

MINUTES OF THE APRIL 18, 2013
MEETING OF THE
INTERIM FINANCE COMMITTEE
LEGISLATIVE COUNSEL BUREAU
Carson City, Nevada

Chairwoman Debbie Smith called a regular meeting of the Interim Finance Committee (IFC) to order at 8:13 a.m. on April 18, 2013, in Room 4100 of the Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada. [Exhibit A](#) is the Agenda and [Exhibit B](#) is the Meeting Packet. All exhibits are available and on file at the Fiscal Analysis Division of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Debbie Smith, Chairwoman
Assemblywoman Maggie Carlton, Vice Chair
Assemblyman Paul Aizley
Assemblyman Paul Anderson
Assemblyman David Bobzien
Assemblyman Andy Eisen
Assemblywoman Lucy Flores
Assemblyman Tom Grady
Assemblyman John Hambrick
Assemblyman Crescent Hardy
Assemblyman Pat Hickey
Assemblyman William Horne
Assemblywoman Marilyn Kirkpatrick
Assemblyman Randy Kirner
Assemblyman Joseph Hogan
Assemblyman Michael Sprinkle
Senator Moises Denis
Senator Pete Goicoechea
Senator Ben Kieckhefer
Senator David Parks
Senator Michael Roberson
Senator Joyce Woodhouse

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Rick Combs, Director, Legislative Counsel Bureau
Brenda Erdoes, Legislative Counsel
Eileen O'Grady, Chief Deputy Legislative Counsel
Mark Krmpotic, Fiscal Analyst, Senate
Cindy Jones, Fiscal Analyst, Assembly
Mike Chapman, Principal Deputy Fiscal Analyst
Sherie Silva, Interim Finance Committee Secretary
Cynthia Wyett, Committee Assistant

Chairwoman Smith welcomed audience members and those listening to the meeting on the Internet.

A. ROLL CALL.

Rick Combs, Director, Legislative Counsel Bureau, and Secretary, Interim Finance Committee, called the roll; a quorum was present in both houses.

B. PUBLIC COMMENT.

Hearing no response to her request for public comment, Chairwoman Smith moved to Agenda Item C.

C. ALLOCATION OF FEDERAL GRANT FUNDS FOR WHICH A STATE AGENCY, COMMISSION OR DEPARTMENT HAS REQUESTED A PUBLIC HEARING PURSUANT TO NRS 353.337.

1. **Department of Health and Human Services - Welfare and Supportive Services - Field Services - FY 2013** - Transfer of \$245,000 from the Personnel Services category to the Operating category, \$75,000 from the Utilities category to the Operating category, and \$27,000 from the Utilities category to the Information Services category to cover increases in costs as a result of conversion to full service leases due to increase in rental space utilization, increases in interpreter services, and printing costs. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount transferred to the Operating category exceeds \$75,000. Work Program #C26107**
2. **Department of Health and Human Services - Mental Health and Developmental Services - Administration - FY 2013** - Addition of \$164,363 in federal Community Mental Health Services (CMHS) block grant funds to reprogram the Mental Health Avatar system to maximize revenue and streamline processes for billing mental health clinical services. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the CMHS Block Grant category exceeds \$75,000. Work Program #C26213**
3. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2013** - Deletion of \$163,572 in Community Mental Health Services (CMHS) block grant funds to establish and implement community-based systems of care for individuals with mental illness. **Requires Interim Finance approval since the amount involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the**

required public hearing and since the amount deleted from the CMHS category exceeds \$75,000. Work Program #C25675

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that the three work program revisions in Agenda Item C involved receipt of federal block grant funds, which required a public hearing. The Committee had not requested testimony on any of the three items.

Chairwoman Smith asked for questions from the Committee; there were none.

Hearing no response to her request for public testimony on Agenda Items C-1, C-2, and C-3, Chairwoman Smith called for a motion.

ASSEMBLYMAN KIRNER MOVED TO APPROVE AGENDA ITEMS C-1, C-2, AND C-3.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Hickey and Horne were not present for the vote.)

D. WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220(5)(b). INFORMATIONAL ONLY – REQUIRED EXPEDITIOUS ACTION WITHIN 15 DAYS.

1. **Office of the Governor - Office of Energy - Energy Conservation – FY 2013** - Addition of \$193,599 in ARRA Energy Assurance Planning grant funds to continue the Energy Assurance plan. Requires Interim Finance approval since the amount added to the ARRA Energy Assurance Planning category exceeds \$75,000. **Work Program #C24283**
2. **Office of the Attorney General - Tort Claim Fund - FY 2013** - Transfer of \$625,000 from the Reserve category to the Tort Payments category to fund tort claim settlements and ensure authority is available through fiscal year end. Requires Interim Finance approval since the amount transferred to the Tort Payments category exceeds \$75,000. **Work Program #C26012**
3. **Department of Administration – Purchasing - Commodity Food Program - FY 2013** - Addition of \$7,788,022 in Feed Processing Program funds to allow Nevada schools and other eligible agencies to pay for processed foods through the end of the fiscal year. Requires Interim Finance approval since the amount added to the Feed Processing Program category exceeds \$75,000. **Work Program #C26075**

4. **Department of Administration - Risk Management - Insurance and Loss Prevention - FY 2013** - Transfer of \$181,463 from the Workers' Compensation Reserve category to the Insurance Premium Workers' Compensation category and \$133,110 from the Workers' Compensation Reserve category to the Workers' Compensation Captive category to cover a shortfall in Workers' Compensation claim expenditures. Requires Interim Finance approval since the amount transferred to the Insurance Premium Workers' Compensation category exceeds \$75,000. **Work Program #C25856**

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that the work program revisions in Agenda Item D had been submitted for expeditious action within 15 days of submission. The items were for the Committee's information only, and there had been no requests from the Committee for testimony on the items.

Chairwoman Smith asked for questions from the Committee; there were none.

E. APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS AND POSITION CHANGES IN ACCORDANCE WITH CHAPTER 353 OF NRS.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported that the only items in Agenda Item E identified for Committee discussion were items 11 and 13, Department of Administration, Enterprise Information Technology Services. He noted that Agenda Item 49 had been withdrawn.

Chairwoman Smith asked whether Committee members wished to hear testimony on additional work programs in Agenda Item E.

Assemblywoman Flores requested testimony on Agenda Item E-18, Department of Education, Discretionary Grants.

Assemblyman Eisen requested further information on Agenda Item E-19, Department of Education, State Public Charter School Authority.

Chairwoman Smith requested testimony on Agenda Item E-30, Governor's Office of Economic Development.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE REMAINING WORK PROGRAM REVISIONS AND POSITION RECLASSIFICATIONS IN AGENDA ITEM E.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Hickey and Horne were not present for the vote.)

Work Program Revisions

1. **Office of the Attorney General - Medicaid Fraud - FY 2013** - Addition of \$27,343 in federal Title XIX Receipts and \$593,384 in Recoveries to continue the Medicaid Fraud Control grant program. Requires Interim Finance Committee approval since the amount added to the Litigation Expenses category exceeds \$75,000. **Work Program #C25940**

Refer to motion for approval under Agenda Item E.

2. **Department of Administration - Budget and Planning - FY 2013** - Transfer of \$70,370 from the Personnel Services category to the Operating category to pay contracted temporary services costs. Requires Interim Finance approval since the amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26261**

Refer to motion for approval under Agenda Item E.

3. **Department of Administration - Risk Management - Insurance and Loss Prevention - FY 2013** - Addition of \$1,408,556 in Insurance Premiums and transfer of \$1,241,578 from the Workers' Compensation Reserve category to the Insurance Premium Workers' Compensation category and \$306,849 from the Workers' Compensation Reserve category to the Workers' Compensation Captive category to cover a shortfall in workers' compensation claim expenditures through the end of FY 2013. Requires Interim Finance approval since the amount transferred to the Insurance Premium Workers' Compensation category exceeds \$75,000. **Work Program #C26287**

Refer to motion for approval under Agenda Item E.

4. **Department of Administration - Purchasing - FY 2013** - Transfer of \$73,424 from the Reserve category to the Information Services category to fund unanticipated expenses that will enable the completion of a Vendor Management System. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26179**

Refer to motion for approval under Agenda Item E.

5. **Department of Administration - Purchasing - Commodity Food Program - FY 2013** - Addition of \$84,178 in federal Emergency Food Assistance grant funds to provide additional funding for the Commodity Supplemental Food Program to cover projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Commercial Food Products category exceeds \$75,000. **Work Program #C26207**

Refer to motion for approval under Agenda Item E.

6. **Department of Administration - Purchasing - Commodity Food Program - FY 2013** - Transfer \$52,237 from the Reserve category to the Information Services category to provide sufficient funding for Colyar Consulting Group's software maintenance and support of the Food Distribution System, a USDA approved inventory management program. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds 10 percent of the legislatively approved level for that category. **Work Program #C26221**

Refer to motion for approval under Agenda Item E.

7. **Department of Administration - Purchasing - Commodity Food Program - FY 2013** - Transfer of \$35,831 from the Reserve category to the Shipping Expense category to fund unanticipated vehicle repairs and projected fuel costs through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Shipping Expense category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26223**

Refer to motion for approval under Agenda Item E.

8. **Department of Administration - Purchasing - Commodity Food Program - FY 2013** - Addition of \$116,374 in federal Commodity Supplemental Food Program funds to provide sufficient funding to cover projected expenditures through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Commodity Supplemental Food Program category exceeds \$75,000. **Work Program #C26230**

Refer to motion for approval under Agenda Item E.

9. **Department of Administration - Enterprise IT Services - Office of CIO - FY 2013** - Transfer of \$37,471 from the Reserve category to the Information Services category to provide computer equipment and contracted local area network technician support in Las Vegas and rural areas. Requires Interim Finance approval since the amount added to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C25927**

Refer to motion for approval under Agenda Item E.

10. **Department of Administration - Enterprise IT Services - Computer Facility - FY 2013** - Transfer of \$25,000 from the Utility category and \$31,029 from the Reserve category to the Maintenance of Buildings/Grounds category for anticipated expenditures. Requires Interim Finance approval since the amount transferred to the Maintenance of Building/Grounds category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C25931**

Refer to motion for approval under Agenda Item E.

11. Department of Administration - Enterprise IT Services - Computer Facility - FY 2013 - Transfer of \$427,077 from the Reserve category to the Information Services category for equipment and security software purchases as well as to fund projected expenditure shortfall for the category. Requires Interim Finance approval since the amount added to the Information Services category exceeds \$75,000. **Work Program #C26250**

Chairwoman Smith requested that staff from the Division of Enterprise Information Technology Services (EITS), Department of Administration, provide an overview of the work program revision in Agenda Item E-11.

David D. Gustafson, Administrator and Chief Information Officer, Division of Enterprise Information Technology Services, Department of Administration, introduced Chris Ipsen, Chief Information Security Officer, Office of Information Security, EITS, and Evan Dale, Administrator, Administrative Services Division, Department of Administration.

