They may include the following:

1. Will the federal mandate, court order and or consent decree require the agency to hire new staff? If so:
2. What personnel-related costs would be required?
 - a. Salaries and other payroll costs?
 - i. How many new positions will be required?
 - ii. What type of positions (class, grade and step)?
 - iii. When will the positions be needed?
 - iv. How long will the position be needed? (As previously noted, a consent decree may be time-limited).
 - v. Where will the staff be stationed or located?
 - b. Will travel be required?
 - i. Who will need to travel?
 - ii. For what purpose will travel be needed?
 - iii. Where will travel occur?
 - iv. When will travel occur and for how long?

- c. What operating costs will be needed?
 - i. Supplies?
 - ii. EITS and state provided phone services?
 - iii. Mail services?
 - iv. Insurance?
 - v. Fleet Services or other vehicle costs?
 - vi. Will additional building rent expense be required?
 - vii. Contract services?
- d. Other operating costs?
- e. Increased utility costs?
- f. What new equipment will be required?
 - i. PCs for each position or will resources be shared?
 - ii. Furniture?
 - iii. Phones?
- g. Miscellaneous office equipment?
- h. Will training be required?
- i. Will information services from EITS be required?
 - i. Which ones?
 - ii. How much?

Other considerations may include:

- a. Will there be any other non-personnel related costs required to meet the conditions of the mandates?
- b. Will caseloads/client services be affected? **(Case-load increases or decreases resulting from a federal mandate, court order, or consent decree must be represented in an M-501 series or M-600 series decision unit, separate from regular caseload changes that are budgeted in an M-200 series decision unit.)**
- c. Will there be a need for building remodel or improvements?
- d. Is a new building or additional leased space required?
- e. Is there a need for additional equipment?

These are just some of the items that should be considered when contemplating the request for funding to comply with federal mandates, court orders and or consent decrees. This is by no means a complete list and agencies are encouraged to discuss mandate compliance costs with the Budget Division early in the budget process.

Position Reclassifications

A position reclassification is a reassignment or change in allocation of a position by raising it to a class with a higher grade, reducing it to a class with a lower grade, moving it to another class at the same grade, moving it to unclassified service, or changing the unclassified class code or title on the basis of significant changes in kind, difficulty, or responsibility of the work performed. A reclassification must be based on significant changes in the type, difficulty or responsibility of the work performed and documentation must be provided stating the conditions which necessitate the reclassification.

Statutory/Administrative Authority

The authority for this request is implied in [NRS 353.150](#) through [NRS 353.246](#), the State Budget Act.

Application

Reclassifications apply to single positions as described above. If a request is to revise the compensation for one or more series of positions, this is considered a **Compensation Plan Adjustment** and must be submitted separately from the Agency Request Budget. Proposed compensation plan adjustments (e.g., increasing the Social Worker classifications by one grade) must be submitted for consideration, along with justification supporting the request, to the Budget Division by June 1, 2022. Any approved changes will be included with the Governor Recommends Budget as a separate enhancement. There is no guarantee a submitted proposal will be approved.

Requests for reclassifications of *classified positions must be submitted in decision units E-805 through E-809*, and all requests for salary or title changes of *unclassified positions must be submitted in decision units E-815 through E-819*. Narrative justification must indicate which position is being requested for reclassification and the conditions which necessitate the reclassification.

For each position reclassification requested, the NPD-19 **must have the signature of the appointing authority and the employee if applicable, along with the associated decision unit number identified in the upper right-hand corner. Appropriately label and attach a scanned copy of the NPD-19 at the decision unit level.**

Note: If the reclassification is ultimately approved by the legislature, the Budget Division will approve the request in SuccessFactors to start the approval flow process. Agencies should not send the NPD-19 forms directly to DHRM, as they will be using the process created in SuccessFactors.

Reclassification Decision Unit

The user can establish the appropriate decision unit in the Account Maintenance tab or within the position tab, by choosing the reclass option, to isolate the net effect of the reclassification. To achieve this within the position tab, select the position to be reclassified, choose the reclass option and select or create the appropriate decision unit for the classified or unclassified position. NEBS will create the position as an exact opposite (creating the negative position) and update the decision unit with the new classification (a positive position). A step-by-step example follows for a classified position.

This exercise will show how to reclassify a Management Analyst 2 to a Management Analyst 3.

The following steps are completed in the Positions Tab:

- Click on the desired position then click the “reclass” option within the menu. See the below image with an arrow identifying the reclass icon. The system will create an exact negative copy of the selected position(s) in the target DU.
- The Reclass Position screen will open as shown on the next page. Complete all fillable fields except for “Man. Annl. Sal” and “Cola Sal.”
- Select the appropriate decision unit or add a decision unit if one has not been created.
- Select the start date (for reclassifications this is usu-

Action	DU	PCN	Funding Group	Class	Class Description	Type	Grade	Step	Adj
	B000	000001	CAP 100% DIRECTOR'S OFFICE CO...	U4902	DIRECTOR, ADMINISTRATION	Existi...	99	99	0
<input checked="" type="checkbox"/>	B000	000002	GF 100% GENERAL FUND WOMENS...	07625	MANAGEMENT ANALYST 2	Existi...	35	8	0

- Select the anniversary date of current incumbent. If position is vacant leave blank.
- Select the type of position to identify the status. This should mirror the original position type.
- Select funding group associated with this PCN.
- Select retirement code of current incumbent. If position is vacant select “1 Regular.”
- Select requested new class for PCN.
- If the position reclassification request increases/decreases more than two grades, an adjustment to the steps may be necessary. Check with your assigned payroll clerk for questions on this topic.
- Input a “1” in year 1 and year 2 for FTE, if costs are expected to continue throughout the biennium.
- Verify all information and click “Reclass.”
- All FTE counts for decision units E-805 through E-809 must net to zero (see image on the next page).
- The final step is to recalculate the payroll – click the “Recalc Payroll” button.
- Once the payroll has been recalculated, click “Close” on the Payroll Recalculation Results screen.
- When NEBS returns to the Positions tab, click on the Line Item tab to view to the decision unit line items.
- From the decision unit drop-down menu select E-805 to see the isolated net costs of the proposed reclassification, add a line item and balance the decision unit with the appropriate funding source (see image on the next page).
- Save all changes.

Reclass Positions

Select a target DU below. This system will create an exact negative copy of the selected position(s) in the target DU. It will also create a new, positive copy of the selected position(s) that includes the updated values specified below.

Target Decision Unit: **E805 CLASSIFIED POSITION CHANGES**

Budget Period: 2021-2023 Biennium (FY22-23)

Budget Account: 1337 ADMINISTRATION - DIRECTOR'S OFFICE

Version: MR1 TEST

Decision Unit: B000 BASE

Positions: 1 Positions

DU	PCN	Class	Class Description	Type	Grade	Step
B000	000002	07625	MANAGEMENT ANALYST 2	Existing	35	8

Start: July 2021 End: June 2024

Anniversary: May

Type: Existing

Funding Group: GF 100% GENERAL FUND WOMENS COV

Retirement Code: 1 REGULAR

Class: 07624 MANAGEMENT ANALYST 3 Default Grade: 37

Override Grade: Step: Salary Adjustment:

	Actual	Work Pgm.	Year 1	Year 2
FTE:			1	1
Man. Annl. Sal.:				
COLA Sal.:			*	*
Merit Increase:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health Ins.:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Partial: If checked, the position sharing the expense must be specified in the text for the position.

Summary	Line Items	Schedules	Positions	Mapping	Acct. Maint.												
Decision Unit: E805 CLASSIFIED POSITION CHANGES		Class: Display All		View: Basic		Recalc Payroll											
Add...	Update...	Reclass...	Copy...	Transfer...	Delete...												
Action	DU	PCN	Funding Group	Class	Class Description	Type	Grade	Step	Adj	FTE				Start		End	
										Act	WP	Yr1	Yr2	Month	Year	Month	Year
	E805	000002	GF 100% GENERAL FUND WOM...	07625	MANAGEMENT ANALYST 2	Existi...	35	8	0	0.00	0.00	-1.00	-1.00	Jan	2019	Jun	2024
	E805	000002	GF/CAP 50/50 Cost Allocation GF	02211	ADMIN ASSISTANT 3	Vacant	27	1	0	0.00	0.00	1.00	1.00	Jul	2021	Jun	2024

Summary	Line Items	Schedules	Positions	Mapping	Acct. Maint.						
Add Line Item		Decision Unit: E805 CLASSIFIED POSITION CHANGES		Synchronize Actuals to DAWN		Edit Actual/WP					
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2	Change	Schedule
	E805	00	2501	APPROPRIATION CONTROL	0	0	-39,656	0	-41,090	0	- None -
	E805	01	5100	SALARIES	0	0	-25,647	0	-26,509	0	PAYROLL
	E805	01	5200	WORKERS COMPENSATION	0	0	26	0	-4	0	PAYROLL
	E805	01	5300	RETIREMENT	0	0	-13,069	0	-13,578	0	PAYROLL
	E805	01	5400	PERSONNEL ASSESSMENT	0	0	0	0	0	0	PAYROLL
	E805	01	5500	GROUP INSURANCE	0	0	0	0	0	0	PAYROLL
	E805	01	5700	PAYROLL ASSESSMENT	0	0	0	0	0	0	PAYROLL
	E805	01	5750	RETIRED EMPLOYEES GROUP INS...	0	0	-557	0	-578	0	PAYROLL
	E805	01	5800	UNEMPLOYMENT COMPENSATION	0	0	-37	0	-36	0	PAYROLL
	E805	01	5840	MEDICARE	0	0	-372	0	-385	0	PAYROLL
	E805	04	7050	EMPLOYEE BOND INSURANCE	0	0	0	0	0	0	PAYROLL
	E805	04	7054	AG TORT CLAIM ASSESSMENT	0	0	0	0	0	0	PAYROLL
	E805	26	7554	EITS INFRASTRUCTURE ASSESSM...	0	0	0	0	0	0	PAYROLL
	E805	26	7556	EITS SECURITY ASSESSMENT	0	0	0	0	0	0	PAYROLL
Total Revenue					0	0	-39,656		-41,090		
Total Expenditures					0	0	-39,656		-41,090		
Difference					0	0	0		0		

Reorganization

Reorganization is a significant change in the duties for a position(s) or an Agency's organization that may require the reclassification of an existing position(s), the reallocation of an existing class, or the creation of a new class.

Statutory/Administrative Authority

NRS 232.005: Powers and duties of the director or chief executive officer include transfer of personnel within the department. The director or chief executive officer of each of the departments established by law within the Executive Branch of State Government shall conduct such investigations and studies as he or she deems necessary to determine the most efficient and economical use of the personnel of the department. The director or chief executive officer may transfer the personnel of one or more divisions of his or her department to one or more other divisions if he or she finds that such transfer will result in a greater utilization of personnel, produce a more efficient operation of the department, result in economies within the department or improve the organization of the department.

Application

When requesting an enhancement decision unit within the Agency Request submittal relating to a potential agency reorganization, the agency must meet at least once with their assigned Budget Officer prior to including any reorganization decision units in their Agency Request budget. A white paper will be needed to fully identify and document the following considerations:

1. The conditions that created the need for reorganization.
2. The responsibilities added to the existing organization's mission/purpose, the assigned positions and how the responsibilities and positions would benefit the agency.
3. The duties of the altered position(s) and if a corresponding reclassification will be required.
4. Other positions affected by the reassignment, change, or addition of new position(s). Prepare new staffing charts and comparative staffing patterns for all affected divisions including current organizational charts.
5. Costs associated with the reassignment, change, or addition of new position(s). Include the net fiscal impact for personnel costs as well as ancillary costs associated with the reclassification(s).
6. The source of funding for additional operating costs, both in the current biennium and future biennia.

7. Potential cost savings and efficiencies associated with the reorganization. Where cost savings are noted, provide a full description of all modeling assumptions, methodologies, and calculations used in developing savings projections.

Upon completion of the evaluation, all supporting documentation must be attached in the Accounts Maintenance tab at the decision unit level including the proposed organizational chart. Justification for such an enhancement must be compelling and complete. It must address the "who, what, where, when, why, and the consequences or benefits" of such a reorganization. Decision unit costs must coincide with the time frame to implement the reorganization. Remember the decision unit selected must fit within the Governor's statewide strategic priorities; therefore, the new organizational structure will dictate the appropriate decision unit number.

Examples of potential reorganization requests may include:

- Merging two agencies or organizations into a single organization
- Merging units within an organization into a single unit
- Splitting a larger unit within an organization into two or more smaller units
- Merging a function/unit within another organization into your organization

Each of these examples requires extensive analysis and documentation for:

- Potential/expected organizational efficiencies to be gained
- Potential cost savings
- Potential cost increases
- Personnel requirements (reclassifications, eliminations, lines of authority, etc.)
- Impacts to agency's customers
- Time frame to complete the transition
- Potential relocation or building modifications impact
- Identification of potential issues that may be encountered due the reorganization
- Program challenges associated with the reorganization, impact on quality of service (who would benefit from the re-organization and who would be negatively impacted or object to the re-organization), etc.

New Position

This section describes the process for adding a position that does not exist in the agency's base budget.

Statutory/Administrative Authority

The authority for this request is implied in NRS 353.150 through NRS 353.246, the State Budget Act.

Sections 2542 through 2544 of the State Administrative Manual (SAM) details the established line of authority for position control, and delineates the responsibilities of the Division of Human Resource Management (DHRM) and the Budget Division with regard to position reclassification activities. Neither the Budget Division nor the Legislature determines the ultimate classification of a requested position transaction. DHRM is solely responsible for determining the proper classification of each new or reclassified position in classified service.

Application

When determining whether a decision unit should be created in Agency Request for a new position, you must evaluate the following:

- Identify the conditions that created the need for the new position (court order, caseload, consent decree, federal mandate, workload, reorganization, etc.).
- Identify the responsibilities needed for the new position to support the agency's existing mission and purpose and how the agency will benefit.
- Identify all other positions affected by the addition of new position(s). Prepare new staffing charts and comparative staffing patterns for all affected divisions. This should also include a current organizational chart.
- Identify costs associated with the addition of new position(s). Include the net fiscal impact not only for salary and fringe benefit costs but also ancillary costs (furniture and equipment, travel needs, training needs, authorized uniforms, office supplies, etc.).
- Identify the source of funding for additional costs, both in the current biennium and future biennia.
- Use an enhancement decision unit to request new positions. New positions are not requested in an M-150 decision unit.
- Positions approved, with or without IFC approval, during the interim will be initially included in the Agency Request base positions. Follow these

guidelines when determining if the position should remain in the base budget or moved to an enhancement decision unit:

If the position was not approved by the IFC during the interim and it is determined the funding for the position will be sustainable through the biennium, the position will remain part of the agency's base budget positions. Remember, position related costs may need to be annualized in the M-150 decision unit.

If the position was approved by the IFC during the interim and the agency has determined that it cannot continue to fund the position as originally planned/approved, then request new funding for the position in an enhancement decision unit.

- When creating new positions in NEBS, the default is a start date of October 1st of Year 1. The start date may be modified by changing the start month for that specific position control number. A start date prior to October 1st requires an explanation for the need for accelerating the hiring period or extending the time beyond the normal start date of October 1st. For example, a July date may be used for a position that was added in the prior year through a work program; therefore, the hiring period is not necessary. Another example is when several positions are added and staggered start dates are used.
- The new position retirement code default is 1 – Employee/Employer Paid. This contribution rate should be used for all new positions unless there is a specific compelling reason to select another code (i.e. police/fire positions, etc.).
- Be sure to assign the appropriate position control number to the new position and use this PCN in NEBS.
- Generally, fringe/assessments should be left at the default setting. However, there are some exceptions. Contact a Budget Officer for clarification.

Justification for such a decision unit must be compelling and complete. Upon completion of the evaluation, all

supporting documentation must be included in NEBS and attached at the decision unit level.

Note that part of the supporting documentation is a scanned copy of the completed NPD-19 form. Attach a scanned copy of the original NPD-19 with **the signature of the appointing authority** along with the associated decision unit number identified in the upper right-hand corner of the NPD-19. In addition, if the position is information technology related, approval must be obtained from the Division of Enterprise IT Services (EITS) before the NPD-19's is attached in NEBS.

If the new position is ultimately approved by the legislature, the Budget Division will approve the request in SuccessFactors to start the approval flow process. **Agencies should not send the NPD-19 forms directly to DHRM, as they will be using the process created in SuccessFactors.**

The decision unit synopsis narrative should be short and concise. Examples for the narrative for the Decision Unit Synopsis are located in the Style for Budget Text section of the Appendix.

The "Justification" must be convincing and compelling. It must address the "who, what, when, where, why, and the consequences/benefits" of the request.

Ancillary costs associated with this position must be included. Most of these costs are schedule driven in NEBS. As shown below, use the Equipment Schedule to budget for the desk, chair, filing cabinet, computer and associated software, and telephone. Secretarial or executive units or workstations are listed both as packages and individual furniture items in NEBS. **Executive units should only be budgeted for Section Chiefs, Deputy Division Heads, Division Heads, Deputy Directors (Secondary Cabinet member) or Directors (Cabinet member). Typically, this would include grade 39 and above.** Exceptions to this guideline must be justified at the decision unit level in NEBS.

One-time costs such as equipment, are only budgeted in the first year of the decision unit since they are only purchased once.

Another cost associated with new positions are EITS services such as the Business Productivity Suite (or email). EITS assessments are automatically calculated by NEBS and are shown as checked in the Fringe View of the Position tab.

Not all costs are included in the NEBS schedules. Operating, travel, training and other costs are entered directly into the line item detail in NEBS if necessary. Spreadsheets supporting the calculations must be attached at the decision unit level in the Account Maintenance tab in NEBS.

A new position cost projection spreadsheet template is available on the Budget Division's website that may be used to assist in determining ancillary position costs.

After all costs are identified and keyed into NEBS, process all schedules and add the necessary revenue to balance the decision unit. Decision units funded with multiple revenue sources should provide an explanation on how the funding is determined.

The decision unit, upon completion, will be similar to the example on the next page.

Equipment Schedule										
Add Line Item										
Action	DU	Catg	Equipment Group	Equipment Type	Y1-Count	Y1-Rate	Y1-Total	Y2-Count	Y2-Rate	Y2-Total
	E225	05	OFFICE FURNITURE	0028 WASTEBASKET	2	18	36	0	19	0
	E225	05	OFFICE FURNITURE	0020 SECRETARIAL CHAIR	2	332	664	0	335	0
	E225	05	OFFICE FURNITURE	0016 SECRETARIAL **** ENTIRE UNIT ****	2	2,454	4,908	0	2,478	0
	E225	26	SOFTWARE	0045 ADOBE ACROBAT PROFESSIONAL	2	313	626	0	313	0
	E225	26	HARDWARE	0111 LAPTOP PC W/MONITOR & FULL SETUP-3-YR. W...	2	2,117	4,234	0	2,117	0
	E225	26	HARDWARE	0128 SURGE PROTECTOR STRIPS	2	24	48	0	24	0
	E225	26	SOFTWARE	0040 MICROSOFT OFFICE SUITE PRO	2	330	660	0	330	0

Summary											
Line Items											
Schedules											
Positions											
Mapping											
Acct. Maint.											
Add Line Item Decision Unit: E225 EFFICIENCY & INNOVATION											
Synchronize Actuals to DAWN											
Edit Actual/WP											
Reserves											
High											
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Chan...	Year 2	Change	Schedule
	E225	00	2501	APPROPRIATION CONTROL	0	0	194,491	0	186,375	0	- None -
	E225	01	5100	SALARIES	0	0	122,886	0	127,886	0	PAYROLL
	E225	01	5200	WORKERS COMPENSATION	0	0	2,625	0	1,486	0	PAYROLL
	E225	01	5300	RETIREMENT	0	0	19,047	0	19,823	0	PAYROLL
	E225	01	5400	PERSONNEL ASSESSMENT	0	0	548	0	521	0	PAYROLL
	E225	01	5500	GROUP INSURANCE	0	0	17,448	0	18,120	0	PAYROLL
	E225	01	5700	PAYROLL ASSESSMENT	0	0	182	0	170	0	PAYROLL
	E225	01	5750	RETIRED EMPLOYEES GROUP INS...	0	0	2,667	0	2,788	0	PAYROLL
	E225	01	5800	UNEMPLOYMENT COMPENSATION	0	0	179	0	173	0	PAYROLL
	E225	01	5840	MEDICARE	0	0	1,781	0	1,854	0	PAYROLL
	E225	04	7020	OPERATING SUPPLIES	0	0	149	0	149	0	- None -
	E225	04	7021	OPERATING SUPPLIES-A	0	0	62	0	62	0	- None -
	E225	04	7050	EMPLOYEE BOND INSURANCE	0	0	6	0	6	0	PAYROLL
	E225	04	7054	AG TORT CLAIM ASSESSMENT	0	0	171	0	171	0	PAYROLL
	E225	04	705A	NON B&G - PROP. & CONT. INSUR...	0	0					0 BUILDING RENT NON-BUILDINGS AND GROUN...
	E225	04	7060	CONTRACTS	0	0					0 VENDOR SERVICES
	E225	04	7110	NON-STATE OWNED OFFICE RENT	0	0					0 BUILDING RENT NON-BUILDINGS AND GROUN...
	E225	04	7255	B & G LEASE ASSESSMENT	0	0					0 BUILDING RENT NON-BUILDINGS AND GROUN...
	E225	04	7289	EITS PHONE LINE AND VOICEMAIL	0	0	177	0	177	0	EITS
	E225	04	7460	EQUIPMENT PURCHASES < \$1,000	0	0	106	0	0	0	EQUIPMENT
	E225	05	8241	NEW FURNISHINGS <\$5,000 - A	0	0	5,608	0	0	0	EQUIPMENT
	E225	26	7460	EQUIPMENT PURCHASES < \$1,000	0	0	492	0	0	0	EQUIPMENT
	E225	26	7547	EITS BUSINESS PRODUCTIVITY S...	0	0	823	0	823	0	EITS
	E225	26	7554	EITS INFRASTRUCTURE ASSESSM...	0	0	649	0	649	0	PAYROLL
	E225	26	7556	EITS SECURITY ASSESSMENT	0	0	255	0	255	0	PAYROLL
	E225	26	7771	COMPUTER SOFTWARE <\$5,000 - ...	0	0	4,708	0	2,572	0	EQUIPMENT
	E225	26	8371	COMPUTER HARDWARE <\$5,000 ...	0	0	4,282	0	0	0	EQUIPMENT

Revenues balance to expenditures.