Mr. Gustafson explained Agenda Item E-11 included a request to transfer funds from the Reserve category to the Information Services category for three purposes: (1) to fund an anticipated shortfall in the Information Services category; (2) to support the purchase of nine replacement virtual server blades; and (3) to purchase 15,000 user licenses for new Symantec Endpoint security software to implement a consolidated, statewide approach to desktop computer security. He asked Mr. Ipsen to provide an overview of the centralized security portion of the work program.

Chris Ipsen, Chief Information Security Officer, Division of Enterprise Information Technology Services, Department of Administration, explained that the proposal represented an enterprise perspective on addressing security challenges facing the state. He said a year ago, the state experienced 5 incidents of information security a month, and there were 120 last month and 150 this month. Mr. Ipsen said that information security was a major challenge that needed to be faced.

Mr. Ipsen said the request in item 11 was the first step toward resolving one of the challenges: to standardize endpoint (workstation) security throughout the state. The problem was that the system currently could not report back effectively what was occurring at the endpoints of all of the agencies. He said the 2011 Legislature had mandated EITS to require agencies to report known or suspected threats to the environment in order for the Office of Information Security to resolve the problems. Mr. Ipsen said that in reality, and consistent with what was happening in the industry, 97 percent of the incidents were being reported by external entities inward to the entity that had the problem, which was the case in Nevada.

Mr. Ipsen said problems on the network must be addressed. The current process was that EITS had to report the problem to the agency, the agency had to report back to EITS, and EITS had to engage the agency in the process of resolving the problem. He pointed out that the process was ineffective, because at 150 incidents per month,

the resources of the Office of Information Security were completely consumed with reporting the problems rather than addressing them.

Mr. Ipsen said the first effort would be to automate the process, and the second effort would be to develop a standardized methodology to report back what was happening in the environment, to standardize the endpoints to eliminate the problems, and to report back compliance and capabilities of the endpoints. He said the proposal before the Committee would provide EITS with the ability to address the four controls that had been determined nationwide through the SANS (SysAdmin, Audit, Networking, and Security) Institute and other entities that EITS worked with on a formal level to address the problems.

Mr. Ipsen explained that the proposal would give the Division the ability to address the four controls that had been identified by the SANS Institute:

- Patch the operating systems and bring them up to date.
- Determine how to patch third-party applications, including Microsoft Office Suite, Adobe, and antivirus.
- Give appropriate levels of administrative controls to end users.
- Isolate applications that should be running and eliminate applications that should not be running on the personal computers.

Mr. Ipsen said the threat had become more pervasive, more complex, and ever present. An enterprise strategy and a systematic methodology for reporting must be developed. In answer to the question of whether the state was more secure or less secure than it was last year, without a solution such as that being proposed, Mr. Ipsen said the only answer he could give was that he did not know.

Mr. Ipsen said the proposal before the Committee was a solution that would standardize the endpoints, answer the four security controls, and allow reporting. The system would also provide antivirus protection on the servers and the endpoints. The solution would allow EITS to identify bad websites and analyze the types of downloads taking place.

Mr. Ipsen explained that the most recent analysis revealed that the current antivirus software caught only 49 percent of known malware, and there were ways to circumvent antivirus scanners to reduce the number to 10 percent or 15 percent. He said in order for EITS to begin to solve the problem, more than antivirus software must be used. The following steps would be needed: administrator privileges should be restricted; computers would need to be kept up-to-date; and problems would have to be reported and responded to in a timely manner.

Senator Denis affirmed that the proposal was an enterprise-wide solution at the server level. Mr. Ipsen replied an enterprise approach would be incorporated at the server level, and virus protection would be provided to the email server and ultimately to the endpoints.

Senator Denis asked whether the system would provide desktop virus protection. Mr. Ipsen replied it would.

Senator Denis asked whether the system would serve all agencies that accessed the EITS servers. Mr. Ipsen replied that the proposal was enterprise wide; no agency could claim it did not have the resources to purchase antivirus software. He added that the system was designed in a hierarchical method to provide centralized reporting, but each agency had control of its environments. The 15,000 endpoints would be controlled by their agencies as they currently were; however, EITS would have the capability to enforce centralized policies and requirements, such as updating and patching operating systems on the personal computers (PCs). He added that local control would be granted for agency-specific applications.

Senator Denis noted that some agencies had their own virus software contracts in place, and he asked whether there would be duplication. Mr. Ipsen replied there could be some overlapping; however, most of the state was standardized on the Symantec Endpoint Protection platform currently being used. Of the 15,000 endpoints, approximately 5,000 renewals had been diverted, and agencies would be engaged in a systematic way to transition from their current software. Symantec recognized that other costs could be encountered, which was the reason for the low cost of the system.

Senator Denis said it appeared there might be some adjustments to agency requests for virus protection. He asked whether any part of the request was currently in the budgeting process before the Legislature. Mr. Ipsen replied no: the request was in response to the threats, which needed to be addressed quickly. He was very concerned about the current environment.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that based on discussions with the Budget Division, there was approximately \$270,000 built into the 2013-2015 Executive Budget for antivirus costs. Fiscal staff had also identified other areas where agencies had antivirus costs built into their budgets. He said there was duplication that would need to be pulled from the agency budgets.

Assemblyman Hambrick asked what types of threats existed and whether particular agencies were targeted.

Mr. Ipsen replied the state was the largest repository of data of any governmental entity; it served as the pass-through from the counties and cities to the federal government. The state also included multiple lines of business, ranging from public safety to taxation to personal health records, each of which had a different type of attacker wanting data.

He said all of the types of sensitive data that existed were under attack from multiple different entities, including responses to critical infrastructure issues. The state was a prime target for entities seeking data from the different types of businesses. Mr. Ipsen said the volume was so great that EITS had been relegated to the administrative function of reporting problems rather than resolving them. The solution would provide the Division with more time to develop specialized technical responses and applications to thwart attacks on the data and database over the network.

Assemblyman Bobzien said Mr. Ipsen had indicated that the system would apply to the endpoints and also to the EITS servers, and he asked whether other servers would be threatened. He wanted to hear details concerning the scope and deployment of the plan.

Mr. Ipsen replied the Division did not have the resources to provide all things to all people. There were two attack factors: the servers and the workstations. He said one of the challenges was that hackers could take over personal computers, and if those PCs had privileged access to sensitive data, the hackers could take over the users' data and pivot into the servers. Mr. Ipsen said EITS was working to solve the first problem, which was to reduce privileges on the workstations to thwart expensive breaches and provide centralized reporting.

Mr. Ipsen pointed out that the proposal addressed only the email server; other servers were not addressed, but the plan was developed and the servers would be the next step. Server administrators were somewhat more sophisticated than end users were and had slightly more control, but Mr. Ipsen was not comfortable with security of the servers either. He said the solution had the capability to work with the servers, but the endpoints were the focus at this time.

Continuing, Mr. Ipsen explained the plan involved having the proper architecture, an effective project manager on site, and support for agencies at all levels to understand their needs. He said it would be important to communicate with state department directors concerning what EITS was doing and the successes along the way. As part of the deployment process, Mr. Ipsen said a work program for approximately \$100,000 from Homeland Security grant funds would be forthcoming for professional services to assist with the architecture, project management, and engagement plan with the agencies. He pointed out that the plan to assist agencies was not included with the software procurement.

Assemblyman Kirner said that several years ago, he was involved with the Public Employees' Benefits Program (PEBP), which had its own servers. Through an audit at the PEBP Board level, it was learned that the system was not being patched. He noted other agencies had their own servers, and he asked how EITS would verify that they were performing the proper patching and maintenance.

Mr. Ipsen replied that in many cases, EITS could not verify the information because the state's servers were not centralized. The Division had six employees looking at hundreds of agencies and some boards and commissions, and often it was not even possible to find the responsible party to talk to about the servers. He said it was not possible for EITS to audit the environment, but fortunately, the Legislature gave the Division authority to conduct penetration testing to scan servers outside of EITS, which provided EITS with a better view of vulnerabilities than the hacker would have. Without that ability, EITS would have to compete with the hackers, who had more resources, more people, and more motivation.

Assemblyman Kirner affirmed that there was a community of servers outside of EITS' direct supervision, and he asked whether there would be an attempt to create a network of the outside agencies.

Mr. Ipsen replied that the State Information Technology (IT) Security Committee had a list and an assessment process outreaching to every state agency to become involved.

Assemblywoman Kirkpatrick asked how long the licenses would last and what the anticipated costs would be in the long term. She noted that funds for IT services were in every agency's budget, and she thought that services were supposed to be centralized in EITS. She questioned how duplication would be avoided.

Mr. Gustafson replied the current request was for a three-year procurement for 15,000 endpoints and the server in the first year. He said a budget amendment had been submitted for years two and three to incorporate the system into security assessment. Any agency that paid for a security assessment would now be a part of the EITS assessment going forward.

Mr. Gustafson explained that once the system was deployed, agencies would be held accountable. He said some agencies might be doing a good job of patching and others might not. New patches were coming out every day from third parties, such as for Java, Adobe, or Microsoft Office.

Assemblywoman Kirkpatrick asked whether EITS would be requesting funding in the next biennium for system upgrades or whether grant funding would be possible.

Mr. Gustafson reiterated that the current request was for one year and a budget amendment was being proposed for years two and three. He expected that funds would be requested in the 2015 Legislative Session and future sessions to enhance the system and pay for maintenance costs

Assemblyman Eisen said the Committee had heard a lot about shortfalls in the capabilities of various IT systems and departments. He asked whether it was known whether all of the systems in state government were capable of using the software

being purchased and whether potential costs for software or hardware upgrades had been considered.

Mr. Gustafson replied Windows XP computers would need to be upgraded by April 2014, and computers over ten years old would need to be replaced. He said any modern system with a Windows 7 or newer operating system would be sufficient for the solution, but thousands of computers would need to be replaced or upgraded.

Assemblywoman Carlton asked why the request was being submitted at this time rather than on July 1, 2013. A budget amendment had been submitted for the second and third years of the contract, but she questioned how the first year would be funded.

Mr. Gustafson replied that a year ago, 5 to 7 viruses a month would be detected, which was manageable. The number was now as many as 55 a day, which indicated that the EITS security system was not working. The network currently received 130 to 150 viruses a month, and if that were to continue for two more years, there would not be any data left to protect. Mr. Gustafson said since the Division submitted its biennial budget request in August 2012, the threats had escalated greatly, and they must be addressed immediately.

Chairwoman Carlton asked how the system would be funded and whether funds had been encumbered in the current year.

Mr. Gustafson said he was told by his staff that antivirus and spam control on the 11,000 exchange servers was needed, but the \$280,000 cost was not included in The Executive Budget. The Division was working with Symantec Endpoint on a statewide security software proposal at the time, and Symantec said if EITS could pay \$250,000 this year, the company would provide virus protection to the exchange servers as well as to 15,000 endpoints for all the users. Only an incremental amount for maintenance costs and security assessment would need to be built into the budget going forward.

Assemblywoman Carlton asked Mr. Gustafson whether the Division had made a deal with Symantec without approval. He had said a deal was made for \$250,000, and she did not recall a request for \$250,000 being submitted to IFC. She understood that Mr. Gustafson believed he was doing the right thing, but the Legislature had fiscal responsibility.

Evan Dale, Administrator, Administrative Services, Department of Administration, said that because of the urgency of the matter, work was started with the vendor and paperwork was being processed, but no cash had changed hands. He said if the Committee did not wish to approve the request, the transaction would not take place.

Assemblywoman Carlton said she understood that no cash had changed hands, but she questioned whether funds had been encumbered for the purchase. Mr. Dale replied the request in Agenda Item E-11 was to fund the Information Services category with the money to back the encumbrance.

Assemblywoman Carlton stated that the money had been encumbered and the current request would back up the encumbrance. Mr. Dale replied that was one way of looking at it.

Assemblyman Sprinkle said he was confused as to why the funding was not included in the 2013-2015 biennial budget; he recalled that Mr. Gustafson had said a mistake was made. There had been an increase in the number of threats from summer 2012, but there was no mention of it at the January 2013 IFC meeting, and the funds were not included in the budget.

Mr. Gustafson replied the threats had been slowly increasing, and other states had fallen victim to massive data breaches, resulting in losses of about \$50 million. He had been concerned about the increased need for security for months, and he had told the Governor that the threat was bad and was getting worse. Mr. Gustafson pointed out that the budgeting process took nearly a year, and from the time the process began until now, the threat had steadily increased.

Assemblyman Anderson said he was sensitive to the fact that funds were being requested through IFC versus through the standard budget process; however, he understood the Division's predicament. Oftentimes in the IT world, threats increased because opportunities for openings were found and shared among hackers. He said the most expensive option was to be reactive and wait until after something happened, and the most cost-effective option was to be proactive. He pointed out that antivirus software was cheap, but the management tools were complex and comprehensive and not so cheap. He thought when compared to the cost of dealing with a threat after the fact, approving the request would be much more cost-effective: it would be more costly to be reactive and much more cost-effective to be proactive.

Chairwoman Smith asked Mike Torvinen to approach the testimony table and explain the plan to fund the request.

Mike Torvinen, Deputy Director, Department of Administration, explained that Mr. Gustafson and EITS staff had met with him and Jeff Mohlenkamp, Director of the Department of Administration, several months before and presented the solution to the problem, which appeared to be a great value. They said a purchase order was prepared to pay for some email antivirus, and EITS' proposal was that it made more sense to move forward with an enterprise-wide solution. Mr. Torvinen said he would take responsibility for what had occurred. He and Mr. Mohlenkamp had directed Mr. Gustafson to start processing the request because of the increasing level of the threats. If the Committee did not approve the request, no money would change hands.

Mr. Torvinen explained that a budget amendment had been processed that pulled budgeted antivirus dollars from every agency budget in the Nevada Executive Budget System (NEBS), which resulted in a list that totaled approximately \$500,000. He said the list was currently being evaluated, and adjustments to the budgets should be identified very soon.

Assemblywoman Kirkpatrick said Mr. Torvinen's explanation satisfied her concerns with funding the request.

Assemblywoman Flores remarked that having heard several other agencies testify concerning IT expenses, there was a demonstrated need. She wanted to stress that it was important to ensure that the problems were addressed before rather than after they occurred.

Senator Denis asked Mr. Gustafson to further clarify the proposed savings and additional 15,000 endpoints from Symantec.

Mr. Gustafson explained that working with Symantec executives, a proposal was put together that provided 78 percent off of government pricing and less than half of Western States Contracting Alliance pricing. He said the proposal was a very good value for the state.

Senator Denis asked whether the cost applied to only the 15,000 endpoints. Mr. Gustafson replied it applied to the endpoints and antivirus and spam protection for exchange servers with 11,000 users. He said EITS had procured 200 licenses for servers within the Division to start building a more comprehensive plan.

Senator Denis asked whether the Division had committed to Symantec at this point or whether the Division was waiting for IFC approval of the funding. Mr. Gustafson said there had been no commitment, pending IFC approval.

Mr. Dale clarified that there was a purchase order in place, but the transaction had not taken place. All of the paperwork was in place for the purchase order to be processed immediately after the meeting if the request was approved.

Senator Denis asked whether there would be financial consequences if the Committee did not approve the request. Mr. Gustafson said there would be no consequences.

Assemblyman Aizley observed that the proposal was directed toward the state information technology system, and he assumed that the state received data from local governments. He asked whether local governments' data would be accepted by the state if they used a different system.

Mr. Ipsen said the state's system would not exclude local government data, but the Division was working with the counties and cities in a holistic approach to help them secure their data through the Nevada Homeland Security Commission, part of which

would be addressed in Agenda Item D-13. He said the Commission had designated cyber security as one of its top priorities, and Nevada had applied for a grant for statewide resources to help both the state and local governments. He noted the state had limited authority in the local government environments.

Assemblyman Bobzien said he shared the members' concerns about how the matter had been handled. Throughout the legislative session, Committee members had reviewed agency budgets, most of which contained expenditures for antivirus software and upgrades. He said reversing the dollar amounts from agency budgets and monitoring the costs would be an ongoing effort that would require continuous updates from EITS to the Committee.

Assemblyman Bobzien suggested that a letter of intent be issued to provide regular updates from the Division on how the program was being managed throughout the biennium for the Committee to see the benefits. He said the effort to move forward on IT consolidation was a very important step forward on security issues. He thanked Mr. Gustafson and Mr. Mohlenkamp for meeting with him and other legislators on the issues. The Legislature expected something to be done soon to resolve the problem.

Chairwoman Smith said it was obvious throughout budget discussions that information technology was a priority for several members of the Committee.

Hearing no response to her request for public testimony, Chairwoman Smith called for a motion.

ASSEMBLYMAN BOBZIEN MOVED TO APPROVE AGENDA
ITEM E-11.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chairwoman Smith noted that a decision on a letter of intent would be made later in the legislative session after budget closings were completed.

- 12. Department of Administration - Enterprise IT Services - Network Transport Services - FY 2013** - Addition of \$30,146 in Reimbursement from microwave site rental fees, addition of \$39 in Prior Year Refund revenues, and transfer of \$17,632 from the Reserve category to the Land and Building Improvements category to support the increasing mountain top rental expenditures through the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Land and Building Improvements category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26231**

Refer to motion for approval under Agenda Item E.

13. Department of Administration - Enterprise IT Services - Security - FY 2013 -
Addition of \$227,500 in federal State Homeland Security Program grant funds from the Department of Public Safety, Division of Emergency Management, for implementation of the Statewide Cyber Assessment and Continuous Monitoring project. Requires Interim Finance approval since the amount added to the Information Services category exceeds \$75,000. **Work Program #C26279**

Chris Ipsen, Chief Information Security Officer, Division of Enterprise Information Technology Services (EITS), Department of Administration, explained that Agenda Item E-13 was a request to move \$227,500 in State Homeland Security Program federal grant funds from the Department of Public Safety to the Department of Administration.

Mr. Ipsen said that obtaining grant funds from the U.S. Department of Homeland Security was a competitive process, and Nevada applied for and received funds to consider monitoring of security systems. The Division would procure software to assist the state and local municipalities with the external threats coming in and how to deal with them effectively.

Chairwoman Smith noted that the EITS budget currently had funds for monitoring of state agencies, and she asked whether the federal funds would be used for monitoring local governments. Mr. Ipsen replied the grant funds would assist both the state and local governments.

Chairwoman Smith asked how the federal funds would affect the \$351,000 in the current EITS budget. Mr. Ipsen replied there were two separate issues: the \$351,000 would be used to validate the state's security internally, and the federal funds would be used to focus on the outside Internet traffic.

Chairwoman Smith asked whether ongoing costs would be involved. Mr. Ipsen replied the state would fund the costs for maintenance going forward, and local governments and cities would be responsible for their maintenance costs.

Chairwoman Smith asked for further questions from the Committee; there were none. Hearing no response to her request for public testimony, Chairwoman Smith called for a motion.

SENATOR KIECKHEFER MOVED TO APPROVE AGENDA
ITEM E-13.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Hambrick and Hickey were
not present for the vote.)

- 14. Department of Administration - Division of Human Resource Management - FY 2013** - Transfer of \$94,622 from the Reserve category to the Information Services category to cover costs associated with Enterprise Information Technology Services and Programmer/Developer costs related to the Nevada Employee Action and Timekeeping System. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds \$75,000. **Work Program #C26154**

Refer to motion for approval under Agenda Item E.

- 15. Department of Administration - Nevada State Library and Archives - CLAN - FY 2013** - Addition of \$76,998 in federal Library Services and Technology Act grant funds for the On-Line Resources Demonstration Project. Requires Interim Finance approval since the amount added to the CLAN Operating Expense category exceeds \$75,000. **Work Program #C25963**

Refer to motion for approval under Agenda Item E.

- 16. Department of Education - Education State Programs - FY 2013** - Transfer of \$40,440 from the Personnel Services category to the Indirect Cost category and \$17,559 from the Personnel Services category to the Transfer to Education Staffing Services category to cover a projected shortfall. Requires Interim Finance approval since the amount transferred to the Transfer to Education Staffing Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26268**

Refer to motion for approval under Agenda Item E.

- 17. Department of Education - Gear Up - FY 2013** - Addition of \$54,523 in Transfer from Trust Account funds, deletion of \$145,985 in federal Gear Up grant funds, and transfer of \$57,658 from the Gear Up Aid to Schools category to the Operating category, \$5,420 from the Gear Up Aid to Schools category to the Personnel Services category, \$4,345 from the Indirect Cost category to the Personnel Services category, \$14,907 from the Indirect Cost category to the Information Services category and \$1,728 from the Indirect Cost category to the Gear Up Scholarship - Admin category to align state and federal authority and cover the cost of completing the scholarship database. Requires Interim Finance approval since the amount deducted from the Gear Up Aid to Schools category exceeds \$75,000. **Work Program #C26007**

Refer to motion for approval under Agenda Item E.

- 18. Department of Education - Discretionary Grants - Restricted - FY 2013** - Transfer of \$17,170 from the English Language Acquisition - Technical Assistance category to the Personnel Services category and \$25,754 from the English Language Acquisition Administration category to the Personnel Services category to fund a projected shortfall. Requires Interim Finance approval since the amount

added to the Personnel Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26235**

Chairwoman Smith noted that Assemblywoman Flores had requested testimony on Agenda Item E-18.

Julia Teska, Administrative Services Officer, Department of Education, explained that the work program in Agenda Item E-18 was for the purpose of truing up the difference between what was being spent on salaries for the positions supported by the English Acquisition grant and the amount that was originally budgeted. She said the request involved a transfer of \$17,170 from the Technical Assistance category to the Personnel Services category and \$25,754 from the English Language Acquisition Administration category to the Personnel Services category to fund the projected shortfall.

Assemblywoman Flores thanked Ms. Teska for the information. She had wanted assurance that funds were not being transferred from the English Language Acquisition program.

ASSEMBLYWOMAN FLORES MOVED TO APPROVE AGENDA
ITEM E-18.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Hambrick and Hickey
were not present for the vote.)

- 19. Department of Education - State Public Charter School Authority - FY 2013 -**
Transfer of \$84,000 from the Reserve category to the Indirect Cost category to properly reflect the higher indirect cost rate that was approved for FY 2013. Requires Interim Finance approval since the amount added to the Indirect Cost category exceeds \$75,000. **Work Program #C26184**

Chairwoman Smith noted that Assemblyman Eisen had requested further information on Agenda Item E-19.