Information entered via the Payroll Schedule.

Non-schedule driven Information entered at Line Item level in NEBS

Transfer In/Out Decision Units

Transfer decision units move program revenue, expenditures, and/or positions from one budget account to another. This section describes how to build transfer decision units.

Statutory/Administrative Authority

The authority for this request is implied in NRS 353.150 through NRS 353.246, of the State Budget Act.

Application

An agency may find that it needs to transfer a position and/or a program from one budget account to another. The most common reasons transfers are made are because the agency is reorganizing or because of a change in the agency’s programs or services. The reason for the transfer should be explained in the decision unit narrative.

The agency transferring out a position or program (the agency of origin) creates an E-900 series decision unit. This E-900 is then “opposite copied” to the receiving agency to complete the transfer. The agency of origin has negative amounts in the transfer-out that will include all associated position costs (travel, operating, training, etc.), while the receiving agency’s corresponding E-900 decision unit will indicate positive amounts for the transfer-in and include exactly the same associated position costs.¹ **The amounts of the two transfer decision units must net to zero.**

For example, the agency is transferring one Administrative Assistant position to another budget account within the same division. An example of the Decision Unit Synopsis in the budget submittal is shown to the right. Remember to be short and concise. Refer to the Style for Budget Text appendix of this manual. Be sure to address the “who, what, when, where, why, and the benefits/consequences” of such a request in the justification section.

If the receiving budget account of the transfer is in a different division, the agency should work with that division, with the approval of your director/administrator, so

¹ When the agency of origin is initiating a transfer, all data (e.g. position control number, benefit codes, and anniversary date) and all associated costs must be identical to the information detailed in the base budget.

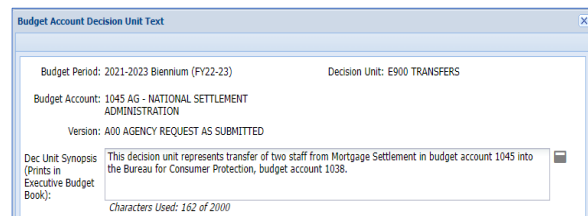
everyone is aware of the transfer. The assigned Budget Officer will need to coordinate the transfer.

The agency will enter all information relevant to moving that particular position including all ancillary costs associated with the transfer.

To transfer the position into the E-900 decision unit, go to the Positions tab in NEBS, select the position to be transferred at the Base decision unit level by clicking the check box near the PCN and choose the transfer link from the menu.

When the Transfer Position screen appears (shown on next page), enter the decision unit being used for the transfer. Select the box to Reuse PCN# and click the Transfer Out button. This process will copy the position from the base decision unit to E-900 as negative amounts to eliminate this position from this budget account.

Be sure to include all associated ancillary costs of the position, such as telephone and voice mail, operating supplies, travel, training, computer supplies, etc. Include the spreadsheet showing the calculations/methodology used to determine the amounts transferring for each object code. For more detailed information, instructions for a transfer decision unit is included under Training/NEBS Decision Units on the Budget Division website.



In this example, these ancillary costs will be reflected in the E-900 decision unit as negative amounts (next page). It is possible the receiving agency may already have assigned the same PCN to another employee. If this occurs, the receiving agency **must** change the PCN in its decision unit through the payroll section of NEBS. Narrative for each decision unit should include the original and changed PCN.

The next step is to calculate and enter the travel expenditure to be transferred to the other agency. Attach the spreadsheet used for the calculation at the decision unit level as supporting documentation for the entry on the line item screen. The final E-900 decision unit is shown on the next page. Finally, balance the decision unit with the appropriate funding source. In this example, General Fund Appropriations are used as the balancing resource.

When the transfer decision unit is complete, copy it to the appropriate budget account. Do this in the Account Maintenance tab of NEBS by clicking the copy icon button next to the E-900 decision unit.

When the Copy Decision Unit screen appears, enter the destination budget account, the version of the budget account, and the decision unit number. Additionally, check the *Opposite Copy* box and select *Transfer* from the *Position Copy Type* box. The E-900 decision units in the two budget accounts should be exactly the same except the original account is negative and the new account will be positive with a net to zero.

When transferring a position that is also being reclassified, the rule is as follows:

- If the position needs to be reclassified, regardless of whether the transfer is approved, then the reclassification decision unit should be created in the sending account and the transfer decision unit will include the position as reclassified.
- If the position is being reclassified as a result of and is contingent upon the approval of the transfer, then the reclassification decision unit should be created in the receiving account and the transfer decision unit will include the Base position from the sending account.

Revenue Adjustments for Transfers

When an agency transfers out a position or a program with all associated costs, it also transfers the revenue source connected with that position/program as a balancing mechanism for the decision unit. If the receiving budget account does not collect the same revenue as the agency of origin or if the receiving budget account will fund the transfer with a different source of revenue, the revenue received must be converted to the appropriate revenue. This is accomplished in decision units E-500 - E-549.

It is easier to identify the revenue adjustment that ties to the transfer if the E-500 adjustment number corresponds to the E-900 transfer number. In this example, an E-500 is used with the E-900.

In the example on the following page, the receiving agency does not have General Fund Appropriations and will fund the transfer decision unit with Regulatory Assessments. Therefore, the receiving agency will need to correct the funding source for the transfer with the E-500 decision unit shown on the next page.

The net effect of the E-500 decision unit will be zero as the receiving agency is simply correcting the revenue to correlate with funding sources utilized in its budget.

If necessary, this E-500 decision unit can also be used to adjust expenditures. For example, if this position was transferred from an internal service budget account such as Division of Human Resource Management (DHRM) to a Department of Health and Human Services (DHHS) budget account, the personnel and payroll assessments would need to be added in the E-500 decision unit since these assessments are not charged to positions in DHRM budget accounts but are charged to DHHS budget accounts. These adjustments would be funded by the appropriate funding source of the receiving budget account.

Summary											
Line Items											
Schedules											
Positions											
Mapping											
Acct. Maint.											
Add Line Item		Decision Unit: E900 TRANSFER TO BA 1038									
		Undo Changes									
		Edit Actual/WP									
		Reserves									
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2	Chan...	Schedule
	E900	00	2501	APPROPRIATION CONTROL	0	0	-55,037	0	-57,001	0	- None -
	E900	01	5100	SALARIES	0	0	-35,686	0	-37,304	0	PAYROLL
	E900	01	5200	WORKERS COMPENSATION	0	0	-849	0	-878	0	PAYROLL
	E900	01	5300	RETIREMENT	0	0	-5,442	0	-5,689	0	PAYROLL
	E900	01	5400	PERSONNEL ASSESSMENT	0	0	-269	0	-269	0	PAYROLL
	E900	01	5500	GROUP INSURANCE	0	0	-9,400	0	-9,400	0	PAYROLL
	E900	01	5700	PAYROLL ASSESSMENT	0	0	-88	0	-88	0	PAYROLL
	E900	01	5750	RETIRED EMPLOYEES GROUP INSURAN...	0	0	-974	0	-1,018	0	PAYROLL
	E900	01	5800	UNEMPLOYMENT COMPENSATION	0	0	-54	0	-56	0	PAYROLL
	E900	01	5840	MEDICARE	0	0	-517	0	-541	0	PAYROLL
	E900	04	7050	EMPLOYEE BOND INSURANCE	0	0	-3	0	-3	0	PAYROLL
	E900	04	7054	AG TORT CLAIM ASSESSMENT	0	0	-85	0	-85	0	PAYROLL
	E900	04	7289	EITS PHONE LINE AND VOICEMAIL	0	0	-280	0	-280	0	EITS
	E900	04	7547	EITS BUSINESS PRODUCTIVITY SUITE	0	0	-997	0	-997	0	EITS
	E900	26	7554	EITS INFRASTRUCTURE ASSESSMENT	0	0	-277	0	-277	0	PAYROLL
	E900	26	7556	EITS SECURITY ASSESSMENT	0	0	-116	0	-116	0	PAYROLL
Total Revenue					0	0	-55,037		-57,001		
Total Expenditures					0	0	-55,037		-57,001		
Difference					0	0	0		0		

Summary											
Line Items											
Schedules											
Positions											
Mapping											
Acct. Maint.											
Add Line Item		Decision Unit: E500 ADJUSTMENTS TO TRANSFERS - E900									
		Synchronize Actuals to DAWN									
		Edit Actual/WP									
Action	DU	Catg	GL	Description	Actual	Work Pgm	Year 1	Change	Year 2	Change	Schedule
	E500	00	2501	APPROPRIATION CONTROL	0	0	-55,037	0	-55,001	0	- None -
	E500	00	3315	REGULATORY ASSESSMENTS	0	0	55,037	0	55,001	0	- None -

Information Technology Investments

An Information Technology Investment requires state budget documents to be used to request funding of Information Technology (IT) and Cloud Investment Notification (CIN) processes for all Executive Branch agencies regardless of the funding source or type of technology.

Statutory/Administrative Authority

Chapter 242 of the Nevada Revised Statutes, Chapter 242 of Nevada Administrative Code, Chapters 1600, 1618 and 1620 of the State Administrative Manual, and policies, standards and procedures can be found on the Enterprise IT Services (EITS) website at <http://it.nv.gov> under the “Governance” tab.

Purpose

The TIN and CIN processes allow EITS to assemble a statewide IT portfolio, to create a statewide technology strategy and architecture, and to ensure that state security standards are being met by all IT investments. EITS needs sufficient visibility into cloud-based services for resource planning. Additionally, some cloud-based productivity applications that integrate with existing applications must also be integrated with the state’s network and telecommunications systems. The TIN process allows for open communication between Executive Branch agencies and EITS to collaborate, strategize, identify risks, and leverage potential cost savings with enterprise solutions taking advantage of economies of scale.

TINs and CINs may be used to:

- Build business cases for enterprise business and administrative systems
- Acquire software at a cost-savings to the state
- Develop, enhance or replace legacy systems or outsourced services from application service providers
- Justify infrastructure developments or enhancements (e.g. local area or wide area networks)
- Consolidate, virtualize and re-engineer computing environments
- Deploy special technology solutions, such as document management or video conferencing

Application

Any Executive Branch agency planning to expend \$50,000 or more for a technology investment is required to

communicate the intent to EITS via a Technology Investment Notification (TIN) form. Agencies that are uncertain if an IT investment will cost more than \$50,000 may contact the Technology Investment Administrator through the help desk for consultation on developing an estimate. All technology investments of \$50,000 or more, without exception, will be communicated to the Technology Investment Administrator through an initial Technology Investment Notification. In addition to the above, all cloud-based technology investments and solutions, regardless of cost, require reporting for security visibility and investment scalability potential.

A technology investment is defined as the implementation of IT improvements, enhancements, replacements or other expenditures (e.g. cloud services, computer, telecommunications, or other information technology services, software; maintenance; enhancements; implementations; or equipment) through any funding mechanism using IT services provided by a vendor, EITS, or an agency. Technology investments can be for existing systems or new solutions.

The TIN for the upcoming biennium are due to EITS on or before the April deadline of even numbered years as part of the budget build process. These documents must be submitted electronically to EITS using the appropriate form. For access to this form visit http://it.nv.gov/TIN/EA_Home/. After that date any subsequent TINs submitted late may not be considered for funding during the budget cycle. A completed TIN must be updated if the technology investment’s schedule, scope or budget increases or decreases by more than 5 percent. Updates to TINs may be submitted at any time.

EITS is responsible for the collecting and tracking of all IT investments of \$50,000 or more as well as all cloud-based solutions. EITS will provide workshops, as needed, and instructional materials for agencies to use in the completion of the TINs. Training materials and access to the TIN form are available on EITS’ website at https://it.nv.gov/TIN/EA_Home/. Agency workshops can be arranged by contacting the Technology Investment Administrator. The Technology Investment Administrator and EITS IT

staff are available to guide agencies in the completion of the TIN.

Technology investment forms are available on EITS' website at <http://nvsp.nv.gov/tin/sub/>. Agency workshops can be arranged by contacting the Technology Investment Administrator. The Technology Investment Administrator and EITS IT staff are available to guide agencies in the completion of the Technology Investment documents.

NEBS must be used to develop costs for services and products identified in the technology investment documents in the budget cycle. Units of measure from vendor quotes, previous invoices, RFI or RFP, or a NEBS schedule can be used. The Budget Division has identified a series of decision units in NEBS specifically for Technology Investments that are tied to the Governor's strategic priorities. See the decision unit descriptions in NEBS.

IT project time frames do not necessarily correspond with the state's biennial budget cycle. Some projects, especially larger projects will transcend biennial budget periods. The project time frame should be clearly identified within the decision unit.

The total of the decision unit in NEBS for the technology investment must reconcile with the total biennial cost shown on the TIN. Units of measure estimates captured in the technology investment documents should be attached as notes in NEBS. A copy of the TIN completion memo **must** be attached to the decision unit at the decision unit level in NEBS as reviewed by the EITS Technology Investment Administrator.

If requesting state staff, create two decision units. One decision unit for all costs related to the technology investment except for state staff. The other decision unit is for state staff and associated ancillary costs. Reference the corresponding decision unit in each decision unit synopsis. Requested staff should directly relate to the implementation and on-going support of the IT project.

Larger technology investments (projects \$500,000 and over) will be reviewed, scored, and prioritized by the Information Technology Strategic Planning Committee (ITSPC) comprised of various department directors. The Technology Investment Administrator will notify agencies if their technology investment is applicable for ITSPC review. Agencies submitting these large requests for technology investments will have the opportunity to present their business case to the ITSPC. The Governor's Office will make the final determination regarding the inclusion of individual projects in the Governor Recommends budget after reviewing the recommendations of the ITSPC.

Cloud Investment Notifications

Cloud-based solutions include any online tools that help agencies with managing their business and can include services such as customer relationship management, email, survey, grant management, analytics, productivity and workflow management, and more. Because the pricing can be a better value to the state, many agencies have transitioned to cloud-based software as a service (SaaS) solutions.

The Cloud Investment Notification (CIN) is a short online questionnaire that captures key information about cloud-based technology initiatives that don't meet the requirements for a TIN. Any Executive Branch agency purchasing or renewing any cloud-based solution with a value of less than \$50,000 must submit a CIN to EITS prior to the purchase. For the purposes of technology planning, agencies are encouraged to submit CINs as part of the budget build process. No additional information or proof of a CIN submission needs to be submitted in NEBS.

Additional information and access to the CIN form are available on EITS' website at https://it.nv.gov/TIN/EA_Home/.

Fund and Activity Mapping

Fund mapping is a budgeting tool detailing how revenues and expenditures are related within in a budget account or across activities. A fund map explicitly associates each revenue source (listed by general ledger) to a specific expenditure (listed by category) or a combination of expenditures. Activity fund mapping associates expenditures to activities and highlights resource allocations based on the agencies' program activities.

The Mapping Function

Mapping is an analytical, quantitative process that identifies, analyzes and creates an association between revenues and expenditures in support of agency services or activities. It is a systematic process that serves as a tool to identify and assess an agency's strategic financing process, which can include leveraging additional federal and/or private funds, resource allocation processes and reducing costs to support improved agency outcomes.

Maps can assist the agency in identifying and addressing the following questions:

1. What are all of the agency's funding sources, where do the funds come from, and who, or what, do the funds support?
2. How does the funding coming into an agency support the priorities that have been identified at the agency level, activity level and the state level?
3. Are the funding sources coming into the agency allocated effectively? Are there ways to better utilize these funds?
4. Are there fund sources that are not being fully utilized or utilized at all?
5. How can we better coordinate funding, programs and services supported by multiple departments and agencies?
6. Where are the gaps in funding? Are there opportunities for these gaps to be supported with additional public and/or private funds? How can we better leverage federal funds?

Benefits of Mapping

Mapping can have both short-term and long-term benefits. The short-term benefit can be seen in the clarity and transparency that it brings to the budget(s) and a shared understanding of what is being spent on programs for activities, and/or budget initiatives. This can afford the agency the opportunity to shift discretionary funding within a single budget account to fund a prioritized program or set of programs. A long-term benefit may be the ability

to reduce duplicative spending and shift resources toward prioritized programs using blended or pooled funding approaches that span across the department or even across various departments.

Purpose of Mapping

Funds maps are used for various purposes. For example, a fund map is required to be included with a work program; NEBS includes a fund map function required for the biennial budget; and most agencies maintain internal fund maps used in conjunction with their operating statements to monitor the actual expenditures for each specific funding source. In addition, position or position groups are mapped by funding source(s) to identify how positions or groups of positions are funded.

Various methods are used in developing fund maps, but in general they serve a similar purpose. In its most basic form, a fund map reflects the expenditures associated with a specific revenue source.

Another version of a fund map agencies utilize is a year-end cash reconciliation, which is completed at the end of the fiscal year to reflect which revenue source paid for actual expenditures.

Mapping Required for the Budget Process

For budgeting purposes, all agencies are required to input projected mapping information in NEBS at the funding level and at the activity level for all budget accounts regardless of the number of revenue sources (even if the budget account only has one revenue source). Excel spreadsheets detailing the calculations for the budget account and positions are required to be attached. These spreadsheets should be completed for each decision unit with a summary that will tie to the budget summary in NEBS for each budget account.

This is critical to the Budget Officer since the overall mapping is a funding guide for the *Governor Recommends* phase. During this phase of budget building, a budget account goes through multiple revisions including corrections, adjustments, rate revisions, additions and deletions depending on the decisions made by the Budget Division and Governor's Office. These decisions are confidential; therefore, the Budget Division must have the necessary information to determine the appropriate revenue adjustment for any changes determined by the Governor whether it is positive or negative.

NEBS provides the capacity to map expenditures by position, position group, category, object code and revenues by percentage (fixed amounts must be requested). In other words, positions or position groups, categories or object codes can be "mapped" to a specific revenue source in the map. For example, a specific category funded by a specific federal grant will reflect that information within the NEBS map.

Similarly, agencies must provide mapping information for each activity as in the past. However, agencies' activities will be mapped to the revenue that supports the activity instead of being included in line item mapping. Once all expenditures in the line items are mapped to a revenue source, the expenditures will roll up to the activities mapped to those revenue sources. This is designed to aid the roll-up of activities on a statewide basis.

Agencies should keep the following points in mind as they complete fund mapping:

1. The sum of the activity mapping must balance with the sum of the line item budgets for each decision unit as well as the budget account as a whole.
2. It is preferable to input the line item revenues and expenditures first, check the fund mapping and then input the percentages for activity mapping into the fund mapping module.
3. Check the data validation edits often to fix errors as they occur, rather than later.

The training presentation within the Governor's Finance Office website has examples of the various types of maps and illustrates the steps of entering this information into the fund map tab.

Maps can be reviewed either through the "Summary" link within the mapping tab (which is included in the NEBS manual information) or via the following mapping reports under the Reports tab:

- NEBS630 Line Item-to-Fund Map Comparison
- NEBS632 Fund/Activity Mapping Reconciliation
- NEBS640 Fund Mapping Detail Report
- NEBS650 Line-Item Work Program Summary Report.
- NEBS330 Activity Mapping Linked to Incorrect Division
- NEBS340 Fund/Activity Mapping Exception Report

On the next page are samples of a simplified, general format of fund maps.

Budget Account - Title	GENERAL FUND		FEDERAL FUNDING	OTHER FUNDING		Leg Approved
	General Fund 2501	Balance Forward From Previous Year 2511	Block Grant 3803	Fees Collected 3611	Book & Pamphlet Sales 4052	
	SFY09 FUND MAP					
2501 - General Fund Appropriation	67,037	67,037				67,037
2511 - Balance Forward From Previous Year	-	-				-
3611 - Fees Collected	28,745			28,745		28,745
3803 - Block Grant	985,190		985,190			985,190
4052 - Book & Pamphlet Sales	345				345	345
AL REVENUES	1,081,317	67,037	-	985,190	28,745	345
01 Personnel Service	856,721	67,037	-	760,594	28,745	345
03 In-State Travel	37,755	-	-	37,755	-	-
04 Operating Expenses	68,191	-	-	68,191	-	-
10 Provider Training	11,600	-	-	11,600	-	-
25 Transfer to B/A 3145	82,169	-	-	82,169	-	-
26 Information Services	7,829	-	-	7,829	-	-
86 Reserve	-	-	-	-	-	-
87 Purchasing Assessment	578	-	-	578	-	-
88 Statewide Cost Allocation	5,696	-	-	5,696	-	-
89 AG Cost Allocation	10,778	-	-	10,778	-	-
93 Reserve For Reversion	-	-	-	-	-	-
AL EXPENSES	1,081,317	67,037	-	985,190	28,745	345

Position Fund Map						
FUND TYPE			General Fund	Federal Grant	Department Transfer	
RGL			2501	3510	4669	
PCN #	Position Description	Position Total				Total
0014	ADMIN ASSISTANT 3	56,820	50%	0%	50%	56,820
0015	ADMIN SERVICES OFFICER 3	124,026	50%	25%	25%	124,026
0016	MANAGEMENT ANALYST 2	75,468	0%	100%	0%	75,468
0017	MANAGEMENT ANALYST 3	87,884	0%	50%	50%	87,884
0018	PERSONNEL OFFICER 1	86,220	50%	0%	50%	86,220
	Total Expenses	430,418	133,533	150,417	146,469	430,418
FUND TYPE			General Fund	Federal Grant	Department Transfer	
RGL			2501	3510	4669	
PCN #	Position Description	Position Total				Total
0014	ADMIN ASSISTANT 3	56,820	28,410	0	28,410	56,820
0015	ADMIN SERVICES OFFICER 3	124,026	62,013	31,007	31,007	124,026
0016	MANAGEMENT ANALYST 2	75,468	0	75,468	0	75,468
0017	MANAGEMENT ANALYST 3	87,884	0	43,942	43,942	87,884
0018	PERSONNEL OFFICER 1	86,220	43,110	0	43,110	86,220
	Total Expenses	430,418	133,533	150,417	146,469	430,418

The Governor Recommends Phase

The Governor Recommends phase of the biennial budget process begins when the Governor, in consultation with the Budget Division, sets the budget priorities for the coming biennium. During this phase, the Executive Budget is finalized for transmission to the Legislature and the public. Thus the Executive Budget is both a policy and a budgetary document for the ensuing two fiscal years.

Statutory Authority

NRS 353.150 - 353.246, also known as the State Budget Act, outlines the Agency Request and Governor Recommends phases of the biennial budget process.

Description

The *Agency Request* phase of the budget process officially ends on September 1st (or the Friday before if it falls on a weekend or holiday) when the agency budgets are due to the Governor's Finance Office Budget Division (Budget Division) and Legislative Counsel Bureau.

This original agency submission is the *A00* version in NEBS. After the *A00* version is closed in NEBS, payroll is calculated and schedules are processed for all budget accounts as a double check. Once this is complete, the *A00* version is then saved as the original agency submission. This version is copied to the *A01 – Agency Request* version. The *A01* version is transmitted electronically to the LCB's Fiscal Analysis Division on or before October 15th in accordance with NRS 353.211(1).

During this transmission process, the agency's requested budgets will be locked and copied to the *G01 – Governor Recommends* version in NEBS. **During Governor Recommends phase, the budget is confidential (NRS 353.205(3)) and any communication regarding the Governor Recommends budget must be treated as such.** Agency fiscal staff will still be able to view their Agency Request budgets in NEBS, but they will not be able to see changes in the Governor Recommends budget until it becomes public after the Governor's State-of-the-State address in January.

During the Governor Recommends phase of the budget building process, the Budget Officers perform various tasks. Some of these are listed as follows:

- Review the base and adjustments (M-150) to the base budget, which are statutorily due to the Fiscal Analysis Division on or before December 31st. (NRS 353.211(2))
- Review enhancement decision units

- Review each account to ensure it complies with the Budget Instructions and the Budget Building Manual
- Additions/deletions/changes based on the directions from the Governor
- Update projections as necessary and verify fund mapping is accurate
- Review the agency's activities and performance measures tied to those activities
- Review items for special consideration
- Work closely with agency staff to ensure the agency's budgets are accurate in light of changes during the Governor Recommends phase and reflect the Governor's goals and priorities as well as statutory policies

Agency Responsibilities During Governor Recommends

During this period, agencies are asked to assist with re-mapping and re-balancing their budgets. Additional information may be requested to further justify maintenance, enhancement decision units and items for special consideration. This could take the form of updated projections (i.e. caseloads) or providing further justification for decision units. The information requested will ensure the Budget Officers have a good understanding of the requests and can justify it to the Director of the Governor's Finance Office as well as the Governor's Office.

The Budget Division may allow agencies one last opportunity to review their budgets before final transmission to minimize errors or the need for budget amendments during the legislative session.

It is important during this phase to notify the assigned Budget Officers of any errors or necessary changes. Deadlines during this time are tight but necessary to make sure the Governor Recommends budget is finalized and transmitted to the Legislature pursuant to NRS 353.230. Therefore, it's important to meet the deadlines and have a close working relationship with the Budget Officers.

Agency Responsibilities after the Governor Recommends

Agencies may be requested to supply additional information to justify maintenance and enhancement decision units and items for special consideration once the budget is transmitted to the Legislature. It is the responsibility of agencies to work with their assigned Budget Officer, at the Governor's Finance Office, to provide timely responses and testimony in support of the finalized Governor Recommends budget.

Agencies are responsible for implementing, or executing, the budget over the ensuing biennium. The Ways and Means and Finance Committees meet jointly as the Interim Finance Committee approximately every other month between Legislative Sessions where agencies can request certain amendments or changes to their Legislatively Approved Budget. In certain extraordinary circumstances, a Special Legislative Session may be called to deal with budget issues.

Decision Units

Dec Unit Range		Description
B000	- B000	BASE
M100	- M100	STATEWIDE INFLATION
M101	- M120	AGENCY SPECIFIC INFLATION
M150	- M150	ADJUSTMENTS TO BASE
M200	- M220	DEMOGRAPHICS/CASELOAD CHANGES
M300	- M300	FRINGE BENEFIT RATE ADJUSTMENT
M301	- M327	OCCUPATIONAL STUDIES/SALARY & FRINGE RATE ADJ & COLA DEC UNITS (BUDGET OFFICE USE ONLY)
M425	- M429	DEFERRED FACILITIES MAINTENANCE
M500	- M597	MANDATES
M600	- M609	COURT ORDERS
M800	- M804	COST ALLOCATION
E125	- E150	ECONOMIC OPPORTUNITY & SKILLED WORKFORCE
E225	- E249	EFFICIENCY & INNOVATION
E250	E274	INFRASTRUCTURE, ENERGY & ENVIRONMENT
E275	- E299	ELEVATING EDUCATION
E300	E349	SAFETY, SECURITY AND JUSTICE
E350	- E375	PROMOTING HEALTHY, VIBRANT COMMUNITIES
E490	- E499	EXPIRING GRANT/PROGRAM
E500	- E549	ADJUSTMENTS TO TRANSFERS
E550	- E559	TECHNOLOGY INVESTMENT REQUESTS
E710	- E719	EQUIPMENT REPLACEMENT
E720	- E729	NEW EQUIPMENT
E730	- E734	MAINTENANCE OF BUILDINGS AND GROUNDS
E735	- E736	AIRPLANE MAINTENANCE
E737	- E739	NEW PROGRAMS
E800	- E804	COST ALLOCATION
E805	- E809	CLASSIFIED POSITION CHANGES
E815	- E819	UNCLASSIFIED POSITION CHANGES
E811	- E811	UNCLASSIFIED CHANGES
E845	- E845	SWORN SALARY ADJUSTMENTS
E849	- E849	NON CLASSIFIED SALARY ADJUSTMENT
E850	- E859	SPECIAL PROJECTS
E860	- E867	TAHOE EIP PROGRAM
E870	- E870	NDOT RADIO COST ALLOCATION
E873	- E873	Q1 CONSERVATION BOND
E877	- E879	SUPPLEMENTAL APPROPRIATIONS
E888	- E899	ONE SHOT APPROPRIATIONS
E900	- E994	TRANSFERS

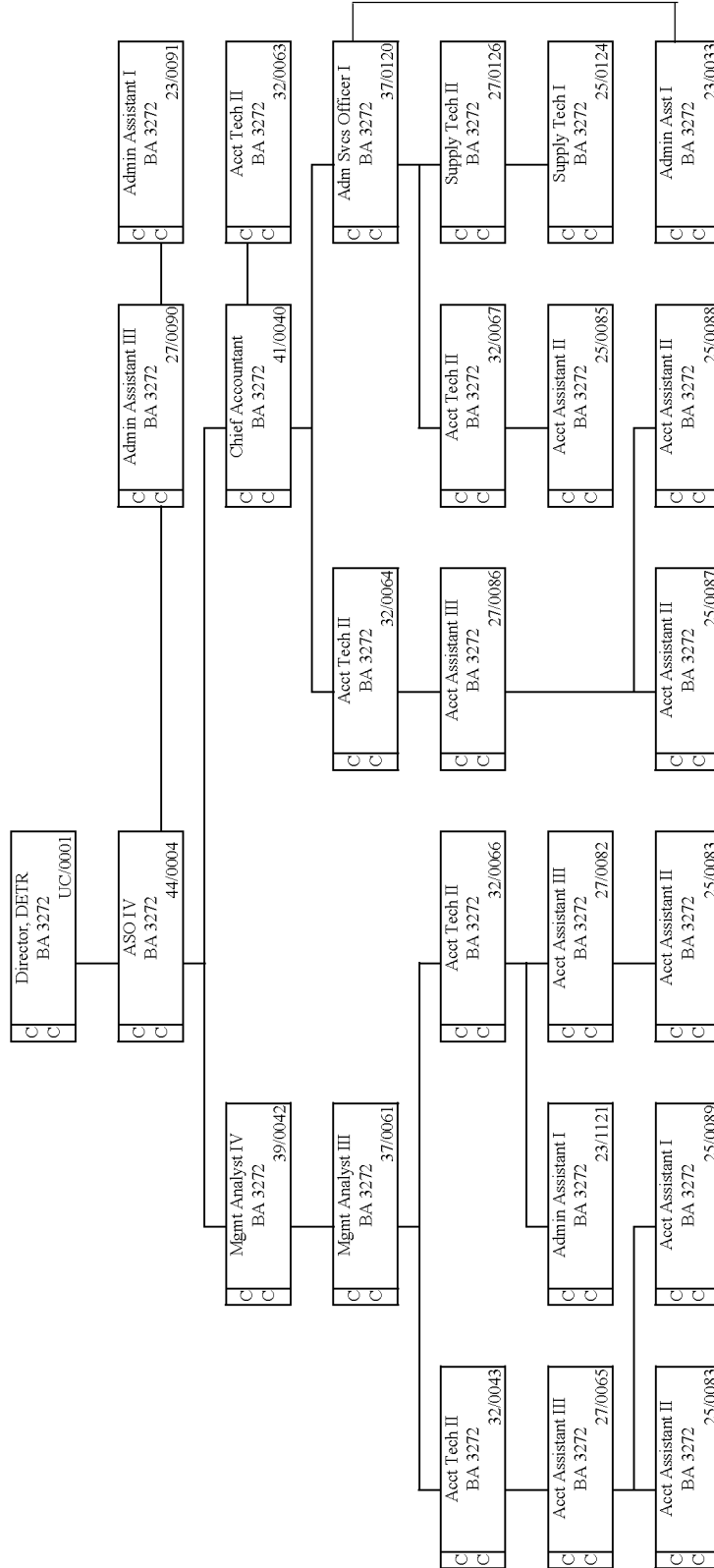
Organizational Chart Examples

**Department of Employment, Training &
Rehabilitation
Financial Management
Budget Account: 3272**

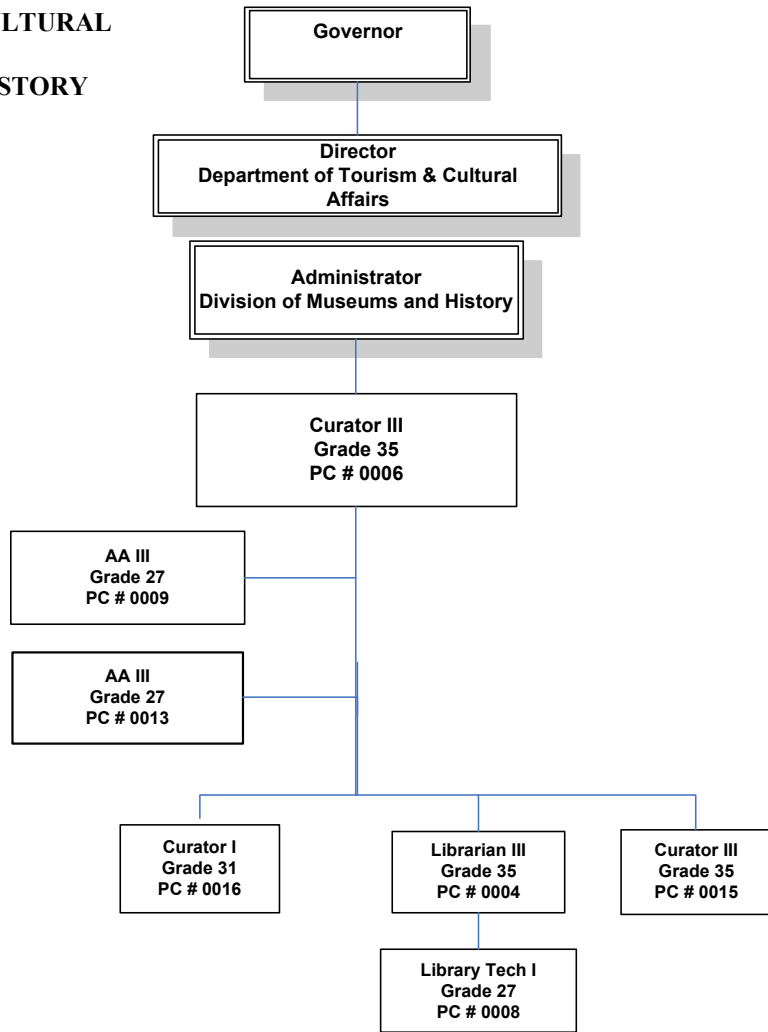
Approved By:

Director

Administrator:

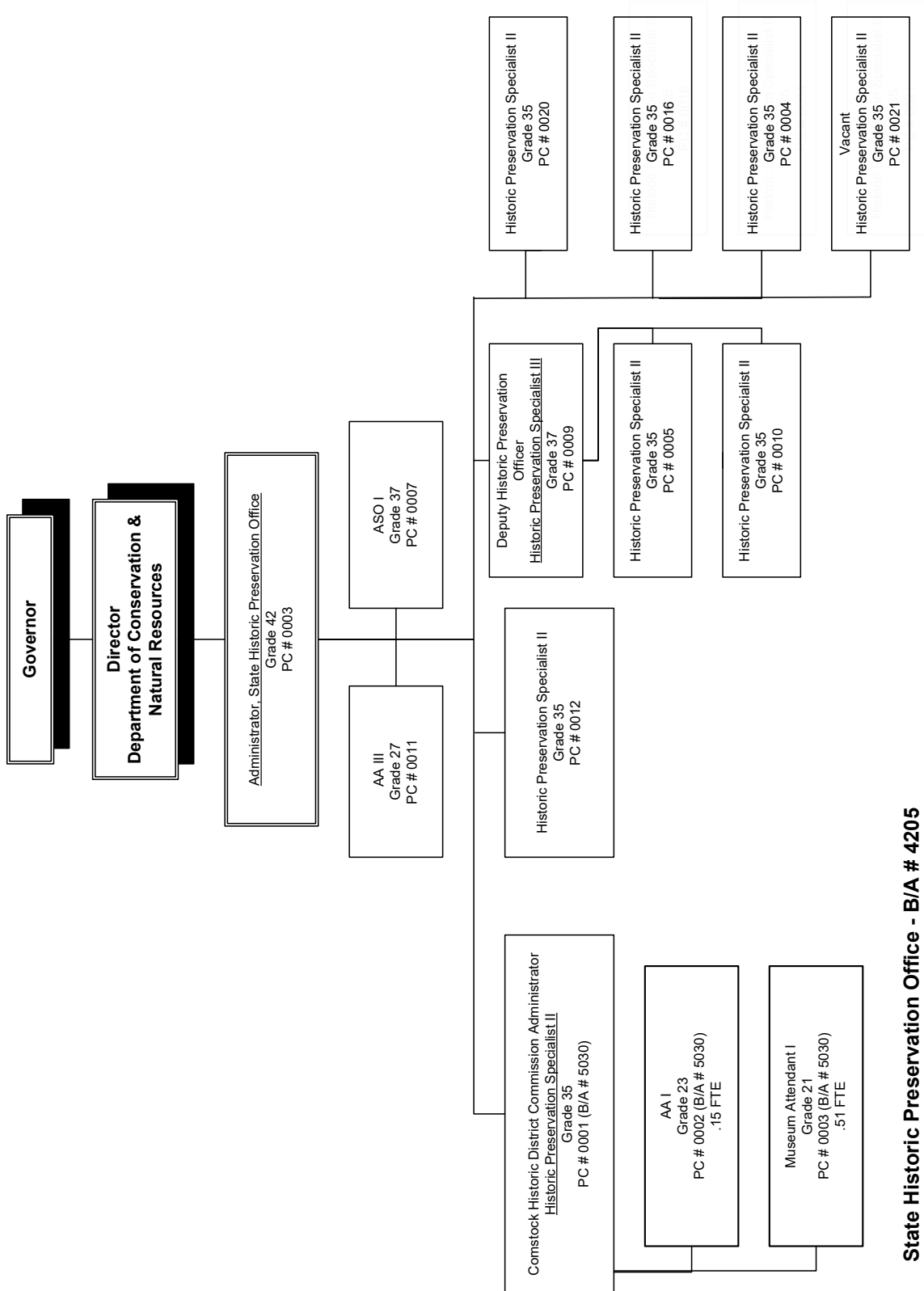


STATE OF NEVADA
DEPARTMENT OF TOURISM & CULTURAL
AFFAIRS
DIVISION OF MUSEUMS AND HISTORY
Nevada Historical Society
Reno



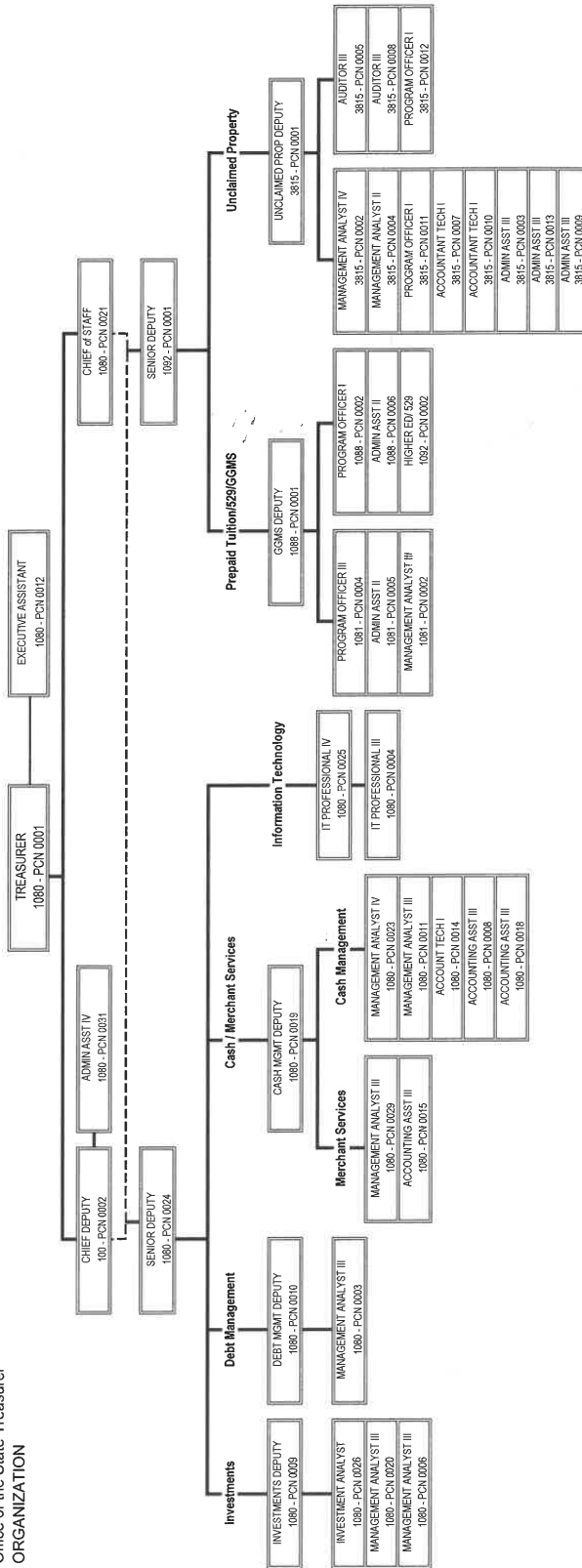
Division of Museums and History
Nevada Historical Society – B/A #2870

**STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
STATE HISTORIC PRESERVATION OFFICE**



**State Historic Preservation Office - B/A # 4205
Comstock Historic District - B/A # 5030**

Office of the State Treasurer
ORGANIZATION



Non-Buildings and Grounds Lease Space

The following applies to agencies requesting a continuation of existing leased space or new or expanded non-Buildings and Grounds lease space.