Assemblyman Eisen asked how the indirect cost amounts were determined. He said the justification indicated that the indirect costs to prepare the budget were 16.2 percent, and the approved rate was 22.9 percent, which appeared high to him.

Julia Teska, Administrative Services Officer, Department of Education, explained that a report was submitted to the federal government based on actual expenditures from two years prior: the rate for 2014 would be based on 2012 actual expenditures. She agreed the increases to the indirect cost rates were high, and she would make some

modifications to how the Department budgeted and expended funds that would bring the indirect costs in line.

Ms. Teska said the federal government gave the state a higher rate one year based on two years' prior actual expenditures, and the state would build up reserves as a result. The reserves would then count against the state in the next year's calculation, and the following year the rate would be lower. Ms. Teska said in the past, the Department had not requested state funds for items that should have been funded with state funds. She was not with the Department when the proposed biennial budget was prepared, but she assured the Committee that future expenses that were the state's responsibility would be requested from General Funds. For example, most of the Department's information technology staff was funded with indirect costs, and their major task was to support the student data system, which did not generate indirect cost revenues. Ms. Teska said another reason the indirect cost rate was high was that nearly all rent expenses and statewide assessments were paid from indirect costs. She said the indirect cost rate should be reduced to a more reasonable rate in the future through better cost accounting.

Assemblyman Eisen said he appreciated the commitment to make an effort to improve the process going forward. He asked whether a larger reserve on hand decreased the indirect cost rate moving forward and whether leaving the \$84,000 in reserve would theoretically decrease the indirect costs in the future.

Ms. Teska replied that according to federal regulations, the Department had to charge the current rate for indirect cost expenditures, but transferring funds from reserve to indirect costs should reduce indirect cost rates going forward. She said the rate approved for this year was 11 percent lower than requested by the Department, and a significantly higher rate was needed. As a result of the reduction, several positions had to be left vacant, which helped bridge some of the gap. Ms. Teska said the reserves would be at a dangerously low level by the end of this fiscal year; she was projecting that only two weeks' worth of operating expenses would be in reserve going forward when 30 to 60 days of expenses was a typical reserve level. Ms. Teska said that in theory, Assemblyman Eisen was correct, but given the Department's circumstances this year, the reserves would be needed to finish out the year.

Assemblyman Eisen asked whether the approved indirect rate for FY 2014 or FY 2015 was known.

Ms. Teska replied the application for 2014 was submitted in December 2012, but the Department had not received a response. She noted there had been personnel turnover in the U.S. Department of Education, and the state did not receive the approved rate for 2013 until February 2013.

Chairwoman Smith asked for further questions from the Committee; there were none. Hearing no response to her request for public testimony, Chairwoman Smith called for a motion.

ASSEMBLYMAN EISEN MOVED TO APPROVE AGENDA
ITEM E-19.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

- 20. Department of Education - Elementary and Secondary Education - Title I - FY 2013** - Transfer of \$13,000 from the Operating category to the Out-of-State Travel category and \$2,672 from the Operating category to the In-State Travel category to fund projected travel costs for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26016**

Refer to motion for approval under Agenda Item E.

- 21. Department of Education-Individuals with Disabilities Education Act (IDEA) - FY 2013** - Transfer of \$20,000 from the Operating category to the Out-of-State Travel category and \$18,000 from the Operating category to the In-State Travel category to fund travel costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C25792**

Refer to motion for approval under Agenda Item E.

- 22. Department of Education-Individuals with Disabilities Education Act (IDEA) - FY 2013** - Transfer of \$37,212 from the Operating category to the Personnel Services category and \$196 from the Early Childhood Administration category to the Personnel Services category to fund a projected shortfall. Requires Interim Finance approval since the amount transferred from the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26238**

Refer to motion for approval under Agenda Item E.

- 23. Department of Agriculture - Administration - FY 2013** - Transfer of \$30,000 from the Utilities category to the Operating category to provide adequate authority for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative change to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26164**

Refer to motion for approval under Agenda Item E.

24. **Commission on Mineral Resources - FY 2013** - ~~Transfer of \$75,371 from the Reserve category to the Abandoned Mine Support category and \$54,000 from the Reserve category to the Abandoned Mine Land Enhancement category~~ **Addition of \$79,202 in Mining Claim Fees, \$64,668 in Dangerous Mine Fees, and \$186,772 in Abandoned Mine Land Securing Fees to align revenues to actual receipts and** to provide adequate authority for increased field operations and projects. Requires Interim Finance approval since the amount ~~transferred~~ **added** to the Abandoned Mine Support category exceeds \$75,000. **Work Program #C26180. REVISED APRIL 1, 2013.**

Refer to motion for approval under Agenda Item E.

25. **Department of Business and Industry - Self Insured - Workers' Compensation - FY 2013** - Addition of \$186,963 in Examination Fees for contracted examinations of self-insured employees to allow the division to monitor the accuracy of workers' compensation claims reported by self-insured companies. Requires Interim Finance Approval since the amount added to the Self Insured Company Exams category exceeds \$75,000. **Work Program #C26113**

Refer to motion for approval under Agenda Item E.

26. **Department of Business and Industry - Occupational Safety and Health Enforcement - FY 2013** - Addition of \$49,200 in Workers' Compensation and Safety funds to enable the division to meet its obligations and perform its duties including investigations of employee safety and health complaints and industrial accidents, OSHA inspections, general operational functions of the agency, and necessary training for new compliance officers to conduct enforcement activities. Requires Interim Finance approval since the cumulative amount added to the Operating category exceeds \$75,000. **Work Program #C26201**

Refer to motion for approval under Agenda Item E.

27. **Department of Business and Industry - Housing - FY 2013** - Transfer of \$160,700 from the Reserve category to the Tax Credit Program category to pay legal costs resulting from a petition filed for a Motion to Stay, regarding an Administrative Decision of the Staff of the Nevada Housing Division, concerning the 2012 Qualified Allocation Plan for Low-Income Tax Credits. Requires Interim Finance approval since the amount transferred to the Tax Credit Program exceeds \$75,000. **Work Program #C25964**

Refer to motion for approval under Agenda Item E.

28. **Department of Business and Industry - Housing - Weatherization - FY 2013** - Addition of \$33,122 in federal Low Income Energy Assistance (LIHEA) Program funds transferred from the Welfare Division to provide assistance to low-income households to improve home energy efficiency through cost effective

energy-related measures to reduce utility costs. Requires Interim Finance approval since the cumulative amount added to the LIHEA Subgrants category exceeds \$75,000. **Work Program #C25966**

Refer to motion for approval under Agenda Item E.

- 29. Department of Business and Industry - Housing - Weatherization - FY 2013 -** Addition of \$500,000 in Nevada Power Grant funds to enable the Housing Division to serve more low-income customers with measures including attic insulation, duct sealing, early replacement for HVAC equipment on rental units, and other HVAC enhancing measures. Requires Interim Finance approval since the amount added to the Nevada Power Grant category exceeds \$75,000. **Work Program #C25968**

Refer to motion for approval under Agenda Item E.

- 30. Governor's Office of Economic Development - FY 2013 -** Addition of \$151,861 in federal State Trade and Export Promotion (STEP) grant funds and \$35,000 in Gifts and Donations to pay a portion of the personnel costs for a mining industry specialist, conduct a state-directed outbound trade mission to China, and STEP subgrant awards. Requires Interim Finance approval since the amount added to the State Trade and Export Promotion Grant Program category exceeds \$75,000 and a non-governmental grant or gift in excess of \$20,000 is requested to be received. **Work Program #C26125**

Steve Hill, Executive Director, Governor's Office of Economic Development (GOED), introduced Steve Woodbury, Administrative Services Officer for GOED.

Mr. Hill explained that Agenda Item 30 contained two topics that were not related, and he would discuss them individually.

The first request was for the addition and authority to spend \$151,861 from the federal State Trade and Export Promotion (STEP) program. Mr. Hill said STEP was a temporary program administered through the Small Business Administration (SBA) to provide funding at the state level for training in exportation, to provide grants to businesses interested in exporting, and to defray costs of the business portion of trade missions that were not eligible for funding.

Mr. Hill said the program had experienced some difficulties from its beginning. There had been turnover in the SBA, and GOED had been in ongoing negotiations and discussions with the SBA about how the program worked. He said the program was always on the bubble given the funding issues at the federal level, because it was not intended to be a permanent program.

Mr. Hill said Nevada had found the program to be an effective use of funding and had produced results. The 2013-2015 biennial budget for GOED included the funding for the program that was known would be received in the first quarter of

fiscal year (FY) 2014, but funds were not included past that quarter because the program could potentially not be renewed.

Chairwoman Smith asked whether the addition of agriculture to the agency's sphere was important to exportation.

Mr. Hill replied agriculture had been one of the state's best exports. Funding from the U.S. Department of Agriculture for agriculture export promotion had been moved to the state Department of Agriculture in the 2013-2015 biennial budget. Mr. Hill said GOED would support agriculture exportation through STEP funding as well.

Assemblyman Eisen observed that the STEP program grant included \$64,000 for a trade mission to China, which seemed excessive. He asked for further information on the China mission.

Mr. Hill explained the China trade mission would support taking a number of businesses on the mission to China, and the funding would support the travel expenses for those businesses.

Assemblyman Eisen asked how many individuals would be going on the trade mission and whether the purpose was to expand their businesses.

Mr. Hill replied the grant required the businesses to match the amount of federal dollars, but the costs of travel, the events, and assistance of the U.S. Commercial Service were all a part of the \$64,000. He reiterated that approximately 15 businesses would be participating.

Assemblywoman Kirkpatrick advised the Committee that there had many benefits from trade activities with China. She said that China used 50-foot containers for its exports, which brought a new industry to the state. Importing and exporting with China was a huge asset for Nevada. She had personally met with business people who had participated in the China and Taiwan trade missions, and they had benefitted greatly from the trips.

Mr. Hill added that the STEP funding had helped companies by providing direct grants to businesses to defray overseas travel costs. Many small companies would not be able to enter the export market without the financial assistance of the grants and GOED's ability to help them make overseas connections.

Chairwoman Smith noted that in the past, businesses would accompany the state on trade missions and pay their own way. She assumed that the STEP program was focused on helping businesses that GOED was encouraging to become involved in exporting.

Mr. Hill replied that was true. The program would help companies to start exporting or to expand exporting to a new country.

Assemblywoman Flores asked how companies were chosen to participate in trade missions. She had heard complaints from small businesses in the state that could not access economic development assistance.

Mr. Hill said the process had changed during the past year. During the first year of the trade mission program, companies were hesitant to participate and GOED had to recruit heavily for participants. He said over the past six or eight months, GOED had expended a good deal of energy in outreach, and there was now a list of over 800 companies interested in exporting. Mr. Hill said companies on the list were recently notified concerning interest in future trade missions, and 225 companies expressed an interest. A survey process was now ongoing, and a committee made up of businesses currently exporting and public sector representatives throughout the state would determine who would receive STEP grants and who would participate in the trade missions.