Accounting for Lease Rate Increases Built into a Current Lease

With few exceptions (NRS 353.005 and NRS 353.007) Leasing Services within the State Public Works Division (SPWD) is responsible for negotiating facility leases for state officers, departments, agencies, boards, and commissions pursuant to NRS 331.110. In addition, exempted state agencies, boards and commission may request leasing services from the SPWD Leasing Services.

Agencies must account for the negotiated lease rate increase in an adjustment to base via an update to the NEBS Building Rent Non-Building and Grounds Schedule. NEBS will automatically generate an M-150 adjustment based on the difference in the current (base) lease rate and the updated rate entered for Year 1 and Year 2.

Agencies must ensure they are calculating the cost for 12 months each year for each leased building entered into the schedule. If the rent rate input includes a negotiated rate increase that is effective mid-year, the agency must account for the rate change in the schedule for each leased facility as well as the square footage rented. Do not budget for a rent rate increase after the expiration date of the lease if it occurs during the upcoming biennium. Lease amounts should remain at the last rate paid pursuant to the current lease agreement. Refer to the Building Rent Non-Building and Grounds Schedule section of the NEBS Manual.

Requests for New or Additional Non-Buildings and Grounds Leased Space

If an agency intends to increase leased space as part of an enhancement decision unit (such as the addition or transfer of staff, the creation of a new or expanded program, or proposed relocation from currently leased space), the agency will need to calculate the following:

- Estimated rent
- Estimated moving costs associated with the new or expanded facility
- Associated EITS costs
- Tenant improvements if required
- Other associated expenses

Expiring Leases

All expiring leases will require negotiation and renewal with the landlord prior to expiration. It is advisable to pursue lease extensions well in advance of budget submission deadlines in order to allow ample time for Leasing Services to renegotiate the lease. This will ensure sufficient rent authority is included in the base budget.

Leased Space Request and Space Justification Forms

Both of these processes (new/expanded space or an expiring lease) require the agency to complete a “Space Request Form” and “Space Justification Form” for each affected leased space requested and to submit the forms to the SPWD Leasing Services within the required time frame set by the SPWD. These forms document the agency’s continuing need for the space or the need for new space or changes to existing leased facilities.

These forms and instructions for filling out the forms can be found at: http://publicworks.nv.gov/Services/Leasing_Services/Processes_and_Forms/. A copy of the form must be attached at the line item level in NEBS, and a signed copy emailed to leasingervices@admin.nv.gov.

Inventory of Non-Buildings and Grounds Leased Space

In conjunction with the Department of Conservation and Natural Resources, Division of State Lands and the Department of Transportation, the SPWD is responsible for maintaining a log of non-state owned leased facilities. In support of that effort, each state officer, department, agency, board and commission is responsible for maintaining their own log of leased space and reporting current lease information to the SPWD Administrator on or after April 1, but not later than June 30 of each year. The inventory log must, at a minimum, identify the following information:

- Real property actively used by a state officer, department, agency, board or commission
- Real property not actively used by a state officer, department, agency, board or commission

- Real property not used by a state officer, department, agency, board or commission but is reasonably anticipated to be actively used by a state officer, department, agency, board or commission in the future
- Real property actively used as a park or wildlife area, where applicable
- The location, size and current use of the real property, including, without limitation, whether the real property is actively used; and
- The terms of the lease, including, without limitation, the cost to the state

The SPWD Administrator will consolidate this information into a single lease log and post the log on its website. Where appropriate, the SPWD will reconcile the information provided by each state officer, department, agency, board and commission with leasing information maintained by the SPWD Leasing Services before posting to the internet. This information will be used in the budget building process and will be the basis of the Statewide Property and Content Insurance Rate. It is therefore critical each state officer, department, agency, board and commission maintain and report up-to-date and accurate lease information to the SPWD Administrator.

Computer Hardware and Software

Purpose

This standard is intended to establish criterion for acquisition of desktop and laptop hardware in order to:

- Prevent the acquisition of technology that is defunct or out-dated while providing stable and reliable technology for operation on the state enterprise network
- Maximize the functionality of the state's information technology investment
- Allow the development of open systems client/server computing that encourages connectivity, portability, scalability, and interoperability
- Replace technology that is obsolete and no longer supported by the manufacturer

To establish a desktop or laptop replacement and upgrade standard for the state in order to utilize the benefits of next-generation office environments, simplify technical support issues, and increase the state's ability to deploy new solutions to business problems.

This Standard Applies

The policies set forth in this standard apply to all agencies of the Executive Branch and to all other agencies that wish to utilize the enterprise information transport (SILVERNET) with the exception of NSHE and the Nevada Criminal Justice Information Computer System.

The standards set forth in this document will be used as a guideline to initiate replacement of PCs throughout the enterprise:

- Before the point of obsolescence
- At the point in time when it is most cost effective
- At the point in time when it will enable the state to gain maximum advantage from its considerable investment in information systems

Responsibilities

All desktop or laptop purchases or leases must be approved by Enterprise Information Technology Services Division (EITS). Purchases must be made from open term contracts through the Purchasing Division.

These standards apply to all agencies of the Executive Branch and to all other agencies that wish to utilize the enterprise information transport (SILVERNET) with the

exception of the NSHE and the Nevada Criminal Justice Information Computer System.

Standard

Hardware Maintenance

Contractors normally provide warranties with new computer hardware. If available at the time of purchase, a hardware maintenance agreement should be purchased to cover the hardware's expected life based on the state's computer hardware phased replacement program (e.g. purchase a maintenance agreement that provides between three to five years of coverage for a desktop or laptop).

Desktop and Laptop Minimum Hardware Requirements

Desktop and laptop equipment purchases should continue to perform at the minimum levels established by the state, throughout the unit's life cycle. Therefore, processor revision and memory must sufficiently run a standard operating system and office suite. The unit must be serviceable by state technical support and include both a fixed disk large enough to support the current operating system and an office suite with at least a forecast 50% growth in size over the life cycle of the unit. A network card must be included with any unit purchased or leased to, at a minimum, allow for updates to the anti-virus software required to be installed on all desktops and laptops in the state. Any unit purchased must have a working surge suppression device to protect the unit from electrical damage.

Laptops must conform to the above as well as include a carrying case with space for any attachments included with the unit. If the laptop is to be used as a workstation, it must include either a docking station or port replicator with a keyboard, mouse and monitor. The docking station listed in the NEBS equipment schedule includes these items.

Cycle of Replacement

It is the state's policy to cycle replaced computers through the major classifications of technology users identified in this document. Desktops and laptops that have been replaced and are no longer appropriate for one classification of technology user should be used to upgrade

and replace a desktop or laptop with older technology within the agency, provided that the desktop or laptop is still supported by the manufacturer, and has not reached obsolescence due to operating system changes or applications requirements. In this manner, the desktop or laptop with the oldest technology in the agency is phased out and the agency can continue to benefit from their investment in computer hardware.

It is the state's policy to replace desktops and laptops with the latest technology rather than to apply major upgrades to existing desktops and laptops. Current research indicates that:

- Upgrading is expensive because, more often than not, multiple system components must be upgraded in order to achieve the intended performance improvement.
- The purchase price of the various hardware components needed to accomplish an upgrade will exceed the purchase price of a new computer.
- The cost of labor to install an upgrade to existing hardware will far exceed the cost of labor to install a new desktop or laptop.
- Upgraded desktops and laptops have uncertain maintenance profiles and support costs.
- Upgraded desktops and laptops have added administrative complexity.
- There is no increase in residual value of upgraded desktops and laptops.
- Upgrading desktops and laptops tends to increase the overall complexity in the installed enterprise hardware base.

Classifications of Technology Users

There are two major classifications of technology users defined as:

- Leading Edge Technology Users/Power Users

Those agencies and individuals within the agency who need to be at the forefront of technology in order to:

- i. Become the pilot agencies for other members of the enterprise network.
- ii. Interface with other entities, agencies and governments where such interface requires the utilization of the latest technology.
- iii. Regularly use CAD/CAM, or other CPU or memory intensive applications.
- iv. Carry out heavy usage of database or other applications or the previewing and testing of various software.

- v. Maintain positions and related duties such as engineering/civil engineering, network/system administrators, network monitoring, application developers, or CADD/GIS developers.

- Standard Technology Users

Those agencies and individuals within the agency who require a standard level of technology include those who:

- i. Have a standardized suite of applications on their desktops (e.g., word processing, spreadsheet, presentations); and/or customized applications beyond the standardized suite. Statewide financial, data warehouse, and/or mainframe interfaces etc.
- ii. May use desktops and laptops for database and decision-support; and often have access to state agency-specific applications, email, Intranet, Internet and Internet based applications/databases.
- iii. Maintain positions such as professional/administrative staff, operational support staff, technical and functional staff.

Replacement Schedule (desktops and laptops)

The following is a general guideline for replacing desktops and laptops. Agencies should consult with EITS staff for assistance in determining their specific replacement needs. Note Security Risk: desktops and laptops that are no longer supported by the manufacturer with system updates or have reached obsolescence due to operating system changes pose a security risk to the state and should be replaced. Replacement schedules vary and according to the two major classifications of technology users:

- Leading Edge Technology Users

- i. Should maintain no more than one major revisions behind the current state standard PC or workstation as specified by EITS and Purchasing.
- ii. Should replace desktops and laptops every three years, depending on applications in use.

- Standard Technology Users

- i. Should maintain no more than one major revisions behind the current state standard PC or workstation as specified by EITS and Purchasing.
- ii. Should replace desktops and laptops every five years, depending on applications in use.

Exceptions and Other Issues

Purchases must be made from open term contracts through the Department of Administration's Purchasing Division unless a specific departure has been requested in writing with justification and such departure has been authorized in writing by both EITS and the Purchasing Division.

Definitions and Background

Nevada Revised Statute (NRS) 242.115 requires the EITS to develop guidelines and procedures for the procurement and maintenance of the information systems of the Executive Branch of government.

NRS 242.151 requires the EITS administrator to advise agencies regarding the policy for Information Technology as that policy relates to items such as standards and criteria for the selection, location, and use of information systems.

State Agency - The use of the term state agency in this standard means every public state agency, board, commission, department, division or any other unit of the Executive Branch of the government of this state.

Business Plans

The following is an annotated example of a business plan adapted from the Family to Family Connection program within the Department of Health and Human Services. This plan was developed for the 2011 Legislative Session. However, facts and figures in this plan do not necessarily correlate to the actual program currently in place. Business plans are discussed in the section of – Business Plan in the general guidance portion of this budget manual.

Cover Page

Department Health and Human Services
Budget Account 9999
Budget Title Family Services
Date Prepared December 16, 2015
Submitted by Jane Smith
Program Title Family to Family Connection

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Body of Business Plan

I. Introduction

This proposal for “Family to Family Connection” represents a new program, enhancement decision unit E-350. An organizational chart is included in this proposal as Attachment A.

Funding requirements for this biennium and the next two biennia are anticipated to be:

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
General	\$ 2,396,970	\$ 4,826,847	\$ 4,413,313	\$ 4,380,169	\$ 4,293,730	\$ 4,266,799
Title XIX:	376,578	839,151	1,685,611	1,836,844	2,220,894	2,507,501
CCBG:			<u>643,520</u>	<u>847,774</u>	<u>888,357</u>	<u>1,008,515</u>
Total:	\$ 2,773,548	\$ 5,665,998	\$ 6,742,444	\$ 7,064,787	\$ 7,402,981	\$ 7,782,815

Further detail is provided in Section III - Financial Assessment.

Enhancement decision unit E-350 proposes to establish a statewide effort, called “Family to Family Connection,” to build upon the strength of children and families and create comprehensive connections within communities by providing:

- Support to the child within the family and the family within the local neighborhoods
- Information about positive parenting skills, parent-child interactions, and optimal child growth and development
- Development of community-based public/private partnerships to support families with infants

Family to Family Connection will be offered to ALL families with newborns and there will be no eligibility requirements. Participation in any of the services will be voluntary for all families. Families will be requested to complete a family information profile; however, receipt of services will not be contingent upon completion of the form. No assessments of the child or the family will be completed unless it is at the request of the family. Information that is gathered informally by professionals will be maintained in a confidential manner and will be used to facilitate the families’ access to resources. Services will build on existing services and will be locally administered by community entities.

We propose to divide the State of Nevada into two regions with thirteen service delivery districts called “Infant Support Districts” (ISDs). These Infant Support Districts will be administered and operated at the community levels by local organizations. Funds to support the ISDs will be allocated through state block grants. Each ISD will be required to identify a District Advisory Council and offer three components of services:

1. Hospital, home and/or neighborhood visitation

- All families of newborns will be given information at the time of birth or adoption about the Family to Family Connection. Information will also be available for distribution at all foster care agencies. This information will be consistent statewide.
- Each Infant Support District (ISD) will provide home, hospital, and/or neighborhood visits to those families requesting services. There are no eligibility requirements and proposal applications must assure that adequate resources are available to provide for an average of two visits for a minimum of 50% of the birth population of the district served based on 2005 live birth statistics. The purpose of the visitation is to provide support to the family and provide information that is pertinent to the family of a newborn. Visitation must be provided by licensed professionals and/or family specialists under the supervision of licensed professionals. The visiting staff will provide families with information about child growth and development, immunization, and will assist families in connecting with other community resources to meet needs that are identified by the family.

2. New Baby Center activities

- The New Baby Centers (NBC) will be located in communities to provide a place for families to gather for formal training, such as parenting and new baby care, as well as informal meeting opportunities to facilitate networking and building neighborhood support systems.
- Short term care of infants to the age of one year will be provided at the New Baby Centers for the purpose of facilitating Family to Family Connection activities. The center must meet current program standards and be staffed with licensed professionals as well as family specialists. In addition, the program must assure that they will meet facility licensure as developed and approved for Family to Family activities. This care is not designed for long term care but will be offered to families on a short-term basis to facilitate individual and group educational opportunities. For

example, priority may be given to families who are participating in Family to Family Connection group activities, those who are providing services for the project, short-term care for parent personnel who are newly hired and have not been able to arrange for ongoing child care and families who are seeking employment and need child care while they go for interviews. Based on the temporary nature of the services, these will be available for a broad range of families and the priorities will be established based on the needs of the community. These centers will also reflect the neighborhood and community needs in providing various activities to support families and infants.

- New Baby Centers are not necessarily new buildings or new programs; however, they may be an expansion or redesign of an existing program. Criteria for the selection of New Baby Center site locations must consider the following:
 - ADA compliance
 - Accessibility for all families
 - Signage which designates dedicated space for NBC activities
 - Opportunities for expansion of informal and formal activities
 - Flexible use of space
 - Participation of a broad range of families representing diversity of socioeconomic and cultural demographics
- State classified administrative personnel and Regional Advisory Board members will also be responsible for ensuring that the locations of NBCs provide adequate coverage of the region and applicable diversity.
- New Baby Centers are designed to encourage families to network and have a central location for informal and formal activities that foster learning and support. To ensure that infants are available for families to observe best practices, the offering of respite services is conceptualized on a very limited and scheduled basis. New Baby Centers are not designed to provide drop-in child care.

3. Resource Lending Center

- The Resource Lending Center contains resources that focus on the needs of families with newborn children. These resources will be available for families to access on a loan basis. Items including instructional material (such as books, videotapes, and other parent support material), toys, resources and safety equipment will be available for families to check out. Each ISD will guarantee that the Resource Lending Center will be staffed and available to the public a minimum of twenty (20) hours per week.

II. Background

A. Agency Mission and Goals

The mission of the Department of Health and Human Services is to promote the health and well being of all Nevadans through a flexible array of programs that recognize the integrity of each individual, support family structures, and value cultural diversity. Provide an accessible and coordinated system of training, treatment, assistance, and education services that foster the attainment of optimal independence and self-sufficiency for each Nevada citizen and family.

The Family to Family Connection program will enable the Department to continue its mission of promoting the health and well being of all Nevadans, particularly all newborns and their families. Additionally, this program ties to specific goals of the department:

- **Provide services accessible, available, and responsive to the individual needs of Nevada’s citizens.** The Infant Support Districts will be located throughout the state to ensure accessibility, availability and responsiveness to the individual needs of families and infants.
- **Provide a comprehensive and cost-efficient system of services to promote rehabilitation, education, and self sufficiency; to minimize long-term dependency; to strengthen the family; and to meet the needs of at-risk Nevadans.** The three-components of services offered by this program will seek to strengthen the family by providing information that is pertinent to the family of a newborn, providing parenting training and new baby care, and making available to families instructional parent support materials.
- **Develop a coordinated, statewide, comprehensive, community-based service delivery system which encourages public and private partnerships.** Each Infant Support District will be administered and operated at the community level by local organizations with guidance provided by District Advisory Councils. Statewide oversight, direction and guidance will be provided by state personnel.

Attainment of these goals through the Family to Family Connection program and other programs provided by the Department of Health and Human Services will further the mission set forth in the Governor’s strategic plan; namely: “To provide for the highest quality of life for Nevada’s citizens by ... fostering an environment that is ... encouraging to individual development.” Additionally, this program, by providing parenting training, support and learning activities for families and infants, ties to the Governor’s functional goal:

- Maximize the quality of life from birth to first year in school, to ensure that each child has the necessary skills to succeed in school.

B. Assessment of Current Services

The proposed services are offered by hospitals, family resource centers, early childhood services provided by the state, etc., however, there is no program currently available providing these services in a statewide collaborative public/private partnership effort to all families of newborns regardless of income levels or other eligibility criteria.

This program is important to the State of Nevada and its on-going efforts to ensure the health and well-being of Nevada’s most helpless citizens: children from birth to 3 years of age. From birth, a baby’s brain cells proliferate wildly, making connections that may shape a lifetime of experience. The first three years are critical. Of all of the discoveries that have poured out of neuroscience labs in recent years, the finding that the electrical activity of brain cells changes the physical structure of the brain is perhaps the most important. At birth, a baby’s brain contains 100 billion neurons. But, while the brain contains virtually all of the nerve cells that it will ever have, the pattern of wiring between them has yet to stabilize at birth. How it is stabilized is up to the neural activity - no longer spontaneous, but driven by a flood of sensory experiences. Deprived of a stimulating environment, a child’s brain suffers. Parents seem well aware of the general importance of the love and time they give their infants and toddlers, but want more information about exactly how to influence their children in positive ways. The survey data developed within Nevada indicate that parents desire to play the most positive role they can in their children’s development and 87% of the families surveyed indicated an interest in receiving services from a program such as Family to Family Connection.

California, which has operated a program similar to the Family to Family Connection for ten years, reports that the rate of juvenile delinquency has decreased by 15%, child abuse and neglect cases have decreased by 10%, and math scores and reading comprehension scores for children ages 8 through 12 have improved an impressive 30% compared to this age group just 5 years ago – all as a result of their program.

<u>ISD</u>	<u>Projected Births</u>	<u>(Number of Birth Families, Average of Two Visits)</u>
1	2,600	1,300
2	2,599	1,300
3	1,109	624
4	816	468
5	820	468
6	804	468
7	151	52
8	2,750	1,339
9	2,750	1,365
10	2,916	1,456
11	2,600	1,300
12	2,600	1,300
13	2,600	1,300
Las Vegas (Out of State)	2,525	
Total	27,640	12,740

III. Business Plan for “Family to Family Connection” Program

A. Implementation

The Family to Family Connection program will provide services throughout the state. To accomplish this, 13 ISD will be established through a Request for Proposal process. Locations and time lines for phase-in are:

<u>ISD</u>	<u>Service Areas</u>	<u>Date on Line</u>
1	Washoe - Reno/Sparks	Dec-2016
2	Washoe/Storey - SW Reno/Incline	Jun-2017
3	Carson City/Douglas	Feb-2017
4	Churchill/Pershing/Humboldt	Jun-2017
5	Lyon/Mineral/Nye/Esmeralda	Jun-2017
6	Elko/Lander	Jun-2017
7	White Pine/Eureka	Jun-2017
8	Clark - SW Las Vegas/Pahrump	Jun-2017
9	Clark/Lincoln - NE Las Vegas/Caliente/Mesquite	Dec-2016
10	Clark - Henderson/Boulder City/Laughlin	Jun-2017
11	Clark - SE Las Vegas	Jun-2017
12	Clark - N/Central Las Vegas	Feb-2017
13	Clark - NW Las Vegas	Jun-2017

B. Caseload projection

The caseload used to determine volume and costs for each ISD is the projected number of births:

The following assumptions are used to determine visitation capacity:

- 46% of projected births will be served through visitation services (12,740 divided by 27,640 = 46%).
- 5 - 10% of projected births will be served through New Baby Centers only.
- 51 - 56% of new births will receive services through Family to Family Connection.