Assemblywoman Flores asked Mr. Hill to explain the process for a company to get on the list.

Mr. Hill replied a company could connect directly with GOED. He said outreach efforts had focused on virtually every business group in the state: chambers, organizations, and associations that represented the types of businesses that might participate in exporting.

Assemblyman Eisen affirmed that the request was for authority to receive and expend federal dollars; Mr. Hill replied he was correct.

Mr. Hill explained the second part of the work program request was to receive \$35,000 from the Nevada Mining Association. He said *Nevada Revised Statutes* (NRS) 231.053 authorized GOED to solicit gifts and grants to help economic development efforts. In the summer of 2012, he had asked the Nevada Mining Association to consider splitting the cost of the mining industry specialist position with GOED. The position was filled in December 2012, and the employee was located in Elko near the mining industry in the northeastern part of the state, which was also the site for other economic development activities.

Mr. Hill noted the position was included in the 2013-2015 biennial budget request at \$60,000 a year.

Chairwoman Smith asked for questions from the Committee; there were none. Hearing no response to her request for public testimony, Chairwoman Smith called for a motion.

ASSEMBLYMAN AIZLEY MOVED TO APPROVE AGENDA
ITEM E-30.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Bobzien was not present for the vote.)

- 31. Governor's Office of Economic Development - FY 2013** - Transfer of \$55,000 from the In-State Travel category to the Marketing category to help Nevada compete for new, expanding and/or relocating businesses. Requires Interim Finance approval since the amount added to the Marketing category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26181**

Refer to motion for approval under Agenda Item E.

- 32. Governor's Office of Economic Development - Rural Community Development - FY 2013** - Addition of \$513,690 in federal Housing and Urban Development grant funds and \$5,500 in Interest Income to fund anticipated grant reimbursements, technical assistance training for Community Development Block Grant staff, and for Advisory Committee costs. Requires Interim Finance approval since the amounts added to the Rural Communities Grant Program category exceeds \$75,000. **Work Program #C26117**

Refer to motion for approval under Agenda Item E.

- 33. Department of Tourism and Cultural Affairs - Museums and History - State Railroad Museums - FY 2013** - Addition of \$57,000 in Transfer from the Nevada Department of Transportation funds to provide funding for the Nevada State Railroad Museum in Carson City Gateway Improvement Project. Requires Interim Finance approval since the amount added to the Gateway Improvement Project category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26103**

Refer to motion for approval under Agenda Item E.

- 34. Department of Tourism and Cultural Affairs - Nevada Arts Council-FY 2013** - Addition of \$21,000 in a donation from Barrick North America to support the Utah Repertory Dance Theatre "Sense of Place" week-long touring initiative in Northern Nevada. Requires Interim Finance approval since the non-governmental gift exceeds \$20,000. **Work Program #C26234**

Refer to motion for approval under Agenda Item E.

- 35. Department of Health and Human Services - Director's Office - Developmental Disabilities - FY 2013** - Addition of \$85,395 in federal Developmental Disabilities (DD) Councils grant funds and transfer of \$45,000 from the Operating category to the DD Council category to support people with developmental disabilities to participate in and contribute to all aspects of

community life. Requires Interim Finance approval since the amount added to the DD Council category exceeds \$75,000. **Work Program #C26042**

Refer to motion for approval under Agenda Item E.

- 36. Department of Health and Human Services - Health Division - Early Intervention Services - FY 2013** - Transfer of \$750,000 from the Personnel Services category to the Medical Contracts/Payments category to fund additional services to children who have an Early Intervention Services Individualized Family Service Plan, but are currently on a waitlist for services. Requires Interim Finance approval since the amount added to the Medical Contracts/Payments category exceeds \$75,000. **Work Program #C25978**

Refer to motion for approval under Agenda Item E.

- 37. Department of Health and Human Services - Health Division - Immunization Program - FY 2013** - Addition \$212,438 in federal Immunization Program Grant funds and transfer of \$75,108 from the Personnel Services category, \$2,335 from the Out-of-State Travel category, \$11,001 from the In-State Travel category, \$129,415 from the Operating category, \$5,455 from the Information Services category, and \$66,551 from the Nevada State Health Division Administrative Cost Allocation category to the Vaccines for Children category to support the free vaccines program to uninsured or under-insured children. Requires Interim Finance approval since the amount added to the Vaccines for Children category exceeds \$75,000. **Work Program #C25216**

Refer to motion for approval under Agenda Item E.

- 38. Department of Health and Human Services - Health Division - Communicable Diseases - FY 2013** - Addition of \$2,026,530 in Drug Rebate funds received from AIDS Drug Assistance Program (ADAP) purchases and deletion of \$2,612,976 in federal Ryan White Care Act Title II grant funds to support essential services for individuals in Nevada diagnosed with HIV, including ADAP. Requires Interim Finance approval since the amount added to the Comprehensive Care category exceeds \$75,000. **Work Program #C26220**

Refer to motion for approval under Agenda Item E.

- 39. Department of Health and Human Services - Health Division - Public Health Preparedness Program - FY 2013** - Addition of \$63,434 in federal Strengthening Public Health Infrastructure for Improved Health Outcomes grant funds to expand Nevada's capacity and ability to meet national public health standards, such as those of the National Public Health Performance Standards Program, Public Health Accreditation Board, and National Quality Forum. Requires Interim Finance approval since the amount added to the Public Health Infrastructure category exceeds \$75,000. **Work Program #C26220**

exceeds 10 percent of the legislatively approved amount for that category.
Work Program #C25965

Refer to motion for approval under Agenda Item E.

- 40. Department of Health and Human Services - Health Division - Public Health Preparedness Program - FY 2013** - Addition of \$457,205 in federal Health Resources and Services Administration (HRSA) Hospital Preparedness grant funds and transfer of \$25,566 from the Personnel Services category to the HRSA Hospital Preparedness category and \$9,731 from the Personnel Services category to the Division Cost Allocation category to support, enhance and improve Nevada's public health, hospital, and emergency response system capacities, mitigating negative outcomes and fostering improved recovery from such events. Requires Interim Finance approval since the amount added to the HRSA Hospital Preparedness category exceeds \$75,000. **Work Program #C26222**

Refer to motion for approval under Agenda Item E.

- 41. Department of Health and Human Services - Health Division - Biostatistics and Epidemiology - FY 2013** - Addition of \$63,427 in federal Centers for Disease Control and Prevention Tuberculosis (TB) grant funds to continue support for control and prevention activities at the local level; provide leadership at the local, state and federal level; collect, analyze and disseminate information on TB in Nevada; and provide technical assistance, training and advocacy to various groups and organizations. Requires Interim Finance approval since the amount added to the TB Elimination category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26097**

Refer to motion for approval under Agenda Item E.

- 42. Department of Health and Human Services - Health Division - Chronic Disease - FY 2013** - Addition of \$40,795 in federal Women's Health Connections (WHC) supplemental grant funds to provide breast and cervical cancer screenings for women in the age range of 40 to 64 years old and are either uninsured or under-insured. Requires Interim Finance approval since the amount added to the WHC Supplemental category exceeds \$75,000. **Work Program #C26199**

Refer to motion for approval under Agenda Item E.

- 43. Department of Health and Human Services - Health Division - Chronic Disease - FY 2013** - Addition of \$15,747 in federal Quitline Capacity in Nevada grant funds and transfer of \$731 from the Nevada State Health Division Administrative Cost Allocation category to the Quitline Capacity category to support statewide tobacco cessation services by contracting with the Nevada Tobacco Users Helpline through the University of Nevada School of Medicine.

Requires Interim Finance approval since the cumulative amount added to the Quitline Capacity category exceeds \$75,000. **Work Program #C26236**

Refer to motion for approval under Agenda Item E.

- 44. Department of Health and Human Services - Health Division - Maternal Child Health Services - FY 2013** - Addition of 136,320 in federal Abstinence Education grant funds and transfer of \$1,178 from Nevada State Health Division Administrative Cost Allocation category to the Abstinence Education category to continue support for prevention of teen pregnancy and exposure to sexually transmitted infections and HIV/AIDS. Requires Interim Finance approval since the amount added to the Abstinence Education category exceeds \$75,000. **Work Program #C26171**

Refer to motion for approval under Agenda Item E.

- 45. Department of Health and Human Services - Health Division - Maternal Child Health Services - FY 2013** - Addition of \$176,526 in federal Oral Health grant funds and transfer of \$36,182 from the Personnel Services category to the Oral Health category and \$1,907 from the Division Cost Allocation category to the Oral Health category to support the "Get It Done By Age One" campaign to educate parents about oral health care needs for their babies, to gather data for a national database to evaluate the effectiveness of dental sealant programs, and to fund a marketing and education campaign to educate Nevadans on the benefits of fluoridation to prevent tooth decay. Requires Interim Finance approval since the amount added to the Oral Health category exceeds \$75,000. **Work Program #C25924**

Refer to motion for approval under Agenda Item E.

- 46. Department of Health and Human Services - Health Division - Community Health Services - FY 2013** - Addition of \$45,839 in federal Family Planning Program Grant funds to support outreach, education, and clinical services to homeless and at-risk youth, domestic violence and prevention services, limited English proficiency, and clients recently released from incarceration. The funds will also support general contractual support, travel, supplies, and other general expenses to provide community health services in frontier and rural Nevada. Requires Interim Finance approval since the amount added to the Family Planning category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26091**

Refer to motion for approval under Agenda Item E.

- 47. Department of Health and Human Services - Welfare and Supportive Services - Assistance to Aged and Blind - FY 2013** - Addition of \$80,000 in Budgetary Transfers from the Welfare Field Services budget account to cover a projected shortfall for supplemental payments to low-income aged and blind individuals and adult group care facilities to assist recipients in avoiding or delaying institutionalization. Requires Interim Finance approval since the amount added to the Payments for Aged and Blind category exceeds \$75,000 and pursuant to A.B. 580, Section 44 of the 2011 Legislative Session. **RELATES TO ITEM 48. Work Program #C26095**

Refer to motion for approval under Agenda Item E.

- 48. Department of Health and Human Services - Welfare and Supportive Services - Field Services - FY 2013** -.Deletion of \$80,000 in budgetary transfers to the Assistance to Aged and Blind budget account to cover a projected shortfall for supplemental payments to low-income aged and blind individuals and adult group care facilities to assist recipients in avoiding or delaying institutionalization. Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds \$75,000 and pursuant to A.B. 580, Section 44 of the 2011 Legislative Session. **RELATES TO ITEM 47. Work Program #C26081**

Refer to motion for approval under Agenda Item E.

- 49. Department of Health and Human Services - Welfare and Supportive Services - Field Services - FY 2013** - Transfer of \$245,000 from the Personnel Services category to the Operating category, \$75,000 from the Utilities category to the Operating category, and \$27,000 from the Utilities category to the Information Services category to cover increases in costs as a result of conversion to full service leases due to increase in rental space utilization, increases in interpreter services, and printing costs. Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the Interim Finance Committee meeting for the required public hearing and since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C26107. WITHDRAWN MARCH 26, 2013.**

Refer to motion for approval under Agenda Item E.

- 50. Department of Health and Human Services - Welfare and Supportive Services - Child Support Enforcement Program - FY 2013** - Addition of \$177,518 in Child Support Withholding Fees and deletion of \$117,162 in federal Child Support Program funds to support a projected increase in Child Support Withholding Fees to maintain regulatory compliance and continuity of services, which is shared with the counties. Requires Interim Finance approval since the amount added to the County Share of Cost category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26043**

Refer to motion for approval under Agenda Item E.

51. **Department of Health and Human Services - Welfare and Supportive Services - Energy Assistance Program - FY 2013** - Addition of \$2,696,787 in federal Low-Income Home Energy Assistance (LIHEA) program grant funds to assist eligible Nevada citizens in meeting their heating and cooling needs. Requires Interim Finance approval since the amount added to the LIHEA Payments category exceeds \$75,000. **Work Program #C25992**

Refer to Motion for approval under Agenda Item E.

52. **Department of Health and Human Services - Mental Health and Developmental Services - Sierra Regional Center - FY 2013** - Transfer of \$625,000 from the Residential Placement category to the Jobs and Day Training category to continue to assist developmentally disabled persons obtain employment and daily living skills. Requires Interim Finance approval since the amount transferred to the Jobs and Day Training category exceeds \$75,000. **Work Program #C25880**

Refer to motion for approval under Agenda Item E.

53. **Department of Health and Human Services - Mental Health and Developmental Services - Southern Nevada Adult Mental Health Services - FY 2013** - Addition of \$322,462 in federal U.S. Department of Housing and Urban Development's Supportive Housing Program (Pathways) grant funds to assist Southern Nevada Adult Mental Health Services clients with supportive living arrangements. Requires Interim Finance approval since the amount added to the HUD Pathways Grant category exceeds \$75,000. **Work Program #C25923**

Refer to Motion for approval under Agenda Item E.

54. **Department of Health and Human Services - Mental Health and Developmental Services - Southern Nevada Adult Mental Health Services - FY 2013** - Transfer of \$46,225 from the Medications category to the Information Services category to upgrade the medication dispensing software to the most recent version. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26151**

Refer to Motion for approval under Agenda Item E.

55. **Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2013** - Addition of \$421,614 in federal Title IV-B, Subpart II - Promoting Safe and Stable Families program grant funds to prevent the unnecessary separation of children from their families, improve the quality of care and services to children and their families, and ensure permanency for children by reuniting them with their parents by adoption or by another permanent living arrangement. Requires Interim Finance approval since

the amount added to the Title IV-B Subpart II category exceeds \$75,000.
Work Program #C26228

Refer to Motion for approval under Agenda Item E.

- 56. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2013** - Addition of \$218,054 in federal Victims of Crime Act (VOCA) Victim Assistance Formula grant funds to support victim assistance including crisis intervention, emergency shelter, emergency transportation, and counseling. Requires Interim Finance approval since the amount added to the US Crime Victims category exceeds \$75,000.
Work Program #C26264

Refer to motion for approval under Agenda Item E.

- 57. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2013** - Addition of \$163,409 in federal Title IV-E Independent Living grant funds to support programs and activities to assist eligible children (age 16 and over) in Title IV-E foster care make the transition from foster care to independent living. Requires Interim Finance approval since the amount added to the Independent Living category exceeds \$75,000. **Work Program #C26271**

Refer to motion for approval under Agenda Item E.

- 58. Department of Health and Human Services - Child and Family Services - Children, Youth and Family Administration - FY 2013** - Addition of \$71,262 in federal Education and Training Voucher grant funds to assist current and former foster youth in their payment of college or specialized education. Requires Interim Finance approval since the amount added to the Education and Training category exceeds 10 percent of the legislatively approved amount for that category.
Work Program #C26273

Refer to motion for approval under Agenda Item E.

- 59. Department of Health and Human Services - Child and Family Services – Clark County Integration - FY 2013** - Addition of \$3,826,416 in federal Title IV-E grant funds to provide Clark County Department of Family Services entitlement funding to support child welfare services. Requires Interim Finance approval since the amount added to the Clark County Ongoing category exceeds \$75,000.
Work Program #C26128

Refer to motion for approval under Agenda Item E.

60. **Department of Health and Human Services - Child and Family Services - Transition from Foster Care - FY 2013** - Transfer of \$33,000 from the Reserve category to the Clark County category and \$38,326 from the Reserve category to the Rural category to assist persons who turn 18 while in foster care in Nevada transition from foster care to economic self-sufficiency. Requires Interim Finance approval since the amount transferred to the Rural category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C25772**

Refer to motion for approval under Agenda Item E.

61. **Department of Health and Human Services - Child and Family Services - Southern Nevada Child and Adolescent Services - FY 2013** - Transfer of \$51,405 from the Temporary Contract Staffing category to the Maintenance of Buildings and Grounds category to fund an emergency roof replacement project and increased maintenance expenditures on the West Charleston Campus. Requires Interim Finance approval since the amount transferred to the Maintenance of Buildings and Grounds category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26010**

Refer to motion for approval under Agenda Item E.

62. **Department of Employment, Training and Rehabilitation - Administrative Services - Administration - FY 2013** - Addition of \$100,000 in Cost Allocation Reimbursement to fund a projected salary shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **RELATES TO ITEM 63. Work Program #C26168**

Refer to motion for approval under Agenda Item E.

63. **Department of Employment, Training and Rehabilitation - Rehabilitation - Services to the Blind and Visually Impaired - FY 2013** - Transfer of \$46,749 from the Social Security Administration (SSA) Program Income category to the Operating category and \$3,300 from the SSA Program Income category to the Division Cost Allocation category to fund estimated operating and cost allocation expenses through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM 62. Work Program #C26241**

Refer to motion for approval under Agenda Item E.

64. **Department of Corrections - Director's Office - FY 2013** - Deletion of \$153,416 in Budgetary Transfers and transfer of \$17,600 from the Personnel Services category to the Operating category and \$1 from the Personnel Services category to the Microwave Channels category to fund projected shortfalls for the remainder

of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$75,000. **Work Program #C26065**

Refer to motion for approval under Agenda Item E.

- 65. Department of Corrections - Prison Medical Care - FY 2013** - Addition of \$766,845 in Budgetary Transfers and transfer of \$7 from the TB/HEPA category to the Agency Issue Uniforms category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **Work Program #C26068**

Refer to motion for approval under Agenda Item E.

- 66. Department of Corrections - Correctional Programs - FY 2013** - Deletion of \$250,000 in Budgetary Transfers and transfer of \$2,737 from the Substance Abuse Programs South category to the Operating category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$75,000. **Work Program #C26062**

Refer to motion for approval under Agenda Item E.

- 67. Department of Corrections - Ely State Prison - FY 2013** - Addition of \$179,835 in Budgetary Transfers and transfer of \$61,100 from the Uniform Allowance category to the Inmate Drivens category and \$15,000 from the Utilities category to the Inmate Drivens category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds \$75,000. **Work Program #C26054**

Refer to motion for approval under Agenda Item E.

- 68. Department of Corrections - High Desert State Prison - FY 2013** - Deletion of \$479,913 in Budgetary Transfers and transfer of \$123,872 from the Personnel Services category to the Inmate Drivens category and \$30,347 from the Personnel Services category to the Maintenance of Buildings and Grounds category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$75,000. **Work Program #C26058**

Refer to motion for approval under Agenda Item E.

- 69. Department of Corrections - Northern Nevada Correctional Center-FY 2013** - Addition of \$539,873 in Budgetary Transfers, \$2,083 in Miscellaneous Revenue, and deletion of \$7,516 in Employee Service Charges, \$17,067 in Room, Board, and Transportation Charges, \$1,672 in Laundry Service Charges, and \$16,164 in Reimbursement for Utilities. This request also transfers \$225,000 from the Utilities category to the Inmate Drivens category and \$1,158 from the Maintenance

Contracts category to the Inmate Driven category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000.

Work Program #C26045

Refer to motion for approval under Agenda Item E.

- 70. Department of Corrections - Nevada State Prison - FY 2013** - Addition of \$15,166 in Budgetary Transfers and \$15,999 in Reimbursement For Utilities. This request also transfers \$2 from the Information Services category to the Maintenance for Closed Facilities category and \$465 from the Uniform Allowance category to the Maintenance for Closed Facilities category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since this work program includes a budgetary transfer that balances against other work programs. **Work Program #C25802**

Refer to motion for approval under Agenda Item E.

- 71. Department of Corrections - Southern Desert Correctional Center - FY 2013** - Deletion of \$273,558 in Budgetary Transfers and transfer of \$245,143 from the Personnel Services category to the Inmate Driven category, \$84,551 from the Personnel Services category to the Utilities category, and \$6,686 from the Personnel Services category to the Maintenance Contracts category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Driven category exceeds \$75,000. **Work Program #C26053**

Refer to motion for approval under Agenda Item E.

- 72. Department of Corrections - Lovelock Correctional Center - FY 2013** - Deletion of \$466,756 in Budgetary Transfers and transfer of \$20,000 from the Uniform Allowance category to the Maintenance of Buildings and Grounds category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$75,000. **Work Program #C26060**

Refer to motion for approval under Agenda Item E.

- 73. Department of Corrections - Southern Nevada Correctional Center-FY 2013** - Deletion of \$8,122 in Budgetary Transfers and transfer of \$2,372 from the Utilities category to the Personnel Services category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since this work program includes a budgetary transfer that balances against other work programs. **Work Program #C26066**

Refer to motion for approval under Agenda Item E.

- 74. Department of Corrections - Warm Springs Correctional Center - FY 2013 -** Addition of \$430,549 in Budgetary Transfers and transfer of \$100,000 from the Utilities category to the Personnel Services category, \$10,000 from the Uniform Allowance category to the Personnel Services category, and \$1,115 from the Inmate Drivens category to the Personnel Services category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **Work Program #C25801**

Refer to motion for approval under Agenda Item E.

- 75. Department of Corrections- Florence McClure Women's Correctional Center- FY 2013 -** Deletion of \$82,419 in Budgetary Transfers and transfer of \$12,696 from the Personnel Services category to the Operating category and \$4,885 from the Personnel Services category to the Maintenance Contracts category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$75,000. **Work Program #C26237**

Refer to motion for approval under Agenda Item E.

- 76. Department of Corrections - Casa Grande Transitional Housing - FY 2013 -** Addition of \$27,158 in Budgetary Transfers and transfer of \$23,419 from the Open Program category to the Inmate Drivens category, \$20,278 from the Personnel Services category to the Inmate Drivens category, \$9,000 from the Operating category to the Utilities category, \$1,220 from the Building Maintenance category to the Inmate Drivens category and \$1,000 from the Uniform Allowance category to the Inmate Drivens category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26057**

Refer to motion for approval under Agenda Item E.

- 77. Department of Corrections - Northern Nevada Restitution Center - FY 2013 -** Addition of \$34,336 in Budgetary Transfers and transfer of \$560 from the Maintenance Contracts category to the Personnel Services category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since this work program includes a budgetary transfer that balances against other work programs. **Work Program #C25803**

Refer to motion for approval under Agenda Item E.