C. Financial assessment

Note: The costs in this section must tie to the detailed budget document. If calculations of costs are not shown in this section, they must be shown in the detailed budget document.

- *If the proposal is to be supported by fees, supply a proposed fee structure and cash-flow analysis.*
- *If the proposal is to be federally funded, provide the Catalog of Federal Domestic Assistance (CFDA) number and description of the grant including match requirements, federal funding history and future grant allocations. Provide Federal Funding Information for States (FFIS) data, as well as any other federal, public or private entity data available, that will support the requested proposal. Include the calculation and assumption used to develop the mix of federal and state resources if not specifically outlined in the budget document.*
- *If the program requires general fund support for start-up, provide a cash-flow analysis phasing in other revenue sources.*

i. Funding sources

This proposal will be funded primarily through a general fund appropriation. It is anticipated that some services provided to Medicaid-eligible clients can be billed to Federal Title XIX. Total general fund need and Title XIX revenues for the biennium are:

	<u>FY 2016</u>	<u>FY 2017</u>
General Fund	\$ 2,396,970	\$ 4,826,847
Federal Title XIX	<u>376,578</u>	<u>839,151</u>
Total	\$ 2,773,548	\$ 5,665,998

The budget document provides detail showing how these amounts were determined.

ii. Staffing requirements

Note: If additional staff are not required, describe the impact on existing staff and programs. If new staff are required, describe the need for each position, its estimated costs and all associated operating and travel costs.

A total of 14 classified positions will be required to provide statewide program coordination, accountability, evaluation, training and quality assurance.

One Clinical Program Planner II will provide statewide guidance, technical assistance, budgeting, community-building, and supervision for project personnel employed through the state system. This position will work closely with the Block Grant Commission and Advisory Council in developing and guiding the Family to Family Connection. Additionally, this position will direct the development and implementation of an evaluation and data collection system that allows clear measures of program outcomes.

One Administrative Services Officer I will provide financial and accounting support to the project on a statewide basis including budget development, block grant contracts, and auditing functions. This position will also assist local community organizations with implementation of the project objectives.

Two Clinical Program Managers will provide regional coordination of resources, services and training.

Two Child Development Specialists IV to provide service support and supervision to Child Development Specialist IIIs.

Five Child Development Specialists IIIs to be located in each of the five New Baby Centers designated as training sites. These Centers will serve as a home base for the Child Development Specialist positions to provide training to ISD staff throughout the district and region. These positions will facilitate resource identification and referral, provide specialized assistance to the ISD as requested in the Visitations, New Baby Center and Resource Center services of the ISD. Additionally, the Child Development Specialists will assist the ISDs and Region in developing and monitoring quality assurance measures, establishing best practice procedures, and providing expertise to the ISDs as appropriate.

One Program Assistant IV and two Program Assistant IIIs to provide program and clerical support to staff. Total salary costs for FY 2012 and FY 2013 are:

	<u># of</u>	<u>Position Title</u>	<u>Start Date</u>	<u>FY 2012</u>	<u>FY 2013</u>
	1	Clinical Program Planner II	Sep-2011	\$ 41,571	\$ 52,962
	1	Administrative Services Officer	Sep-2011	36,659	46,841
	2	Clinical Program Manager	Sep-2011	79,700	101,664
	2	Child Development Specialist	Sep-2011	73,318	93,682
	5	Child Development Specialist	Oct-2011	151,475	215,450
	1	Program Assistant IV	Sep-2011	26,667	33,237
	<u>2</u>	Program Assistant III	Sep-2011	<u>49,416</u>	<u>61,760</u>
TOTAL	14			\$ 458,806	\$ 605,596

Additional costs related to staff are:

	<u>FY 2016</u>	<u>FY 2017</u>
In State Travel	\$ 39,059	\$ 52,778
Operating	68,942	84,016
Equipment	39,320	
<u>Information Services</u>	<u>52,458</u>	
Total	\$ 160,459	\$ 136,794

Detailed information concerning these costs are in the budget document.

iii. Capital considerations

Note: This section should discuss any necessary construction, remodeling, and capital equipment needed for the project.

None anticipated.

iv. Major purchases

Note: This section should discuss lease agreements, contractual services and equipment needed, and list the associated costs.

The major cost for this program is in the form of general fund block grants awarded to the 13 Infant Support Districts. Contracts for receipt of funding will be awarded on a competitive basis to proposals from community based entities through a structured request for proposals. Requirements for each ISD include:

- A full-time ISD manager is responsible for the development and coordination of the three components of each ISD.
- Home, hospital and neighborhood visitation. (Voluntary visits to families of newborns up to 1 year of age; provide guidance, support and resource information to families of newborns; assist with follow-up visit or referral to additional resources.)
- New Baby Center. (22 centers are projected to provide an accessible and identifiable location for families to access Family to Family services.)
- Resource Lending Center. (Provide child development materials and equipment to families on a lending basis. Resource Centers are associated with each New Baby Center. The Center is to be staffed and available to the public a minimum of 20 hours per week.)

Award amounts for each ISD are:

<u>ISD</u>	<u>Service Areas</u>	<u>Start Date</u>	<u># of New Baby Centers</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
1	Washoe - Reno/Sparks	Dec-2016	2	\$ 282,821	\$ 416,371	\$ 699,192
2	Washoe/Storey - SW Reno/Incline	Jun-2017	1	53,102	326,252	379,354
3*	Carson City/Douglas	Feb-2017	1	134,788	276,701	411,489
4	Churchill/Pershing/Humboldt	Jun-2017	3	64,061	350,808	414,869
5	Lyon/Mineral/Nye/Esmeralda	Jun-2017	3	64,061	350,808	414,869
6	Elko/Lander	Jun-2017	1	40,097	236,478	276,575
7	White Pine/Eureka	Jun-2017	1	22,463	121,457	143,920
8	Clark - SW Las Vegas/Pahrump	Jun-2017	2	69,892	403,262	473,154
9*	Clark/Lincoln - NE Las Vegas/Caliente/Mesquite	Dec-2016	3	301,580	490,925	792,505
10	Clark - Henderson/Boulder City/Laughlin	Jun-2017	2	73,270	450,568	523,838
11	Clark - SE Las Vegas	Jun-2017	1	59,241	351,675	410,916
12*	Clark - N/Central Las Vegas	Feb-2017	1	169,723	375,595	545,318
13	Clark - NW Las Vegas	Jun-2017	1	59,241	351,675	410,916
Totals				\$ 1,394,340	\$ 4,502,575	\$ 5,896,915

*These ISDs will serve as training sites for the regions. As such, these New Baby Centers will be model care-giving sites employing best practices. Training will be offered to all participants and required for all project personnel

The Family to Family Connection Program will include Regional Boards for the Northern and Southern Regions and an Advisory Council charged with developing policy and guidance, providing assistance and information for community-based organizations, and working with local communities to identify additional revenue sources to enhance services. The Advisory Council will build upon the success of the Title XX Commission and will include members representing expertise in the field of early childhood development through the role of the current Interagency Coordinating Council (ICC). Costs for the Regional Boards and Advisory Council will be \$220,974 in FY 2012 and \$221,013 in FY 2013. These costs provide for travel for board and council members, facilitator contracts for the boards and council as well as child care services to enable clients with children to attend board and council meetings. Additional detail concerning how these costs are derived is in the budget document.

v. Information technology and telecommunications requirements

Note: This section must include time lines for equipment order and receipt, software acquisition, consulting services, contract development and training. If the proposal lends itself to sharing of information between other agencies/entities, include time lines for interface development.

Effective January 1, 2012, an interlocal contract between the Department of Health and Human Services and the University System is proposed to develop and implement a data collection system to capture statistics from the 13 ISDs pertinent to the Family to Family Connection. This is necessary in order to monitor and maintain the program. An integral part of the contract will stipulate an ongoing criteria for evaluation of the program. Total cost for the interlocal contract is \$94,215 in FY 2012 and \$200,020 in FY 2013.

To ensure consistency in data collection and compatibility in the sharing of information, the Department of Health and Human Services proposes to purchase computer hardware and software for each ISD. The number of computers for each ISD is dependent upon the size of the ISD and the number of New Baby Centers contained therein. Further detail concerning how the total number of computers for each ISD was derived, as well as detailed costs for the interlocal contract, is contained in the budget document.

<u>ISD#</u>	<u>Number of Computers</u>	<u>Cost Per Computer</u>	<u>Total Cost</u>	<u>Date of Purchase</u>
1	10	\$ 3,502	\$ 35,020	Dec-2016
2	9	3,502	31,518	Jun-2017
3	7	3,502	24,514	Feb-2017
4	8	3,502	28,016	Jun-2017
5	8	3,502	28,016	Jun-2017
6	6	3,502	21,012	Jun-2017
7	3	3,502	10,506	Jun-2017
8	12	3,502	42,024	Jun-2017
9	14	3,502	49,028	Dec-2016
10	14	3,502	49,028	Jun-2017
11	12	3,502	42,024	Jun-2017
12	12	3,502	42,024	Feb-2017
13	<u>12</u>	3,502	<u>42,024</u>	Jun-2017
Total Cost	127		\$ 444,754	

Additionally, 14 computers will be necessary for state staff proposed to be hired in September and October 2011. The cost of each computer will be \$3,502 plus \$170 for a modem. Total cost for 14 computers to be purchased in September and October 2011 will be \$51,408.

vi. Training requirements

No training costs are anticipated. Volunteer staff within the individual ISD contract will be trained by the contractor with oversight provided by state employees.

D. Impact on existing services

This program is an enhancement to early childhood services provided by several agencies within the Department of Health and Human Services. Providing parenting classes and other information concerning the care of newborns and infants is a proactive process that will help to ensure that Nevada’s children receive the best foundation with which to build a healthy, productive future. While the Early Childhood Services program within the Division of Child and Family Services will provide guidance to this program, no further staffing or operating costs are anticipated.

As a result of needs identified by the family, it is anticipated that referrals will increase for the WIC program, Food Stamps, Medicaid, Employment and Training programs, health services and mental health services, child care and education. However, since this is a new program unlike any program currently in existence in the state, we are unable to predict in quantitative terms the number of children and families who will be eligible for these programs.

E. Impact on future biennia

Note: If the proposal provides only initial start-up costs for the current biennium, provide projections for the next two biennia to include an estimate of the increase in base funding levels. Also, determine in which year maximum cost for the proposal will be realized and provide an estimate of the maximum cost.

Start-up costs occur in FY 2012. The full cost of the program occurs in FY 2013; therefore the following

the availability of Family to Family Connection services and request for referrals.

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Personnel Services	\$ 605,596	\$ 635,875	\$ 667,669	\$ 701,053	\$ 736,106
In State Travel	52,778	55,417	58,188	61,097	64,152
Operating	284,036	292,557	301,334	310,374	319,685
Equipment *					25,000
Block Grants **	4,502,575	5,535,372	5,812,141	6,102,747	6,407,885
<u>Board and Advisory Council Costs</u>	<u>221,013</u>	<u>223,223</u>	<u>225,455</u>	<u>227,710</u>	<u>229,987</u>
Total	\$ 5,665,998	\$ 6,742,444	\$ 7,064,787	\$ 7,402,981	\$ 7,782,815

expense projections are made based on FY 2013 costs:

* Replacement costs for Computer Equipment purchased in FY 2012

** Based on 5% increase per year in number of newborns

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
General Fund	\$ 4,826,847	\$ 4,413,313	\$ 4,380,169	\$ 4,293,730	\$ 4,266,799
Title XIX	839,151	1,685,611	1,836,844	2,220,894	2,507,501
CCBG		<u>643,520</u>	<u>847,774</u>	<u>888,357</u>	<u>1,008,515</u>
Total	\$ 5,665,998	\$ 6,742,444	\$ 7,064,787	\$ 7,402,981	\$ 7,782,815

It is anticipated that general fund need will decrease beginning in the year 2013. Additionally, Federal Title XIX and Child Care Block grant funding will increase:

Providing case management services to an additional 5% of the Medicaid population in each year from FY 2013 through FY 2017. CCBG revenues are based on providing child care to an estimated 3% of the eligible population in each of the years 2013 through 2017.

Thus, while total costs increase due to population increases and inflationary factors, general fund need will decrease, beginning in the year 2013, due to the ability to capture additional federal revenues.

F. Performance indicators

The following performance indicators will be used to determine measurable outcomes for the proposal:

Consumer Benefit/Impact

- Family to Family connection will provide families with information regarding availability of community resources appropriate to meet their needs as self-identified. Family to Family will also facilitate and arrange for access to these services.
- Family to Family Connection will provide information to community-based organizations regarding

Indicators:

1. Percentage of families that access resources as a result of referral by Family to family Connection based on needs identified by the family.
 - a. WIC referrals: > 90%
 - b. Immunizations in accordance with schedule: 100%
 - c. Food Stamps: > 90%

- d. Medicaid: > 90%
- e. Employment: > 60%
- f. Child Care: > 90%
- g. Respite: > 50%
- h. Health Services: > 50%
- i. Mental Health Services: > 50%
- j. Education: > 50%
- k. Employment Training: > 30%

2. Number of referrals from each community-based organization.

Satisfaction with Service Opportunities

- Family to Family Connection will request that families randomly complete a survey to determine satisfaction with service opportunities as provided by Family to Family Connection.

Indicators:

1. Percentage of families that indicate satisfaction with services within
 - a. One month of contact: 85%
 - b. Six months of contact: 85%
2. Percentage of organizations contacted that indicate the Family to Family Connection provides a useful purpose/resource for the local neighborhood: > 98%
3. Percentage of organizations contacted that indicate that Family to Family Connection conducts activities in a timely, responsive, and professional manner: > 90%

Work Process Output

Opportunities for families and their infants

- Family to Family Connection will provide information to:
 - Promote positive parent/child interactions
 - Facilitate family access to adequate medical services
 - Facilitate family's connection with appropriate community resources
 - Promote effective coping skills
 - Advance optimal child development
 - Facilitate parent's understanding of health issues
 - Facilitate parent's understanding of safety issues
 - Assist with finding child care/respice care
- Family to Family Connection will facilitate information and formal family gatherings such as:
 - Support groups
 - Neighborhood gatherings
 - Parent Education Classes
- Family to Family Connection will provide resources to develop 13 Resource Lending Centers to include books, videotapes, instructional toys, safety equipment, sample assessments, audiotapes, etc.

Indicators:

1. Percentage of families of all live births who request information: > 75%
2. Percentage of families who request visit(s): > 50%
3. Percentage of families who attend support groups: > 45%
4. Percentage of families who attend informal neighborhood gatherings: > 45%
5. Percentage of families who use resources from resource centers: > 45%

Partnerships

- Family to Family Connection will identify a designated lead community organization through an RFP process in each community. Family to Family Connection will also facilitate the development of agreements designed to share resources and establish partnerships at the local level to support the Family to Family Connection network of services.

Indicators:

1. Number of new agreements developed to facilitate Family to Family Connection network.
2. Percentage of local services that share resources or develop partnerships with local organizations: > 75%

Strategic Outcome

(Some of these are intended as long-term outcomes.)

- Family Involvement in local neighborhood and family demographics. As a result of involvement in Family to Family Connection, there will be an increase in the number of participants (male and female) volunteering and/or paid to be a support to other families and working in local non-profit community organizations. Results will be gathered based on participant surveys.

Indicators:

1. Percentage of participants who volunteer for or become employed by Family to Family Connection following initial contact with the program: > 15%
2. Percentage of participants who become employed in the area of child care in the local neighborhood and/or community: > 5%
3. Percentage of participants who volunteer or lead activities within local neighborhood: > 20%
4. Percentage of two parent families: > 45%
5. Number of teen parents
6. Percentage of parents who are unemployed and who become employed or enter training programs within 6 months on involvement of program: 30%
7. Percentage of families who locate and access appropriate child care/respice care within 6 months of involvement of program: > 35%

G. Plan of action should performance expectations or funding requirements not be met

If individual Infant Support Districts do not meet performance expectations, the state will terminate their contract in accordance with contract terms. A Request for Proposal process will be initiated to obtain another contractor to continue services in that Infant Support District.

If statewide performance indicators do not meet the majority of expectations outlined in Section VI. F of this proposal, all ISD contracts will be terminated in accordance with contract terms. An assessment will be made to determine the feasibility of continuing, reducing or eliminating program services. Based on the results of the assessment, an action plan will be developed to either continue, reduce or eliminate the program.

If budgeted funding requirements are not met but the program is successful based on achievement of performance expectations, program services will be reduced (i.e., less visitations per newborn; fewer hours of operation of New Baby Centers and Resource Lending Centers). The reduced services will be in proportion to the amount of reduced funding.

If all funding is eliminated, the program will terminate. This will require 30 days notice to all contractors as well as layoff notices to all Family to Family state personnel. However, if the program is successful but general fund support is eliminated, the state will negotiate with counties and local governing entities to continue the program through county support and donations.

Developing Costs for New Positions

The following example uses a federal mandate as justification for an agency's need to request new positions. Agencies can apply the same concepts for any requests for new positions.

The following is a working example of a request from a fictitious state agency for new positions in response to a federal mandate. The example serves to highlight, conceptually, the process and general methodology an agency may utilize to assemble a similar request in the agency's budget request.

Example

Assume over the next biennium the Inspections Division will be required to comply with a federal mandate requiring states to increase the frequency of safety related and ADA inspections of certain public facilities from twice a year to four times a year. Assume also this mandate takes effect in July 2024. Based upon the division's current workload, the division estimates it will need additional staff and equipment to comply.

The division has already performed an analysis of the federal mandate and of its current inspection capabilities.

- The Inspections Division has 25 FTEs, 5 of whom are Inspectors.
- Each inspector, when fully employed 100 percent of the time in inspection activities, can perform 25 inspections per year.
- The current annual inspection capacity is 125 (5 inspectors x 25 inspections per year).
- There are 50 sites that need to be inspected. If these are inspected twice annually (the current requirement), there will be 100 required inspections per year ($50 \times 2 = 100$).
- The new federal mandate requires four inspections annually per facility or 200 inspections per year ($50 \text{ facilities} \times 4 \text{ inspections per year} = 200$).
- The current staff can only handle 125 inspections per year, leaving a shortage of 75 required inspections ($200 - 125 = 75$).
- If each inspector can perform 25 inspections a year, then hiring three new inspectors ($75 / 25 = 3$) should handle the need and allow the division to comply with the new federal mandate.

The division has identified other related costs associated with three new employees such as travel, operating, training, equipment, and information services. These costs must be defined in NEBS after a decision unit number (M-500 through M-597 for federal mandates) has been established and defined in the **Account Maintenance** screen. Refer to the New Position section of this budget manual for a detailed explanation of these requirements.

Along with any request for new positions and their associated ancillary costs, other costs may be considered.

Ancillary costs may be budgeted in a special use category if there is a dedicated funding source, such as a federal grant.

For this example, the ancillary costs included are in the following categories:

- Category 02, Out-of-State Travel
- Category 03, In-State Travel
- Category 04, Operating
- Category 05, Equipment
- Category 26, Information Services
- Category 30, Training

Each of these categories will be described in the following sections.

Categories 02 & 03 - Out-of-State Travel and In-State Travel

Will the new employees need to travel in the daily course of their jobs? In this example, the Inspections Division conducts inspections statewide, requiring the inspectors to travel extensively. In addition to the day-to-day travel requirement to conduct inspections, in-state travel is also required to attend quarterly regional meetings and out-of-state travel will be required to attend the Annual Western State Conference of State Inspectors (WSCSI).¹

¹ These conferences do not have a training component and, therefore, are budgeted in the travel categories rather than Training, category 30.

	NORTHERN REGION	SOUTHERN REGION	TOTAL	ESTIMATING METHODOLOGY COMMENTS
Number of facilities	30	20	50	Northern Region: Inspections are grouped and scheduled to a complete day. Travel costs include full day per diem as provided in SAM (Chapter 200). In addition, due to rural make up of the geographic region approximately 1/3 of the inspections scheduled historically require over-night stays. (per night stay in accordance with SAM), and Fleet Services rental costs, which can be found on Fleet Services website under Rates.
Current number of annual inspections (@ 2 per year per facility)	60	40	100	
Current annual cost of inspections				
Per diem	\$ 2,720	\$ 1,040	\$ 3,760	
Fleet Services costs	\$ 2,400	\$ 1,600	\$ 4,000	
Total annual cost of inspections	\$ 5,120	\$ 2,640	\$ 7,760	
Current number of inspectors	3	2	5	
Average annual cost of inspection per FTE	\$ 1,707	\$ 1,320	\$ 3,027	
Number of new FTEs requested	2	1	3	Southern Region: Inspections can be grouped and scheduled so that no overnight stays are required.
Total additional funding needed	\$ 3,413	\$ 1,320	\$ 4,733	

Since this request is an expansion of an ongoing service the division already provides, an annual average regional cost is used to estimate inspection related travel expenses. Three of the division's five inspectors are assigned to the northern region and the remaining are assigned to the southern region. Using average regional costs greatly simplifies cost estimates and are far less time-consuming than tracking costs for each inspector. Simple averages based on historical data will provide adequate results for this example. Note: This average - cost method is allowable for new positions but not for ongoing budgets/FTE.