- 78. Department of Corrections - Stewart Conservation Camp - FY 2013 -** Addition of \$44,252 in Budgetary Transfers and transfer of \$11,715 from the Utilities category to the Inmate Drivens category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount

added to the Inmate Drivens category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26047**

Refer to motion for approval under Agenda Item E.

- 79. Department of Corrections - Pioche Conservation Camp - FY 2013** - Addition of \$70,863 in Budgetary Transfers to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since this work program includes a budgetary transfer that balances against other work programs. **Work Program #C26048**

Refer to motion for approval under Agenda Item E.

- 80. Department of Corrections - Three Lakes Valley Conservation Camp - FY 2013** - Deletion of \$235,000 in Budgetary Transfers to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$75,000. **Work Program #C26051**

Refer to motion for approval under Agenda Item E.

- 81. Department of Corrections - Wells Conservation Camp - FY 2013** - Addition of \$41,843 in Budgetary Transfers and transfer of \$18,272 from the Inmate Drivens category to the Utilities category and \$1,195 from the Maintenance Contracts category to the Utilities category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Utilities category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26049**

Refer to motion for approval under Agenda Item E.

- 82. Department of Corrections - Humboldt Conservation Camp - FY 2013** - Deletion of \$116,465 in Budgetary Transfers and transfer of \$3,106 from the Personnel Services category to the Inmate Drivens category and \$429 from the Maintenance Contracts category to the Operating category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$75,000. **Work Program #C26046**

Refer to motion for approval under Agenda Item E.

- 83. Department of Corrections - Ely Conservation Camp - FY 2013** - Addition of \$25,607 in Budgetary Transfers and transfer of \$8,868 from the Inmate Drivens category to the Personnel Services category and \$213 from the Maintenance of Contracts category to the Personnel Services category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since this

work program includes a budgetary transfer that balances against other work programs. **Work Program #C26052**

Refer to motion for approval under Agenda Item E.

- 84. Department of Corrections - Jean Conservation Camp - FY 2013 -** Deletion of \$50,636 in Budgetary Transfers to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since this work program includes a budgetary transfer that balances against other work programs. **Work Program #C26050**

Refer to motion for approval under Agenda Item E.

- 85. Department of Corrections - Silver Springs Conservation Camp - FY 2013 -** Deletion of \$6,700 in Budgetary Transfers to fund projected shortfalls within the department for the remainder of the fiscal year. Requires Interim Finance approval since this work program includes a budgetary transfer that balances against other work programs. **Work Program #C26055**

Refer to motion for approval under Agenda Item E.

- 86. Department of Corrections - Carlin Conservation Camp - FY 2013 -** Deletion of \$53,342 in Budgetary Transfers and transfer of \$658 from the Personnel Services category to the Operating category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since this work program includes a budgetary transfer that balances against other work programs. **Work Program #C26059**

Refer to motion for approval under Agenda Item E.

- 87. Department of Corrections - Offenders' Store Fund - FY 2013 -** Transfer of \$150,000 from the Retained Earnings category to the Transfer to Inmate Welfare Fund category to reimburse medical stale claims. Requires Interim Finance approval since the cumulative amount added to the Transfer to Inmate Welfare Fund category exceeds \$75,000. **RELATES TO ITEM 88. Work Program #C25982**

Refer to motion for approval under Agenda Item E.

- 88. Department of Corrections - Inmate Welfare Account - FY 2013 -** Addition of \$150,000 in funds transferred from Offenders' Store to reimburse medical stale claims. Requires Interim Finance approval since the amount added to the A.B.389/533 Stale Claims Repay (NRS 209.246) category exceeds \$75,000. **RELATES TO ITEM 87. Work Program #C26027**

Refer to motion for approval under Agenda Item E.

89. **Department of Corrections - Prison Industry - FY 2013** - Addition of ~~\$65,000~~ **\$223,467** in Miscellaneous Sales and to ensure vendors will be paid timely and to ensure operations can continue through the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Operating category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26155. REVISED APRIL 4, 2013.**

Refer to motion for approval under Agenda Item E.

90. **Department of Motor Vehicles - Motor Vehicle Pollution Control - FY 2013** - Transfer of \$1,000 from the Reserve category to the In-State Travel category, \$33,000 from the Reserve category to the Operating category, and \$11,000 from the Reserve category to the Equipment category to provide adequate operational authority for the remainder of the fiscal year, as well as replace two Opacity meters that are at the end of useful life and are vital to the Heavy duty Diesel program in the southern region. Requires Interim Finance approval since the cumulative change to the Operating category exceeds 10 percent of the legislatively amount for that category. **Work Program #C26118**

Refer to motion for approval under Agenda Item E.

91. **Department of Motor Vehicles - Central Services - FY 2013** - Transfer of \$310,000 from the License Plate Factory category to the Operating category to provide adequate authority for increased postage costs. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C26165**

Refer to motion for approval under Agenda Item E.

92. **Department of Public Safety - Highway Patrol - FY 2013** - Addition of \$341,000 in Contract Services Reimbursement to provide sufficient authority to continue to control vehicular traffic throughout the state. Requires Interim Finance approval since the amount added to the In-State Travel category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26131**

Refer to motion for approval under Agenda Item E.

93. **Department of Public Safety - Emergency Management - FY 2013** - Addition of \$71,076 in federal Department of Emergency Management - Department of Homeland Security Grant Program grant funds transferred from the Division of Emergency Management Assistance Grant account to support the Homeland Security working group planning assessment and grant process implementation. Requires Interim Finance approval since the cumulative change to the State Homeland Security Program category exceeds \$75,000. **Work Program #C25934**

Refer to motion for approval under Agenda Item E.

94. **Department of Public Safety - State Emergency Response Commission - FY 2013** - Transfer of \$119,750 from the Reserve category to the Transfer to State Fire Marshal category to support hazardous materials training for emergency responders throughout the state. Requires Interim Finance approval since the amount transferred to the Transfer to State Fire Marshal category exceeds \$75,000. **Work Program #C26167**

Refer to motion for approval under Agenda Item E.

95. **Department of Public Safety - Criminal History Repository - FY 2013** - Addition of \$15,084 in federal Office of Criminal Justice Assistance - National Instant Criminal Background Check System (NICS) Act Record Improvement Program (NARIP) grant funds transferred from the Department of Public Safety Criminal Justice Grant Trust account to improve the accuracy and completeness of criminal history records. Requires Interim Finance approval since the cumulative change to the NARIP Grant category exceeds \$75,000. **Work Program #C26001**

Refer to motion for approval under Agenda Item E.

96. **Department of Public Safety - Criminal History Repository - FY 2013** - Transfer of \$37,000 from the Reserve category to the Civil Name Check (CNC)/Las Vegas Metropolitan Police Department (LVMPD) Scope Fees category due to an increase in volume of background check inquiries. Requires Interim Finance approval since the amount added to the CNC/LVMPD Scope Fees category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26185**

Refer to motion for approval under Agenda Item E.

97. **Department of Public Safety - Highway Safety Plan and Administration - FY 2013** - Deletion of \$45,534 in federal 402 Highway grant funds transferred from the Department of Public Safety - Office of Traffic Safety and transfer of \$91,068 from the Information Services category to the Reversion to Highway Fund category to correct a duplicate cost allocation. Requires Interim Finance approval since the amount deducted from the Information Services category exceeds \$75,000. **Work Program #C26011**

Refer to motion for approval under Agenda Item E.

98. **Department of Conservation and Natural Resources - Forestry - Forest Fire Suppression - FY 2013** - Transfer of \$996,794 in Interim Finance Committee Contingency Account authority from the Fire Suppression Costs category to the Prior Years Claims category to provide for payments of prior year fire billings received from the Bureau of Land Management and the U.S. Forest Service. Requires Interim Finance approval since the amount added to the Prior Years Claims category exceeds \$75,000. **Work Program #C26166**

Refer to motion for approval under Agenda Item E.

- 99. Department of Conservation and Natural Resources - Forestry - Conservation Camps - FY 2013** - Addition of \$199,314 in Fire Fuel Reimbursement revenue transferred from the Fire Suppression account to allow for the reimbursement of estimated fuel costs related to FY 2013 fire suppression activities. Requires Interim Finance approval since the cumulative change to the Stewart Conservation Camp category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C25988**

Refer to motion for approval under Agenda Item E.

- 100. Department of Conservation and Natural Resources - State Parks - FY 2013** - Addition of \$234,195 in federal U.S. Fish and Wildlife Service, Sport Fish Aquatic Invasive Species (AIS) Decontamination grant funds transferred from the Nevada Department of Wildlife (NDOW) for the AIS program at Lahontan, Rye Patch and Wild Horse. Requires Interim Finance approval since the amount added to the AIS Grant-NDOW category exceeds \$75,000. **RELATES TO ITEMS 125 and 126. Work Program #C26178**

Refer to motion for approval under Agenda Item E.

- 101. Department of Conservation and Natural Resources - State Parks - FY 2013** - Addition of \$80,990 in Reimbursement from the Tahoe Regional Planning Agency for funding the salaries of seasonal park aids who will be working for State Parks providing the necessary check-in and check-out of water craft at Lake Tahoe Nevada State Park, Sand Harbor and Cave Rock. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$75,000. **Work Program #C26203**

Refer to motion for approval under Agenda Item E.

- 102. Department of Conservation and Natural Resources - Water Resources - FY 2013** - Addition of \$194,400 in federal U.S. Fish and Wildlife Service, Motor Boat Access grant funds transferred from the Nevada Department of Wildlife to fund repairs to the South Fork Dam. Requires Interim Finance approval since the amount added to the South Fork Dam category exceeds \$75,000. **Work Program #C26076**

Refer to motion for approval under Agenda Item E.

- 103. Department of Conservation and Natural Resources - Environmental Protection - Air Quality - FY 2013** - Transfer of \$657,300 from the Reserve category to the Operating category for projected authority needed for ozone data collection and analysis activities associated with the division's federally mandated State Implementation Plan as required under the Clean Air Act. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C26025**

Refer to motion for approval under Agenda Item E.

- 104. Department of Conservation and Natural Resources - Environmental Protection - Waste Management and Federal Facilities - FY 2013** - Transfer of \$200,000 from the Petroleum Fund category to the Underground Storage Tank category and \$6,800 from the Reserve category to the Underground Storage Tank category to fully utilize available federal funds to support qualifying ongoing environmental protection projects. Requires Interim Finance approval since the amount transferred to the Underground Storage Tank category exceeds \$75,000. **Work Program #C26110**

Refer to motion for approval under Agenda Item E.

- 105. Department of Conservation and Natural Resources - Historic Preservation - FY 2013** - Addition of \$150,000 in federal U.S. Department of the Interior, National Park Service - Historic Preservation grant funds to support ongoing administrative costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Survey and Planning category exceeds \$75,000. **Work Program #C25955**

Refer to motion for approval under Agenda Item E.