The table at the top of the page illustrates how to present the assumptions and calculations for the in-state travel component of your request. In addition to the table, an agency is expected to provide historical data showing the baseline (current) annual travel for inspections as well as data supporting the baseline workload ratios for the inspectors.

Additionally, estimate costs for staff to attend regional meetings for the WSCSI and an annual State Inspectors Conference in Washington D.C.¹ This type of travel is unique and can be easily calculated on a per trip basis and submitted as such. For this example, we assume four quarterly regional WSCSI meetings and one annual conference.

Other issues to consider when estimating expenditures for travel:

1. Travel expenditures for the first year should align with the proposed hire date for the new staff. In accordance with general practices, new positions are approved with an October 1 effective date in the first year. Therefore, the above estimate must be adjusted to reflect the delayed start and reduced by 25% for the first year only.

2. Conference registration fees are normally budgeted in the operating expenditure category. Training registration is charged to category 30 - Training.
3. When requesting new vehicles from Fleet Services it will take approximately 6 months for the agency to receive the vehicle; therefore, only 6 months should be included in Year 1 and a full 12 months for Year 2. Additional information is provided in detail in the Budget Framework section of this budget manual.
4. Is the travel being funded by a dedicated revenue source? If so, it is acceptable to budget all costs except personnel costs in a special use category.
5. Budget for 21-day advance tickets to the destination(s) in out-of-state travel requests. The state policies for per diem rates for hotels, meals, and incidentals can be found in the SAM 200.
6. Will all staff travel? Determine which positions should travel and be prepared to justify the need, especially when requesting travel to quarterly meetings and annual conferences.
7. Projections must be based on GSA rates or approved agency rates if different.

NEBS Input

The agency should have already defined in the Account Maintenance screen the following:

- The appropriate maintenance decision unit (M-502 in this example)
- The necessary travel expenditure categories (02 and 03). If a category has been used in Base or any other decision unit, it has already been established, but if it is a new category, then it is required to be added under the category view.
- The associated Revenue GL for a new funding source.

Category 04 - Operating

Be sure to budget associated operating costs for new employees such as supplies, postage, telephone and voice-mail, long distance, small equipment, office space, etc. Only include additional office space if the added staff will not fit in the current space.

When budgeting for operating expenditures, use the estimating methodology that is most appropriate for the request provided it is adequately justified and documented. A common method used in state budgeting is to estimate operating costs on an average FTE basis. **Refer to the new positions cost projections template located on the Budget Division's website.** It may be that historical data is a more appropriate way to develop averages at the object code level. Some associated costs are schedule driven in NEBS and the rates in those schedules will determine the costs. Whatever estimation method the agency uses, document and support the calculations.

Category 05 - Equipment

The three new positions requested in this example may require office furniture or special equipment. The equipment schedule in NEBS standardizes costs for equipment. Standard equipment, such as office furniture, is grouped together under executive or secretarial units in the drop-down menu of the schedule. The pricing for the executive unit includes either a cubicle station with panels, work surfaces, built-in two-drawer file cabinet and overhead bookcase/storage unit, or a stand alone furniture unit with a desk, credenza, chair, file cabinet, wastebasket, two side (guest) chairs, bookcase, and computer workstation. The secretarial unit includes all of the items listed previously except the two side chairs. Executive units should only be budgeted for Section Chiefs, Deputy Division Heads, Division Heads, Deputy Directors (Secondary Cabinet member) or Directors (Cabinet member). Typically, this would include grade 39 and above. Exceptions to this guideline must be justified at the decision unit level in NEBS. Special equipment in this example could include special test equipment used for inspections and communication equipment. It is necessary to determine what items each new position will require to carry out his or her daily functions. Will the new positions be able to use existing resources by sharing equipment or office resources such as office space?

If it is determined that the new positions require new vehicles instead of Fleet Services vehicles, provide documentation/justification based on SAM 1324 - Vehicle Utilization Requirements and discuss the options with your assigned Budget Officer.

Category 26 - Information Services

The three additional inspectors being requested in this example will need computers, business productivity suite accounts (or email) and card readers, if applicable for badges. Additional programming time or computer technician time may be needed to get the individuals set up on the network. Also included are the system-generated EITS assessments that are automatically calculated in NEBS based on FTE count.

The equipment schedule is used to budget for the computer hardware, software, and annual maintenance costs. As mentioned previously, standard prices are already loaded into the schedule. Enter the quantity needed and process the schedule to update the line item.

Costs for EITS services are also loaded in NEBS. Estimate what services will be required and how much service (utilization) will be allocated to each of your new FTEs. In this example, there is sufficient historical data to develop average service utilizations for the current inspector positions. Those averages are representative of the utilization for the new FTEs and will be entered in the EITS schedule. **Remember, the first year should be prorated because positions are budgeted to begin October 1, not July 1.** This example is for illustrative purposes only and is not meant to be all-inclusive of required EITS services.

Category 30 - Training

Similar to the travel categories, the training category is used to estimate expenditures associated with any training required for the new staff. Please refer to the travel cost section of this example for the type of information and level of detail needed in requesting travel costs for training. ***Travel costs associated with training, including registration fees, should be recorded in training expenditure category 30 unless you are recording all expenditures in a special use category.*** Follow the same cost estimation process noted in the travel section to develop training costs.

The biggest issue in developing a training plan for new FTEs is determining the location for their training. Some of this information can be approximated by the historical data. If there isn't an exact location for the proposed training because training sites change annually, pick one city on the east coast and one on the west coast for budgeting purposes. Include 21-day advance airfare to the cities you select. The per diem rate policies are located in SAM 0200 and can be used to estimate the costs associated with lodging and meals. The travel spreadsheet in the travel cost section can be used for the training category to estimate

the total training costs and should be attached at the decision unit level in NEBS (Refer to the example training template located on the Budget Division website).

Cost Allocations

When developing costs for new positions, division-wide and/or department-wide cost allocations should be considered in calculations for revenues and expenditures.

Summary

This section is a simple illustration of the kind of rationale the Budget Division is looking for when reviewing a request for new staff. Additional reasons to request new positions could include an increase to a legislatively approved caseload, a new federal mandate, court order/consent decree, or a new program.

Be aware the Budget Division will ask if there are ways to streamline your division's operations or if other efficiencies could be put into place to reduce the need for additional staff.

Justification for Vacant Positions

Report and Justification for Positions Vacant at Least 12 Months

Department: _____

Division: _____

Fund/Budget Account: _____

NRS 353.210 Submission of vacant positions, expenditure requirements and anticipated income: provision of information to Fiscal Analysis Division of Legislative Counsel Bureau; proposed budgets for certain agencies.

1. Except as otherwise provided in subsection 6, on or before September 1 of each even-numbered year, all departments, institutions and other agencies of the Executive Department of the State Government, and all agencies of the State, including those operating on money designated for specific purposes by the Nevada Constitution or otherwise, shall prepare, on blanks furnished them by the Chief, and submit to the Chief:
 - a. The number of positions within the department, institution or agency that have been vacant for at least 12 months, the number of months each such position has been vacant and the reasons for each such vacancy;

PCN	Class Code	Position Title	Vacant Since	Total Months (as of September 1 of even-numbered year) *	Reason Vacant	Justification to Retain Position

* Positions must be reported if they've been vacant for 12 consecutive months from the date listed.

Assessments and Full-Time Equivalent (FTE) Driven Costs

ASSESSMENT TITLE	ASSESSMENT DESCRIPTION	BASED ON (HOW IT'S DEVELOPED)	HOW IT'S APPLIED
Personnel Assessment (Category 01)	Represents an allocation to state agencies for the recruitment, examining, classification, compensation and training functions of the Division of Human Resource Management (DHRM) as applicable	Per position in each budget account, at rate for applicable functions	Legislatively approved budget amount
Payroll Assessment (Category 01)	Represents an allocation to state agencies of the costs for the central payroll function of the DHRM	Per position in each budget account	Legislatively approved budget amount
Collective Bargaining Assessment (Category 01)	Represents an allocation to state agencies for the functions of the Government Employee-Management Relations Board (EMRB) relating to collective bargaining	Per position in each budget account eligible for collective bargaining	Board approved rate
Labor Relations Assessment (Category 01) (Under development)	Represents an allocation to state agencies for the Labor Relations Unit within DHRM to support collective bargaining activities; may be incorporated into the Personnel Assessment	Not yet determined; likely by positions in each budget account eligible for collective bargaining	Legislatively approved budget amount
Employee Bond (Category 04)	Provides for loss caused by any fraudulent or dishonest act committed by an employee acting alone or with others	Per position in each budget account	Legislatively approved budget amount
Employee Tort (Category 04)	Provides self-insurance for general liability claims (torts)	Per position in each budget account	Legislatively Approved budget amount
Retired Employees Group Insurance (REGI) Category (01)	Provides a centralized collection mechanism for the receipt of contributions made by each state entity for the benefit of all retired state employees	A specific percentage of the total gross salaries included in each agency's budget	Legislatively Approved budget amount
EITS - Infrastructure Assessment (Category 26)	Provides DNS routing, state help desk, state web portal, web page development and platform, state ADA compliance-evaluation, state HR business infrastructure, state FTP services and state ListServe support, state single sign-on and identify management, state toll free access, state on-line phone book, and state operator service	Per position in each budget account	Legislatively approved budget amount
EITS - Security Assessment (Category 26)	Provides security services including vulnerability scanning, penetration testing and incident triage and/or response coordination; supports agencies in developing and managing agency-specific security programs, policy, standards and plans including backup and recovery, incident response and disaster recovery plans; maintains and develops State-level information security policy, standards and procedures; provides security oversight and guidance for Executive Branch	Per position in each budget account	Legislatively approved budget amount
Agency HR Services (Category 82)	Represents an allocation to state agencies served by Agency HR Services	Per position in each budget account	Legislatively approved budget amount
Purchasing Assessment (Category 87)	Represents an allocation to state agencies for services provided by the Purchasing Division related to purchase orders and inventory, requests for proposals, and Master Service Agreements	Allocated to each budget account according to volume in Commodities (purchase orders and inventory), Services (requests for proposal), and Master Service	Legislatively approved budget amount

Schedule-Specific General Ledger Numbers

CASELOAD SCHEDULE			
GL	DESCRIPTION	GL	DESCRIPTION
702E	Caseld Drvn - Operating Supplies	718C	Caseld Drvn - Med/Dent Supp - Non-Cont.-A
702F	Caseld Drvn - Operating Supplies-A	719A	Caseld Drvn - Stipends - B
704A	Caseld Drvn - Printing & Copying - A	720A	Caseld Drvn - Food
706B	Caseld Drvn - Contracts - A	720B	Caseld Drvn - Food-F
706C	Caseld Drvn - Contracts - D	732A	Caseld Drvn - Inst. Supplies
707A	Caseld Drvn - Contracts - L	742A	Caseld Drvn - Inmate Supplies
707B	Caseld Drvn - Contracts	742B	Caseld Drvn - Client Mat. Provider Pmts-A
717A	Caseld Drvn - Inmate Clothing	742C	Caseld Drvn - Client Mat. Provider Pmts-B
718A	Caseld Drvn - Med/Dent Svcs - Non-Cont.-C	763A	Caseld Drvn - Misc. Goods, Mat - A
718B	Caseld Drvn - Med/Dent Svcs - Non-Cont.-D		
VENDOR SCHEDULE			
GL	DESCRIPTION	GL	DESCRIPTION
7060	Contracts	7303	Dues & Registrations-A
7061	Contracts - A	7304	Dues & Registrations-B
7062	Contracts - B	7305	Dues & Registrations-C
7063	Contracts - C	7370	Publications & Periodicals
7064	Contracts - D	7371	Publications & Periodicals-A
7065	Contracts - E	7372	Publications & Periodicals-B
7066	Contracts - F	7373	Publications & Periodicals-C
7067	Contracts - G	7374	Publications & Periodicals-D
7068	Contracts - H	7430	Professional Services
7069	Contracts - I	7431	Professional Services-A
7070	Contracts - J	7432	Professional Services-B
7071	Contracts - K	7433	Professional Services-C
7072	Contracts - L	7434	Professional Services-D
7073	Software License/Mnt Contracts	7435	Professional Services-E
7074	Hardware License/Mnt Contracts	7436	Professional Services-F
7075	Med/Health Care Contracts	7437	Professional Services-G
7076	Pharmaceutical Contracts	7438	Professional Services-H
7077	Foster Care - Individual Contracts	7960	Rentals For Land/Equipment
7078	Foster Care - Institution Contracts	7961	Rentals For Land/Equipment- A
7079	Goods/Materials Contracts	7962	Rentals For Land/Equipment-B
7211	MSA Programmer Charges	7963	Rentals For Land/Equipment-C
7272	Interest Expense	7980	Operating Lease Payments
7273	Interest Expense-A	7981	Operating Lease Payments - A
7274	Interest Expense-B	8410	Prin-Installment/Lease Purchase
7300	Dues & Registrations	8411	Prin-Install/Lease Purchase-A
7301	Membership Dues	8412	Prin-Install/Lease Purchase-B
7302	Registration Fees		

EQUIPMENT SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
7460	Equipment Purchases <\$1,000	8280	Heavy Duty Trucks - New
7461	Equipment Purchases <\$1,000-A	8290	Telephone System Equip >\$5,000
7462	Equipment Purchases <\$1,000-B	8291	Telephone System Equipment - A
7463	Equipment Purchases <\$1,000-C	8292	Telephone System Equipment - B
7465	Equipment >\$1,000 and <\$5,000 - A	8310	Pick-Ups, Vans - New
7770	Computer Software >\$5,000	8320	Used Major Equipment >\$5,000
7771	Computer Software <\$5,000 - A	8321	Used Major Equipment <\$5,000-A
8210	Mobile Homes/Storage Sheds	8330	Office & Other Equip >\$5,000
8220	Trailers	8331	Office & Other Equipment - A
8230	Microwave Stations & Systems	8332	Office & Other Equipment - B
8240	New Furnishings >\$5,000	8340	Special Purpose Vehicles >\$5k
8241	New Furnishings <\$5,000 - A	8341	Special Purpose Vehicles - A
8250	New Major Equipment >\$5,000	8360	Automobiles - New
8251	New Major Equipment <\$5,000 -A	8370	Computer Hardware >\$5,000
8260	Boats	8371	Computer Hardware <\$5,000 - A
8270	Special Equipment >\$5,000	8372	Computer Hardware <\$5,000 - B
8271	Special Equipment <\$5,000 - A	8380	Used Vehicles >\$5,000
8272	Special Equipment <\$5,000 - B	8381	Used Vehicles <\$5,000
8274	Special Equipment <\$5,000 - D	8390	Miscellaneous Equipment >\$5,000
8275	Special Equipment <\$5,000 - E	8391	Miscellaneous Equip <\$5,000 -A
8276	Special Equipment <\$5,000 - F	8393	Miscellaneous Equip <\$5,000 -C
8277	Special Equipment <\$5,000 - G	8394	Miscellaneous Equip <\$5,000 -D
BUILDING RENT NON-B&G SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
705A	Non B&G - Prop. & Cont. Insurance	7112	Non-State Owned Rental Misc
7105	State Owned Bldg Rent - Other	7113	Non-State Owned Meeting Room Rent
7110	Non-State Owned Office Rent	7114	Non-State Owned Bldg Rent Misc
7111	Non-State Owned Storage Rent	7255	B&G Lease Assessment
B&G OWNED BUILDING RENT SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
705B	B&G - Prop. & Cont. Insurance	7100	State Owned Bldg Rent-B&G
BUILDING MAINTENANCE SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
714A	B&G - Building Maint		
AGENCY OWNED PROPERTY & CONTENTS SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
7051	Agency Owned - Prop. & Cont. Insurance		
FLEET SERVICES VEHICLES SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
6211	FS Monthly Vehicle Rental In-State		
AGENCY OWNED VEHICLES SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
7052	Vehicle Comp & Collision Ins	7059	Ag Vehicle Liability Insurance
EITS SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
7289	EITS Phone Line and Voicemail	7536	EITS Server Hosting - Basic
7509	EITS PBX Network Access	7537	EITS Server Hosting - Advanced
7510	EITS Programmer/Developer	7540	EITS UNIX Support
7511	EITS Database Administrator	7546	EITS Database Hosting - SQL
7515	EITS Mainframe Services	7548	EITS Server Hosting - Virtual
7529	EITS Print Management	7550	EITS Microwave Site Space Rent
7531	EITS Disk Storage	7551	EITS Microwave DS0 Circuit
7547	EITS Business Productivity Suite	7552	EITS Microwave DSI Circuit
7534	EITS Storage Backup	7557	EITS NCAS Card Reader
7535	EITS Non-Server Hosting - Basic	7559	EITS Microwave Ethernet Transport

UNIFORM SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
7170	Cloth/Uniform/Tool Allowance	7174	Cloth/Uniform/Tool Allowance-D
7171	Cloth/Uniform/Tool Allowance-A		
STAFF PHYSICALS SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
7385	Staff Physicals		
VACANCY SAVINGS SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
5904	Vacancy Savings		
DEPARTMENTAL COST ALLOCATION SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
7394	Cost Allocation - A	7398	Cost Allocation - E
7395	Cost Allocation - B	7399	Cost Allocation - F
7396	Cost Allocation - C	7439	Dept of Admin - Admin Ser Div
7397	Cost Allocation - D		
PURCHASING ASSESSMENT SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
7393	Purchasing Assessment		
STATEWIDE COST ALLOCATION SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
9159	Statewide Cost Allocation		
ATTORNEY GENERAL COST ALLOCATION SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>		
7391	Attorney General Cost Alloc		
PAYROLL SCHEDULE			
<u>GL</u>	<u>DESCRIPTION</u>	<u>GL</u>	<u>DESCRIPTION</u>
5100	Salaries	5800	Unemployment Compensation
5101	NSHE University Salaries	5840	Medicare
5200	Workers Compensation	5841	Social Security
5300	Retirement		
5400	Personnel Assessment		
5420	Collective Bargaining Assessment (EMRB)	7050	Employee Bond Insurance
5440	Personnel Subsidy Allocation (seasonal/temp)	7054	Ag Tort Claim Assessment
5500	Group Insurance	7554	EITS Infrastructure Assessment
5700	Payroll Assessment	7556	EITS Security Assessment
5750	Retired Employees Group Insurance		

Style for Budget Text

The Governor's Executive Budget is a document available to the public and should be written with the public as the target audience. Please follow this style guide when entering text in NEBS.

Complete Sentences

Use complete sentences for all decision unit descriptions and justifications. Sentences should be written in present tense unless it relates to an upcoming merger or consolidation, in which case phrases such as “will be merging” are acceptable.

Capitalization

Do not capitalize every word. Only capitalize titles such as Insurance Division. Some examples:

- Capitalize “State of Nevada”
- Do not capitalize “the state”
- Capitalize “Department of Administration”
- Do not capitalize “the department”
- Capitalize “Division of Minerals”
- Do not capitalize “the division”
- Capitalize “Executive Branch”, “Legislative Branch”
- Capitalize “Governor” and “Legislature”
- Capitalize “General Fund” and “Highway Fund”

Numbers

Spell out the following:

- Numbers one through ten
- Numbers that begin a sentence or title – One year ago this scenario was repeated
- Numbers that form a compound word – A two-year-old program
- Fractions – one-half
- Percent with spelled-out numbers - twelve percent increase over previous year

Use numerals for the following:

- Numbers with two or more digits except for ten – 1,889, 162, or 27
- Decimals need to have a zero placed before the decimal point 0.85

- Dates, page references, room numbers, statistics, addresses, dollars and cents – 1889, 7,500 residents, page 2, 221 B Baker Street, \$5.98
- A list or series of numbers – 1, 4, 9, 16, 25
- Percentage symbol with numerals - 99.44%

Abbreviations

- Fiscal years – Spell out “fiscal year,” “state fiscal year,” and “federal fiscal year.” Do not use “FY,” “SFY,” or “FFY.”
- Budget accounts - Use “budget account” instead of “BA.”
- FTE - Spell out the first reference in each section as “full-time equivalent (FTE)” and then refer to it as FTE, it is never FTEs or FTE’s.

General Fund

It is referred to as “General Fund appropriations”. Do not use “General Funding” or “General Funds”.

Acronyms

Spell out acronyms the first time they are used. For example: Enterprise Information Technology Services (EITS). Exceptions to this are commonly used acronyms well known to the general public such as NASA, U.S., USDA, and HIV-AIDS. If a word with an acronym is used upon first reference but it is not used again, it is unnecessary to follow it with an acronym in parenthesis.

Program Description

- Double check your grammar, spelling, and punctuation
- Write the description so it will be understandable to someone unfamiliar with your program

- Be concise. One hundred words or less is ideal for a description
- Verify your program statement is current and includes NRS references

Apostrophes/Possessives

- Singular possessive: “The supervisor’s team is happy”
- Plural possessive: “ Division of Health Care Financing and Policy, Health and Welfare are all divisions of DHHS. The divisions’ objective is to assist the public (three divisions “own” a single objective).
- No apostrophe if talking about multiple items: “The supervisors are happy” (referring to multiple supervisors that are happy); “They are all divisions” (referring to multiple divisions)
- To avoid confusion when using multiple possessives, restructure the sentence – instead of “The Department of Administration’s Personnel section will be moving to the Department of Administration’s Division of Human Resource Management.” Use “The Department of Administration, Personnel section will be moving to the Department of Administration, Division of Human Resource Management.”
- An apostrophe is not needed when used with plural acronyms – “The CEOs were happy” (referring to multiple CEOs)

Exclude Position Control Numbers (PCNs)

Do not include PCNs in the text of your description – use position titles instead. Example: This request adds two Management Analyst IIs to the Division of Research, Planning and Grants Management, budget account 1340.

Commas and Semicolons in Lists

- Commas are used for a simple list and semicolons are used for complex lists. Complex lists are any items that use complex sentence structure within the list or use commas within the list
- A comma is used before the and in a list with more than three items but is not used before the and in a list with only three items

DO - SIMPLE LIST

Inspections and investigations are conducted at pesticide-producing establishments, pesticide distributors, marketplaces, and dealerships. (comma at end of list)

DON’T – SIMPLE LIST

Inspections and investigations are conducted at pesticide-producing establishments, pesticide distributors, marketplaces and dealerships. (no comma at end of list)

DO- COMPLEX LIST

Other activities include: responding to endemic animal disease outbreaks; conducting surveillance; collecting and compiling methods and procedures to best diagnose and control diseases; administering disease control techniques, methods and procedures; and taking actions to prevent disease spread to humans or livestock. (semi-colon)

DON’T- COMPLEX LIST

Other activities include: responding to endemic animal disease outbreaks; conducting surveillance; collecting and compiling methods and procedures to best diagnose and control diseases; administering disease control techniques, methods and procedures and taking actions to prevent disease spread to humans or livestock. (semi-colon no comma)

Other activities include: responding to endemic animal disease outbreaks, conducting surveillance, collecting and compiling methods and procedures to best diagnose and control diseases, administering disease control techniques, methods and procedures, and taking actions to prevent disease spread to humans or livestock. (commas used should be semi-colon)

Use of Verb with Staff

Staff is a collective noun, which means it can be viewed as either singular or plural depending on the sentence. Examples:

SINGULAR

The staff is in a meeting.

Staff generates purchase orders.

PLURAL

The staff are in disagreement about the findings.

Staff generate purchase orders.

Both are correct, however, it is more common to view “staff” as a singular unit. If you are uncertain, revise the sentence: The staff members are in disagreement about the findings. Staff members generate purchase orders.

Hyphens

Two or more words that are used together to form an adjective before a noun need to be hyphenated: full-time employee, out-of-compliance devices. If the noun is first or if the phrase is not confusing, a hyphen is not required. Example: recover versus re-cover.

Decision Unit Synopsis

Do not create a synopsis for statewide created decision units, such as M-100, occupational studies, COLAs, NDOT radios and NHP dispatch. The Budget Division will supply language for these.

Any relevant information in addition to the synopsis needs to be entered in the justification section. Always use complete sentences and spell check.

Transfer Decision Units

Transfer decision unit narratives should include the names and numbers of the source and destination budget accounts. For example, “This request recommends transferring two Management Analyst II positions from the Public Employees Benefits Program, budget account 1338 to Budget and Planning, budget account 1340.”

If the transfer is between divisions, the title of the decision unit should include the source and destination budget account.

If the transfer is between departments, include the names of the source and destination departments in the title of the decision unit.

When including department names and budget accounts in decision unit titles, it may be necessary to abbreviate words as the title is limited to 50 characters.

Examples For Specific Decision Units

Base

This request continues funding for 26 employees and associated operating costs. One-time expenditures have been eliminated and partial year costs have been annualized.

M-150

This adjustment recognizes the difference between the actual expenditures for fiscal year 2022 and the anticipated expenditures for the 2023-2025 biennium.

E-275 Elevating Education

This request funds additional travel to be used in monitoring and implementing state standard materials that support the Every Student Succeeds Act (ESSA).

E-250 Efficient and Innovative State Government

This request funds loss prevention building inspections that have not been inspected by the current contractor. Inspections will be at locations where the value of the property is \$5 million or less.

E-300 Safety, Security and Justice

This request adds funding for additional security coverage for the Linden Street clinic and the Northern Nevada Adult Mental Health Services (NNAMHS) campus.

E-350 Promoting Healthy, Vibrant Communities

This request funds enhanced networking capacity between all offices to support the transmission of images.

E-490 Grant Position Reductions Approved

This request eliminates a total of three grant funded positions consisting of one Management Analyst II position and two Administrative Assistant II positions.

E-500 Adjustments - Transfers In

This request aligns revenues associated with the transfer of the PC/LAN Technician in E-903.

E-710 Replacement Equipment

This request replaces computer hardware and associated software per the EITS recommended replacement schedule.

E-720 New Equipment

This request funds one copier, a rack to host the agency server, hubs, and other related equipment.

E-805 Classified Position Reclassifications

This request reclassifies an IT Professional II to an IT Professional III commensurate with the duties of the position.

E-817 NDOT 800 MHz Radio Cost Allocation

This request provides funding for anticipated expenditures based on the statewide cost allocation schedule.

E-901 Trans From Home & Comm Based Prgms to Aging Admin

(example of transfer between budget accounts within a division with abbreviations)

This request transfers five positions consisting of one Information System Specialist III, one Administrative Aide, one Administrative Assistant I, one Administrative Assistant III, and one Accounting Assistant III from Home and Community Based Programs, budget account 3146, to Aging Federal Programs and Administration, budget account 3151.

E-902 Trans From Health Care Fin & Policy to Div of Aging

(example of transfer between divisions within a department with abbreviations)

This request transfers General Fund match from where it is currently budgeted in Nevada Medicaid, budget account 3243, to Home and Community Based Programs, budget account 3146, for consistency within the department.

E-903 Transfer From EITS to Dept of Administration

(example of transfer between departments)

This request transfers one PC/LAN Technician position from EITS Data Communications and Network Engineering, budget account 1386 to Budget and Planning, budget account 1340.

Glossary

Account(s) Maintenance

Preparing an agency's account in NEBS prior to constructing that agency's budget, which involves defining decision units, categories, specialized revenue ledgers, position groupings, and assessments that will be included in that budget.

Actual

The budgeted expenses and revenues of the base year adjusted to reflect those actually experienced during a fiscal year as listed in DAWN.

Activity

A service provided or function performed for a specific purpose and/or population to accomplish a defined goal or objective consistent with the agency's mission and strategic plan.

- Primary Activity - Activities clearly related to the agency's mission.
- Support Activity - Internal activities necessary to enable the agency to perform the primary activities.

Activity Mapping

A budget tool provided in NEBS detailing how revenues are allocated to support expenditures for each activity.

ADA

The Americans with Disabilities Act.

Adjusted Base Budget

The budget after adjustments have been made to base budget to eliminate one-time expenditures or to increase (annualize) revenues and expenditures for ongoing programs that were not operational for the entire base year.

Adjustment(s) to Base

A change to an actual expenditure included in the base budget to account for a partial year, one-time expenditures and interim work program changes.

Advantage - Financial

The official state financial system of record in which state agencies record revenue and expenditure activity.

Advantage - HR (Human Resource)

The official state payroll and personnel system of record in which state agencies record employee payroll and personnel activity.

Agency-Owned Property and Contents Schedule

This statewide schedule is used to calculate insurance costs for agency-owned properties. This schedule is not completed by agencies.

Agency-Owned Vehicles Schedule

This schedule is used to calculate insurance costs for agency-owned vehicles. Depending on the insurance type selected, this schedule may result in the generation of one or more line items.

Agency Request Budget

A two year budget request prepared by a state agency — due to the Budget Division and LCB's Fiscal Analysis Division, on or before September 1 of even-numbered calendar years — based on the agency's expected revenues and proposed expenditures as necessitated by the agency's statutory or legislative mandates, goals and objectives, or costs and priorities.

Agency-Specific Inflationary Adjustments

Adjustments for the price increase of goods and services unique to a particular agency.

Application Header

The row of tabs displayed on each page of NEBS, which provides immediate access to various parts of the NEBS application. Examples are: Home/NEBS/Activity Budget/Work Programs/BDR/SFYE/Reports/DataMart/Messages

Appropriation

A legislative allocation from the state General Fund or Highway Fund for a specific purpose or to support the operation of an agency.

Appropriation Unit

A six-digit code that is part of the Advantage Financial account coding structure that identifies the budget account and the category in which financial activity is taking place.

Assembly Committee on Ways and Means

A standing legislative assembly committee, often referred to as a "money committee" which has primary jurisdiction over appropriations, operating and capital budgets, state and federal budget issues, and bonding.

Assessment Settings

A view on the Account Maintenance tab in NEBS that provides agency users with the ability to toggle on or

off assessment settings (EITS, AG Tort, Bond) at the budget account level (as opposed to the position level).

Attorney General Cost Allocation

An assessment of costs for legal and investigative services provided by the Attorney General's office to state agencies.

Augmentation

An increase to the revenue or expenditure authorization amounts approved by the Legislature.

Authorization

The authority granted by the Legislature to allow state agencies to collect and expend funds from sources other than the General Fund or Highway Fund, such as federal funds, county funds, gifts, grants, donations, fees, sales, etc.

B/A

Budget Account.

Buildings and Grounds (B&G)

The Buildings and Grounds section within the State Public Works Division under the Department of Administration responsible for functions relating to leasing space and maintaining state buildings.

B&G Owned Building Rent Schedule

The schedule used to calculate, allocate and track rent costs and space allocations of agencies occupying state-owned facilities managed by B&G.

Balance Forward

The carry forward of cash from one fiscal year to a subsequent fiscal year.

Base Budget

The budget to continue services at the same level as was provided in the Base Year of the current biennium. The sum total of revenue and expenditures for a budget account in the even-numbered year preceding the Legislative session.

Base Year

The first year of the current biennium, which is the even-numbered year. Expenditures from the Base Year are used to populate the Actual column in NEBS, thereby creating a base budget.

Basic View

A view on the Positions tab that shows the primary characteristics of the positions for a budget account,

such as position control number, funding group, class, class description, grade, step, type, etc.

Budget Account Versions List

A screen in NEBS that serves as the main page which displays a list of available versions for each budget account. Agency users have access to the Agency Request version (A00) while preparing agency budgets. Authorized users may create working versions.

Biennium

A two year period, as it applies to Nevada budgeting, is the two consecutive fiscal years following a regular Legislative Session. The current biennium is denoted as 2022-2023 and is comprised of the even-numbered fiscal year as the Base Year and the odd-numbered fiscal year as the Work Program Year.

Bill Draft Request (BDR)

A written request submitted to the LCB by a legislator, an executive agency, a member of the judiciary, or a local government proposing a new or modified law for enactment.

Board of Examiners (BOE)

A board consisting of the Governor, Secretary of State and Attorney General (per NRS 353.010) having the authority to examine all claims against the state and to perform other duties as prescribed by law, such as the approval of all contracts with independent contractors.

Budget

An estimate of the revenues and expenditures needed to carry out programs for a fiscal period covering each year of a two year biennium.

Budget Account Number

A four-digit numeric code that identifies the program or operation within an agency where the financial activity is taking place.

Budget Division

The division within the Governor's Finance Office responsible for producing a fiscally sound executive budget that meets the strategic priorities of the state and missions of the individual agencies, and other functions to facilitate its use.

Budget Authority

The amount authorized in a budget for revenues and expenditures for a specific accounting period. (See also Realized Funding.)

Budget Period

Budget period within NEBS refers to a biennial period. NEBS defaults to the biennial budget currently being developed. The system can store budgets back to the 2005-2007 biennium.

Budget Version

The stage or “what if” scenario for a budget account used extensively in the NEBS process. Examples are:

- A00 - Agency Request as Submitted;
- A01 - Agency Request;
- A02 - Items for Special Consideration as Submitted;
- A03 - Items for Special Consideration;
- G01 - Governor Recommends;
- G02 - One-Shot Appropriations;
- G03 - Supplemental Appropriations;
- L01 - Legislatively Approved; and
- Wxx - Working Version - agency developed “what-if” scenarios.

Budget Preparation Checklist

A list available on the Budget Division website itemizing the required budget building components as a tool to assist with the agency request process.

Building Maintenance Schedule

The schedule to itemize non-structural alterations under \$100,000 that do not affect the safety of the building and do not change, in any manner, its structural elements. Non-structural alterations may be included through an M-425, E-730 or one-time decision unit, depending on the rationale driving the improvement.

Building Rent, Non-B&G Schedule

The schedule used to record space leased from entities other than B&G. Line items produced by this schedule are non-state owned building rent, B&G lease assessment, and contents insurance.

Business Plan

A formal statement of a set of goals, the reason they are believed to be attainable, and the method by which they will be reached, which must be completed by state agencies seeking 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. (See the Business Plan appendix in this manual.)

Capital Improvement Project (CIP)

The construction of a new building and the furniture, fixtures and equipment (FF&E) for that building; modi-

fications to structures for existing state buildings; remodeling, repairs, and maintenance work for projects of a non-structural nature over \$100,000; and advanced planning for future construction.

Caseload

The number of cases handled in a given period by an agency.

Caseload Adjustment

The expected increase or decrease in an agencies’ caseload. This change would be reflected in the M-150 decision unit for the current biennium and a maintenance decision unit for the upcoming biennium based on applicable activities.

Caseload Cost Adjustment

The change in the cost of providing existing services to an increased or decreased number of clients, which is applicable only to agencies with pre-approved caseload formulas.

Caseload Schedule

This schedule is designed to calculate per person costs. This schedule is mainly used by the Department of Corrections to calculate their inmate driven costs. NEBS can calculate a caseload-based calculation by taking the count times the rate for use by any agency.

Category

A grouping of revenue or expenditures such as personnel services, in-state travel, operating, equipment, etc. identified by a two-digit numeric code. Known as either “standard” or “special use”.

Chart of Accounts

A classification system, in numerical order, used to determine which object codes (general ledger account numbers) should be applied to identify transactions being processed. A chart of accounts can be found on-line through the Data Warehouse of Nevada (DAWN).

Class Code Number

A numeric code for classified personnel, established by the Division of Human Resource Management, to identify a group of positions sufficiently similar with respect to their duties and responsibilities that the same title may be reasonably and fairly used to designate each position allocated to the class.

Classified Employee

An employee, other than non-classified, unclassified or an elected official, who is selected and governed by the state’s merit system as found in the NAC and NRS.

Closing Budgets

The process whereby the two legislative money committees take final action on individual agency budgets.

COLA

Cost of Living Adjustment, as applied to personnel compensation.

Collective Bargaining

A method of determining conditions of employment through negotiation between representatives of an employer and organized groups of employees. Chapter 590, statutes of Nevada of the 2019 Legislature gave state employees the right to collectively bargain.

Collective Bargaining Assessment

The fee collected for the Employee Management Relations Board for its operations related to collective bargaining.

Confirmation Messages

Notifications displayed in upper right of the NEBS screen. For instance, when a user adds text and clicks on save, the system will issue the confirmation message "Text Updated." in a red text box.

Contract(s)

A formal agreement, with appropriate approvals, between the state and an independent contractor, as defined in [SAM 0320](#), for outside vendor services or products. (Also see Interlocal Contract.)

Core Functions

A collection of related, structured activities or tasks that produce a specific service or product (to service a particular goal) for a particular customer. This function ties the state's strategic goals and priorities to its activities by defining state government's primary purposes/functions.

Cooperative Agreement

An agreement between two or more public agencies for the joint exercise of powers, privileges and authority. (See [SAM 0320](#))

Cost Allocation

Statewide cost allocation represents recovery of costs from non-General Fund sources for statewide general administrative functions provided by central service agencies. This is captured in Category 88 - Statewide Cost Allocation.

Agency-specific cost allocations enable agencies to charge for services provided in one budget account to

other budget accounts such as director's office or administrative services costs.

Court Orders

Orders issued by a court of law. As it applies to budgeting, those orders that directly impact the level of programs or services provided by an agency.

Data Warehouse of Nevada (DAWN)

The state's online financial database that provides state agencies with access to past and present financial activity to assist them with monitoring the status of their budgets. The system is available through the state's intranet at <http://dawn12.state.nv.us:7778>.

Decision Unit(s)

A stand-alone, balanced budget request that displays the revenues and expenditures associated with a new program or changes to an existing program.

Decision Unit Filter

The tool in NEBS that allows users to display only the line items associated with a specific decision unit. For instance, selecting the B000 decision unit filter displays only line items associated with the Base decision unit.

Decision Unit Synopsis

The text area under the Account Maintenance tab used to include a brief description of what will be accomplished by the decision unit. This paragraph is printed in the Executive Budget Book. For example, the decision unit synopsis text for a base decision unit would be as follows:

"This request continues funding for 30 employees with associated operating costs." For more instruction on standard text, refer to the Style for Budget Text appendix.

Division of Human Resource Management (DHRM)

The division of the Department of Administration responsible for personnel, payroll, labor relations and other services for state agencies.

Economic Forum

A five-member committee from the private sector directed to provide a forecast of future state General Fund revenues by approximately December 1 of even-numbered years and approximately May 1 of odd-numbered years. The forecasts are based on the existing revenue structure and are used by agencies, the Governor, and the Legislature in recommending and approving a new budget. (See NRS 353.226 - 353.229.)

EITS

The Enterprise Information Technology Services Division of the Department of Administration responsible for centralized information technology services.

EITS Assessments

The allocation of costs to state agencies for statewide functions provided by EITS. See the Information Services section in this manual for more details.

EITS Schedule

This NEBS schedule used to calculate the cost of services provided by EITS. See the Information Services section in this manual for more details.

Emergency Account

An account administered by the BOE which may be used to cover the costs of emergencies as defined in NRS 353.263 for which no other appropriation has been made or where an expenditure is in excess of an appropriation.

Employee Bond

A form of business insurance that offers protection against losses employee bond provides for loss caused by any fraudulent or dishonest act committed by an employee acting alone or with others and is assessed by the Risk Management Division based on FTE positions in each state agency budget. See Assessment and FTE-Driven Costs section in this manual.

Employee Tort

Self-insurance for general liability claims (torts) against the state and is assessed by the Attorney General's Office based on FTE positions in each state agency budget. See Assessment and FTE-Driven Costs section in this manual.

Encumbrance

An obligation in the form of a purchase order, contract, or salary commitment for which an estimated amount has been reserved but the actual goods or services have not yet been received.

Enhancement Decision Unit

A stand-alone, balanced budget request that displays the revenues and expenditures associated with a new program or for new services or initiatives, or revisions or deletions that aren't currently reflected in the agency's base budget and the change is meant to improve or streamline existing services.

Enterprise Fund

A fund established to account for governmental operations that are financed and conducted in a manner similar to private business, i.e., self-supporting services provided by the governmental operation to outside entities.

Equipment

Items purchased having a useful life extending beyond one year, are not consumed in use, are not attached permanently as a non-movable fixture and cost more than \$5,000.

Equipment Schedule

The NEBS schedule is used to track requests for equipment, furniture, computer hardware and software, and agency-owned vehicles. Actual equipment GLs will be automatically zeroed out in adjusted base (Base and M-150), except GL 7460-7464. Equipment between \$1,000 and \$5,000 (GL 7465-7469) must be eliminated from base unless it can be justified as an ongoing expenditure. See the Equipment section in this manual for more details.

Executive Budget

The document submitted to the Legislature that contains the Governor Recommends budget and supporting documents.

Expanded Program Narrative

A written report submitted by agencies to the Chair of the Assembly Ways and Means Committee prior to the initiation of a legislative session to provide the committee with additional information regarding the budget or program as recommended by the Governor for various agencies. The report includes reference to the applicable NRS and other laws that justifies the agency's funding, a detailed explanation of all new programs, a summary and analysis of the agency's performance indicators, and where applicable, workload statistics.

Expenditures

Payments made for goods delivered or services rendered.

Federal Mandates

Orders issued by the federal government. As it applies to budgeting, those mandates that directly impact the level of programs or services provided by an agency.

FF&E

Furniture, fixtures and equipment.

Fiscal Analysis Division

The agency within the Legislative Counsel Bureau that provides the Legislature with the capability for independent review and analysis of budgetary and fiscal matters to assist the Legislature in its efforts to set economically sound policies for the state, anticipate future needs, and objectively analyze budgetary requests.

Fiscal Note

An analysis required by statute to be prepared by an executive agency estimating revenue or expenditure changes that would be entitled by the passage of a proposed bill. Fiscal notes also apply to other governmental units affected by the Legislature, such as cities and counties.

Fiscal Year

A 12-month accounting period. Nevada's fiscal year is July 1st through June 30th.

Fleet Services Vehicles Schedule

The schedule used to calculate the cost of vehicles rented on a monthly basis from Fleet Services. Users must enter the number of months per fiscal year each vehicle will be rented and the projected number of miles per month the vehicle will be driven. The initial data load will default the number of months annually to 12 and the number of miles to 0. The monthly Fleet Services Rental line item will be generated from this schedule. Vehicles rented on a daily, as needed basis are not to be included in this schedule.

Folder Tab Links

Clickable boxes in a row (resembling tabs on a file folder) used by NEBS to allow users to navigate to various parts of the system. The "NEBS" tab can be used any time to redirect a user to the main page, the Budget Account Versions list.

Fringe Benefits

Expenditures paid by the state that are associated with employee compensation other than salary, such as group insurance, retirement group insurance, worker's compensation, unemployment compensation, Medicare, PERS contribution, and payroll and personnel assessments.

Fringe

A view in NEBS located on the Positions tab under the Decision Unit Filter. Selecting this view shows position and all the fringe benefit flags (retirement, workers comp) as well as FTE-Driven costs such as AG tort and Employee bond.

FTE

A full-time equivalent relating to positions as defined in NAC 284.065.

FTE-Driven Costs

See Position-Driven Costs section in this manual.

Fund

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities, and residual equities or balances, and changes therein, which are segregated to carry out specific activities or attain certain objectives in accordance with special regulations, restrictions, limitations or laws.

Fund Map

A budget tool detailing how revenues are allocated to support expenditures in a budget account and explicitly tracking all revenue funding sources to a specific expenditure or combination of expenditures. Budget accounts with single funding sources, such as 100% general fund, 100% highway fund or 100% federal funds must still be completely fund mapped in NEBS at the budget account level. Expenditures can also be fund mapped at the category, object code and position group levels. Fund map refers to the tool in NEBS as well as the product of the tool or a spreadsheet.

General Fund

The major operating fund of the state that receives its income from unrestricted revenue such as Sales Tax, Gaming Taxes, Insurance Premium Tax, Casino Entertainment Tax, the Proceeds of Mines Tax, the Business License Fee, other minor taxes and miscellaneous sources such as interest income, licenses, and fees and fines.

General Ledger Number (GL)

A four-digit numeric code used to identify assets, liabilities, equity, revenues or expenditures for the overall control and accounting of the total state financial operation. Revenue general ledger numbers are referred to as revenue ledgers or sources or RGLs and expenditure general ledgers are referred to as object codes or GLs. Each revenue ledger or object code is part of a revenue or expenditure category, and revenues and expenditure categories are part of decision units.

Governor's Strategic Priorities

A list of enhancement decision units that express the Governor's goals for the state in the upcoming biennium.

Governor Recommends (Gov Rec)

A budget prepared by the Budget Division at the direction of the Governor that is based on the Agency Request Budget using the Economic Forum's projected revenues and Governor's proposed expenditures comparing current, future, and past completed years for existing programs, and projecting revenues and expenditures of new programs for future years as a result of statutory or legislative mandates, goals and objectives, costs and strategic priorities. Also referred to as G01.

Grade

A number assigned by the DHRM to designate a salary range for a class.

Grant Match

A percentage of the total cost of a program required by the grantor as a condition for receiving a grant award.

Group Insurance

An employer-paid benefit that includes health insurance, dental insurance, and vision insurance for state employees.

Hearing

A session of a legislative committee at which witnesses present testimony on matters under consideration by the committee.

Highway Fund

A fund that derives its income from state fuel taxes, fees on the use and operation of motor vehicles, and federal highway funds and is restricted for use for the construction, maintenance and repair of public highways and related administrative costs.

Holiday Pay

Compensation for a full-time non-exempt employee for eight hours of a recognized state holiday. Any hours worked on a holiday are paid at a regular rate of pay in addition to holiday pay.

Human Resource Data Warehouse (HRDW)

The state's online human resources database that provides state agencies with access to personnel and payroll activity such as employee rosters, positions rosters, overtime reports, employee leave balances and activity and employee paychecks.

Inflation Adjustment

An amount added to projected expenditures that represents the state's estimate of future cost increases for items or services authorized by the governor.

Information Services

Any service relating to the creation, maintenance, operation, or use of an information system. Also the standard expenditure category (Cat 26) for this services.

Information System

Any communications or computer equipment, computer software, procedures, personnel, or technology used to collect, process, distribute, or store information.

Integrated Financial System (IFS)

An automated system consisting of statewide Advantage - Financial, DAWN, Advantage - HR, HRDW, NEATS, and NEBS, along with the NDOT ADVANTAGE Financial and associated systems that share data forming an integrated system.

Interim Finance Committee (IFC)

The interim legislative committee consisting of members of the Senate Committee on Finance and the Assembly Committee on Ways and Means from the preceding legislative session required to review and approve state agency requests to accept certain gifts and grants, to modify legislatively approved budgets, and to reclassify state merit system positions under certain circumstances, and to allocate funds.

Interim Finance Contingency Fund

Funds that may be allocated and expended for emergency use, upon the approval of the BOE and the IFC, to supplement regular legislative appropriations for unforeseen expenditures and to meet obligations under the requirements of law.

Interlocal Contract

An agreement between two or more public agencies to perform any governmental service, activity or undertaking which any of its public agencies is authorized to perform by law. (See SAM 0314 and Contract)

Internal Service Fund

A fund used to account for the financing of goods or services furnished by a designated department or agency to governmental units within its own organization or to other departments or agencies on the basis of reimbursement for costs.

Labor Relations Unit (LRU) Assessment

The assessment charged to agencies to fund the unit within DHRM to administer collective bargaining.

Legislatively Approved Budget

The final, official biennial budget approved and adopted by the Legislature for each year of the coming biennium. Also referred to as Leg. Approved and L01.

Legislative Counsel Bureau (LCB)

The collection of legislative service agencies, including the Fiscal Analysis Division, created to free legislators from dependence upon the executive branch of state government and lobbyists for information and assistance.

Letter of Intent

A letter sent to department directors and agency heads from the chairs of certain legislative committees at the end of a legislative session that relays to the agency the Legislature's intent and directs future action by the agency such as requiring the agency to submit written reports on the status of certain programs to the IFC between legislative sessions.

Line Item

An individual revenue or expenditure line included in the budget. Must be linked to a decision unit, category and object code.

Line Item Detail

A report generated in NEBS presented in the base, maintenance and enhancement decision unit format that provides line item detail by object code (general ledger number).

Maintenance

Costs required to continue programs and services at levels affected by external factors. Also see Three-Part Budget, Inflation Adjustment, Adjusted Base Budget, Federal Mandates, Court Orders, and Caseload.

Maintenance Decision Unit

A stand-alone, balanced budget request that displays the revenue and expenditures associated with continuing an existing program at increased levels affected by external factors such as expansion due to pre-approved caseloads, federal mandates, court decisions, consent decrees, inflation, population growth, etc.

Maintenance of Effort

A requirement placed upon many federally-funded grant programs to maintain a financial level of state and/or local expenditures of a program.

Manually Generated

See User Generated.

Menu Dropdown

Tool through which NEBS provides direct access to specific functions within the application. Access by clicking on the three horizontal lines next to the Home Tab located at the top left of the screen. One or more task will be displayed to users, depending upon their assigned role.

Merit Pay Increase

An increase of one step in salary granted on an employee's pay progression date when the employee has a performance rating of standard or better and has not attained the top of the grade (step 10).

Money Committee

Either of the two committees (the Assembly Ways and Means Committee and the Senate Finance Committee) having jurisdiction over measures primarily affecting appropriations, operating and capital budgets, state and federal budget issues and bonding.

Monthly Detail Year 1 and Year 2

The information contained on the position cost page under the Positions tab. When users click on the \$ icon associated with a position, all the position costs are shown including the monthly details for each of the years.

Motor Pool Vehicles Schedule

See Fleet Services Schedule

Narrative

One of several levels of text associated with each budget account in NEBS. On the Additional Text tab, the narrative section is used for longer descriptions and applies to line items, decision units, categories, positions and schedules.

NDOT

The Nevada Department of Transportation.

Nevada Administrative Code (NAC)

The compilation of all effective, permanent regulations adopted by Nevada state agencies, except those of certain exempted agencies, after review by the Legislative Commission.

Nevada Employee Action and Timekeeping System (NEATS)

The web-based system through which state of Nevada employees may submit time sheets online, review and modify basic personnel information, request time off and enroll in training classes.

Nevada Executive Budget System (NEBS)

The automated system used by the Executive Branch to build and administer the executive budget.

Nevada Revised Statutes (NRS)

The statutory law of Nevada of a general nature enacted by the Legislature, with such law arranged in an orderly manner by subject, and updated after every regular legislative session.

Non-B&G

Refers to space leased or occupied by a state agency other than a state-owned building and/or property. Negotiations for these leases should be processed through B&G. See Building and Grounds.

NPD-19

A questionnaire used to determine the appropriate classification for a position.

NSHE

The Nevada System of Higher Education.

Object Code

See General Ledger.

Occupational Study

A classification study conducted by the DHRM of a group of positions in related classes and class series to evaluate the appropriateness of the entire classification series within the state's classification and compensation plan.

One-Shot Appropriation

A unique General Fund or Highway Fund appropriation for a particular purpose that is not anticipated to continue.

One-Time Expenditure(s)

An expenditure not required on an ongoing basis; typically eliminated from a budget request in adjusted base.

Opposite Copy

An option when users are performing the position copy function in NEBS. When this option is selected, the position costs associated with the new position or positions are reversed; positive amounts become negative amounts and negative amounts become positive amounts.

Organizational Chart

A portrayal of the personnel structure and reporting relationships within an organization.

Overtime

Any time worked in excess of eight hours a day, eight hours in a 16-hour period, or 40 hours in a week for employees on a standard schedule, or for those working under an approved variable workday schedule, any time worked over 40 hours in a week.

Payroll Assessment

An allocation to state agencies of the costs for the central payroll function of the DHRM. This assessment is allocated to each state agency as an amount per employee per year. The following agencies do not pay the Payroll Assessment since they have their own payroll centers:

- Legislative Counsel Bureau
- Nevada System of Higher Education
- Public Employees Retirement System
- Tahoe Regional Planning Agency
- Supreme Courts

Performance Measurement Indicators

A method of systematically and objectively tracking and quantifying the agency's progress toward achieving its mission and goals.

Personnel Assessment

An allocation to state agencies of the costs for the recruitment, examination, classification, compensation, and training functions of the DHRM. This assessment is charged as a rate per employee per year. The Personnel Subsidy is part of the assessment. See Assessment and FTE-Driven Costs section in this manual.

Position Control Number (PCN)

An identification number assigned by the Budget Division to a position within an individual state agency upon the position's establishment.

Position Copy Type

The option users select when the position copy functionality is utilized in NEBS. It is important to understand the difference between the three options described below:

New Copy

When this option is selected, the new position type appears as new on the position detail page. This is useful when agency users need to create several of the same type of positions (such as 10 Highway Patrol officers).

Exact Copy

When this option is selected, the position will appear exactly like the source position from which the position was copied. This is useful when agencies copy positions to working versions.

Transfer

When this option is selected the new position type is shown as a transfer in or a transfer out on the position detail page depending on the circumstance of the transfer. It should be noted for all positions transferred out, there should be a corresponding position transferred in. This is necessary so the positions can be reconciled at the end of the budget process.

Position-Driven Costs

Costs associated with a position.

Position Group

A structure in NEBS maintained by agencies to allow positions with similar characteristics such as funding source, activity, location, etc. to be grouped together for ease of budgeting or funding.

Position Text

The Post-it icon where users can add text or attachments associated with positions. All new positions should have text that justifies the request for the new position and an attached NPD-19.

Priority

The ranking of importance of decision units in NEBS under the Account Maintenance tab. All decision units with the exception of B-000, M-100 and M-150 must be given a priority (Budget Account priority and Department priority) so that decisions can be made in regard to limited funding.

Priority and Performance Based Budget

A budget building approach that identifies and prioritizes an agency's activity and defines the resources allocated toward that activity and expected level of results.

Program Statement

A brief, concise statement describing the function of the program, i.e., the reason for an agency's existence including its federal, legislative and/or statutory authority.

Property and Contents Insurance

Insurance premium paid to Risk Management to cover the property and contents of state-owned space and the contents of leased space against loss.

Purchasing Assessment

An allocation of the costs for the procurement and inventory services provided by the Purchasing Division to state agencies. The apportioned amounts are allocated to each agency on the basis of purchasing activity.

Realized Funding (cash)

The actual amount of cash received (revenue, appropriations, amount balanced forward) less expenditures. (See also Budget Authority.)

Records Retention Schedule

A structure for the retention and disposition of the records of a state agency and approved by the state records committee pursuant to NRS 239.080 so that official state records are retained for a minimum length of time and that records of value or confidentiality shall not be disposed of inappropriately.

Reserve

Funds available at the end of a fiscal period to be carried forward into the next fiscal period for future obligations or reverted at the end of the current period.

Reserve for Statutory Contingency Account

An account administered by the BOE for payment of specific costs as described in NRS 353.264.

Retired Employees Group Insurance (REGI)

REGI provides a centralized collection mechanism for the receipt of contributions made by each state entity for the benefit of all retired state employees. These contributions defray a portion of the individual insurance premiums for employees who retire from state government and elect to continue coverage in the state group insurance plan. The program is funded by payroll assessments to agency budgets and covers all state agencies, boards, and commissions; the Judicial Branch; the Legislative Counsel Bureau; the Public Employees Retirement System; and the Nevada System of Higher Education.

Revenue

Resources such as appropriations, balance forward, federal funds, fees, restricted revenue which are available to finance expenditures within a budget account during a fiscal period.

Revenue Ledger

See General Ledger Number.

Reversion(s)

The balance of an appropriation or authorization that is remaining after the close of a specific time period that

are returned to the original source of the appropriation or authorization.

Salary Adjustment Need

The calculated cost of a pay increase from the Governor Recommends to the Legislatively Approved budget for General Fund and/or Highway Fund.

SAM

See State Administrative Manual.

Schedules

The area (Tab) within NEBS which requires input for specific expenditures to calculate the adjusted base amount. Examples of schedules within this tab are Vendor Services, Uniform Allowance, Fleet Services Vehicles, etc. When GLs are schedule-driven, users are not allowed to manually enter information into the GL line item. M-150 adjustments (the difference between the base budget amounts in schedules and the actual year expenditures) will be automatically generated by NEBS based on the inputs provided. Currently, most payroll GLs are generated by the payroll re-calculation process with the result shown in B000. See Schedule-Specific General Ledger Number Appendix for a list of the GLs.

The status of each schedule is shown so users can keep track of their progress in completing the schedules. If a particular schedule does not apply to an agency, users can set the status as N/A.

If the required data is not entered into the schedules, line items will not be generated in the agency's line item budget and negative costs will appear in adjusted base.

The EITS schedule operates differently. Refer to the EITS schedule information in this manual for more detailed information on functionality.

Senate Finance Committee

A standing legislative senate committee, often referred to as a money committee, having jurisdiction over measures primarily affecting appropriations, operating and capital budgets, state and federal budget issues and bonding.

Shift Differential

An adjustment in pay equivalent to an additional five (5) percent of an employee's normal rate of pay. To qualify, a non-exempt employee must work in a unit requiring multiple shifts in a 24-hour period and be assigned to a period of work of at least 8 hours of which

at least four hours falls between 6:00 p.m. and 7:00 a.m. (NAC 284.210).

Statewide Modernization Approach For Resources and Technology in the 21st Century (SMART 21)

The form that calculates the amount of space that may be allocated for a leased facility (not owned by the state). The Space Justification Form should be completed and submitted as an attachment to the Space Request Form. These forms can be found at: <http://www.publicworks.nv.gov/leasing-services>

Space Request Form

The form completed to request renewal of an expiring lease or a new leased location for properties that are not owned by the state. Space Request Forms must be accompanied by a completed Space Justification Form. Both can be found at: <http://www.publicworks.nv.gov/leasing-services>

Staff Physicals Schedule

This schedule provides detailed information to create line item requests for staff physical-related expenditures.

State Claim

Any claim received after the close of the fiscal year, other than a claim for medical expenses submitted by a third-party administrator or a claim which is \$100 or more, and which is presented by a state agency to the State Board of Examiners after the date on which it is provided by law that money appropriated to that state agency for the previous fiscal year reverts to the fund from which appropriated. (NRS 353.097).

State Administrative Manual (SAM)

A compilation of policy statements concerning the internal operations of state government, approved by the BOE, that are based on statute or other approved regulations for use by state agencies in conducting state business. This manual can be found on the Budget Division website.

State Demographer

State employee or office responsible for estimating the current population and forecasting the future population of Nevada. The numbers produced by the demographer are essential for estimating caseloads during the coming biennium.

State ID Number

A unique number used to identify a piece of equipment in the state's inventory; typically stamped on metallic tag affixed to the equipment.

Statewide Cost Allocation Plan (SWCAP)

An assessment for General Fund recoveries of costs for statewide general administrative functions provided by central services agencies.

Statewide Strategic Priorities

Statewide goals issued by the Governor and used by agencies to identify and justify the purpose of a decision unit built into their Agency Request budget.

Statewide Inflationary Adjustments

The amount added to projected expenditures that represent the state's estimate of future cost increases for those items or services authorized by the Governor.

Statutory Authority

Authority granted or implied by the NRS Chapter 333, NAC Chapter 333 and State Administrative Manual Chapter 1500 for a particular activity or function or the establishment of a position, agency, or other entity.

Strategic Plan

An organized, documented method of determining what an agency hopes to accomplish and how it will accomplish it.

Strategic Priorities

Statewide priorities issued by the Governor and used by agencies to identify and justify the activities built into their Agency Request Priority and Performance Based Budget.

Stretch Goals

An objective or goal that will be achieved over the next five to ten years to move forward the Governor's strategic priorities.

Summary tab

The area in NEBS that provides summary level views of a specific budget account's revenues and expenditures by decision unit, category, GL, and Budget Account by DU. This is a useful tool to review a budget account in its entirety.

Sunset Provision

Legislation or legislative intent providing an expiration date for a new program that may include positions.

Supplemental Appropriation

A request by an agency funded by General Fund or Highway Fund appropriations for additional funding to cover unforeseen or unanticipated expenditures. Supplemental appropriations occur in the fiscal year that

the Legislature is in session (the odd year of the biennium) and are acted upon by the full Legislature.

System Generated

Line items automatically generated from a schedule in NEBS.

Technology Investment Notification (TIN) Form

Required form to notify EITS of a plan to expend \$50,000 or more for a technology investment.

Three-Part Budget

The structure of the budget, comprised of three components: base, maintenance, and enhancement.

Tort (Liability) Insurance

Coverage paid by state agencies to the Attorney General's office. Premium based on positions and a rating plan adopted by the Attorney General's office.

Transfer In/Out Decision Unit

A budget decision unit to move program revenue and expenditure authority from one budget account to another. Each transfer decision unit (E-900s) must have an exact opposite by line item in the corresponding budget account. Any adjustment necessary is made in an E-500.

Travel Schedule

The report required of agencies during the Agency Request phase of the budget process that details and justifies their in-state and out of-state travel requests contained within their budgets. This report is required for travel in categories 02, 03, 30 and any special use categories.

Unclassified Employee

An official, officer, or employee of the Executive Branch of state government whose position is filled by the responsible appointing authority or board without regard to the state's merit system. Not all unclassified positions are listed in the NRS, but all will be included in the pay bill which is usually a Senate Bill.

Uniform Allowance

Funding provided to agencies and agency staff for acquisition of required uniform items and accessories.

Uniform Schedule

The schedule provides detailed information to create line item requests for uniform-related expenditures. Rates for each type of uniform come from the uniform rates master table.

User Generated

A line item manually entered into NEBS rather than schedule generated.

Vacancy Savings

Savings calculated by the Budget Division based on historic vacancy percentages by budget account and applied against salary and fringe benefits costs (not applied against overtime, standby, travel differential, etc.), projected to occur in each year of the biennium in the personnel services category due to vacancies.

Vendor Services Schedule

The schedule that allows agency users to identify specific vendor expenditures including contracts, publications, dues, etc. The schedule also provides an area for lump sum amounts for agencies such as NDOT that have several hundred contracts for the construction of roads. Pre-approval from the agency's assigned Budget Officer is required in order to utilize the lump sum amount feature.

White Paper

An authoritative report or guide that informs readers concisely about a complex issue and presents the issuing body's philosophy on the matter. It is meant to help readers understand an issue, solve a problem or make a decision.

Work Program

The document used to request changes to the Legislatively approved budget or to establish a budget for a non-executive budget account, identifying the proposed sources of funds to be received by the agency and showing a plan of how the money is to be expended (in essence, a mini-decision unit that is self-balancing and must be self-supporting).

Work Program Year

The budgeted revenue and expenditures recorded in the odd numbered fiscal year of a biennium (the year before the start of another biennium). The work program year of the current biennium is fiscal year 2023.

Year 1

The first (even-numbered) fiscal year of the upcoming biennium.

Year 2

The second (odd-numbered) fiscal year of the upcoming biennium.