- 106. Department of Wildlife - Wildlife Fund - FY 2013** - Transfer of \$86,522 from the Restricted Reserve Category to the Transfer to Conservation Education category; \$16,085 from the Sportsman Reserve category to the Transfer to Conservation Education category; \$48,668 from the Restricted Reserve category to the Transfer to Operations category; \$62,703 from the Sportsman Reserve category to the Transfer to Operations category; \$170,662 from the restricted Reserve category to the Transfer to Game Management category; and \$88,362 from the Sportsman Reserve category to the Transfer to Game Management category to provide funding for various wildlife programs. Requires Interim Finance approval since the amount transferred to the Transfer to Game Management category exceeds \$75,000. **RELATES TO ITEMS 110, 111, 112, 114, 115, 116, AND 117. Work Program #C25991. REVISED APRIL 1, 2013.**

Refer to motion for approval under Agenda Item E.

- 107. Department of Wildlife - Wildlife Fund - FY 2013** - Transfer of \$79,027 from the Transfer to Fisheries Management category to the Transfer to Wildlife Diversity category, \$170,973 from the Transfer to Fisheries Management category to the Transfer to Game Management category, \$233,065 from the Transfer to the Director's Office category to the Transfer to Game Management category, and \$367,192 from the Transfer to the Director's Office category to the Transfer to Conservation Education category to provide adequate categorical authority based on projected needs throughout the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Transfer to Game Management category exceeds \$75,000. **Work Program #C26300**

Refer to motion for approval under Agenda Item E.

- 108. Department of Wildlife - Wildlife Fund - FY 2013** - Transfer of \$249,161 from the Sportsmen Reserves category to the Transfer to Operations category to fund the department's Reno Headquarters Capital Improvement Project. Requires Interim Finance approval since the amount transferred to the Transfer to Operations category exceeds \$75,000. **Work Program #C26302**

Refer to motion for approval under Agenda Item E.

- 109. Department of Wildlife - Director's Office - FY 2013** - Addition of \$2,098 in Cost Allocation - Indirect Costs and \$213,142 in Cost Allocation - Vehicles to fund increased fuel and maintenance costs for vehicles. Requires Interim Finance approval since the amount added to the Vehicles and Cost Allocations category exceeds \$75,000. **Work Program #C26291**

Refer to motion for approval under Agenda Item E.

- 110. Department of Wildlife - Operations - FY 2013** - Addition of \$48,668 in Application Fees transferred from the Wildlife Fund account for continuing administration and maintenance of the department's Application Hunt System. Requires Interim Finance approval since the cumulative change to the Application Hunt System category exceeds \$75,000. **RELATES TO ITEM 106. Work Program #C26039**

Refer to motion for approval under Agenda Item E.

- 111. Department of Wildlife - Operations - FY 2013** - Addition of \$62,703 in License Fees transferred from the Wildlife Fund account to fund additional air operations maintenance and fuel costs. Requires Interim Finance approval since the amount added to the Air Operations category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM 106. Work Program #C26142**

Refer to motion for approval under Agenda Item E.

- 112. Department of Wildlife - Conservation Education - FY 2013** - Addition of ~~\$51,399~~ **\$68,774** in Resource Enhancement Stamp revenue transferred from the Wildlife Fund account to promote the Dream Tag Program. Requires Interim Finance approval since the amount added to the Administration category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM 106. Work Program #C26024. REVISED APRIL 1, 2013.**

Refer to motion for approval under Agenda Item E.

- 113. Department of Wildlife - Law Enforcement - FY 2013** - Transfer of \$68,396 from the Personnel Services category to the Communications category to purchase replacement dispatch communications equipment that is obsolete, beyond its useful life, or not functioning properly at all. Requires Interim Finance approval since the amount transferred to the Communications category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26232**

Refer to motion for approval under Agenda Item E.

- 114. Department of Wildlife - Game Management - FY 2013** - Addition of \$160,118 in federal U.S. Fish and Wildlife Service Wildlife Restoration W48 grant funds and \$53,372 in License Fees transferred from the Wildlife Fund account to provide ongoing support for the department's Game Management Program. Requires Interim Finance approval since the amount added to the Big Game category exceeds \$75,000. **RELATES TO ITEM 106. Work Program #C26064**

Refer to motion for approval under Agenda Item E.

- 115. Department of Wildlife - Game Management - FY 2013** - Addition of \$142,470 in federal U.S. Fish and Wildlife Service Wildlife Restoration W64 grant funds, \$34,990 in License Fees transferred from the Wildlife Fund account, and \$12,500 in Upland Game Stamp Fees transferred from the Wildlife Fund account for Sage-grouse conservation activities. Requires Interim Finance approval since the amount added to the Sage-grouse Conservation category exceeds \$75,000. **RELATES TO ITEM 106. Work Program #C26102**

Refer to motion for approval under Agenda Item E.

- 116. Department of Wildlife - Game Management - FY 2013** - Addition of \$83,587 in Elk Damage Fees transferred from the Wildlife Fund account to mitigate damages to land, fencing, stored and standing crop loss due to elk damage. Requires Interim Finance approval since the amount added to the Elk Damage category exceeds \$75,000. **RELATES TO ITEM 106. Work Program #C26132**

Refer to motion for approval under Agenda Item E.

- 117. Department of Wildlife - Game Management - FY 2013** - Addition of \$74,575 in Predator Fees transferred from the Wildlife Fund account to fund ongoing predator management activities. Requires Interim Finance approval since the amount added to the Predator Management Projects category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM 106. Work Program #C26190**

Refer to motion for approval under Agenda Item E.

- 118. Department of Wildlife - Fisheries Management - FY 2013** - Addition of \$14,003 in federal U.S. Department of the Interior, Bureau of Reclamation (BOR) - Lower Colorado River Multi-Species Conservation Program grant funds for Lake Mead razorback sucker conservation activities. Requires Interim Finance approval since the cumulative change to the BOR Razorback category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26206**

Refer to motion for approval under Agenda Item E.

- 119. Department of Wildlife - Habitat - FY 2013** - Addition of \$63,200 in federal U.S. Fish and Wildlife Service, Wildlife Restoration W58 grant funds for ongoing wildlife water development activities. Requires Interim Finance approval since the cumulative change to the Wildlife Water Development category exceeds \$75,000. **Work Program #C26099**

Refer to motion for approval under Agenda Item E.

- 120. Department of Wildlife - Habitat - FY 2013** - Addition of \$75,000 in federal U.S. Department of Agriculture, Forest Service - Mountain City Wildlife Habitat Restoration Project grant funds for the purchase of seeds to rehabilitate land affected by wildfire. Requires Interim Finance approval since the cumulative change to the Sagebrush Ecosystem Restoration category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C26195**

Refer to motion for approval under Agenda Item E.

- 121. Department of Transportation - FY 2013** - Addition of \$36,000 in reimbursement from the Clark County Office of Emergency Management and \$144,000 in State Homeland Security Grant Program funds transferred from the Nevada Division of Emergency Management to hire consultants who will develop capabilities and provide guidance regarding a governance structure for a Public Safety Wireless Broadband Communication System to be used throughout the state during emergency events. Requires Interim Finance approval since the amount added to the Administrative Consultants/Other Federal Programs category exceeds \$75,000. **Work Program #C25997**

Refer to motion for approval under Agenda Item E.

- 122. Public Employees Benefits Program - FY 2013** - Transfer of \$2,625,000 from the Health Savings Account (HSA)/Health Reimbursement Account (HRA) Contributions category to the HRA Contributions - Medicare Retirees category and transfer of \$875,000 from the HRA Reserve category to the HRA Contributions - Medicare Retirees category to fund a projected shortfall for contributions to the HRA account. Requires Interim Finance approval since the amount transferred to the HRA Contributions - Medicare Retirees category exceeds \$75,000. **Work Program #C26240**

Refer to motion for approval under Agenda Item E.

- 123. Adjutant General and National Guard - Military - FY 2013** - Addition of \$3,538,431 in federal Department of Defense funds to align the state authority with federal funds available for the Training Site category to execute federal projects anticipated for FY 2013, and for new furnishings for the new North Las Vegas Readiness Center and the Las Vegas Readiness Center Field Maintenance Shop. In addition, the authority in the Air and Army Family Assistance categories is being eliminated, as these programs are no longer funded through the Master Cooperative Agreement. Beginning with Federal Fiscal Year 2013, the Air and Army Family Assistance programs are now managed directly by the federal government. Requires Interim Finance approval since the amount added to the Training Site category exceeds \$30,000. **Work Program #C26205**

Refer to motion for approval under Agenda Item E.

- 124. Office of Veterans' Services - Veterans' Home Account - FY 2013** - Addition of \$291,669 in federal Veterans Administration Per Diem Reimbursement, \$663,017 in Medicare Reimbursement, \$455,707 in Client Charges, \$294,777 in Hospice Reimbursement, \$52,585 in Clark County Receipts, and \$166,617 in Insurance Recoveries to align the agency's revised revenue projections with current budgetary authority. Requires Interim Finance approval since the amount added to the Operating category exceeds \$75,000. **Work Program #C26000**

Refer to motion for approval under Agenda Item E.

- 125. Department of Wildlife - Wildlife Fund - FY 2013** - Transfer of \$58,549 from the Boating Reserve category to the Transfer to Fisheries Management category to continue funding for the Aquatic Invasive Species Inspection and Decontamination program. Requires Interim Finance approval since the amount transferred to the Transfer to Fisheries Management category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEMS 100 and 126. Work Program #C26340. RECEIVED AFTER SUBMITTAL DEADLINE 4-1-13.**

Refer to motion for approval under Agenda Item E.

- 126. Department of Wildlife - Fisheries Management - FY 2013** - Addition of \$175,646 in U.S. Fish and Wildlife Service – Sport Fish Aquatic Invasive Species (AIS) Decontamination grant funds and \$58,549 in Boating Fees transferred from the Wildlife Fund account to meet the requirements of Assembly Bill 167, passed by the 2011 Legislature. Requires Interim Finance approval since the amount added to the AIS Outreach and Inspection category exceeds \$75,000. **RELATES TO ITEMS 100 and 125. Work Program #C26339. RECEIVED AFTER SUBMITTAL DEADLINE 4-1-13.**

Refer to motion for approval under Agenda Item E.

Position Reclassifications

Agency	Agency/ Account Number	Position Number	Present Class Title, Class Code, Grade & Salary	Proposed Class Title, Class Code, Grade & Salary
Secretary of State Nevada Business Portal	040/1050	0055	Administrative Assistant II, Code 02.212 Grade 25, Step 01 Employee/Employer Paid Retirement \$29,440.80	Business Process Analyst II, Code 07.656, Grade 36, Step 01 Employee/Employer Paid Retirement \$46,416.24
Department of Agriculture Plant Industry	550/4545	0130	Agriculturist (Commissioned), Code 13.104 Grade 36, Step 01 Employee/Employer Paid Retirement \$46,416.24	Agriculturist II, Code 01.123 Grade 33, Step 01 Employee/Employer Paid Retirement \$40,862.16
Department of Business & Industry Director's Office	740/4681	1108	Administrative Assistant IV, Code 02.210 Grade 29, Step 01 Employee/Employer Paid Retirement \$34,598.16	Program Officer I, Code 07.649 Grade 31, Step 01 Employee/Employer Paid Retirement \$37,563.12
Department of Health & Human Services, Welfare & Supportive Services	407/3228	0322	Reprographics Technician II, Code 09.726 Grade 27, Step 01 Employee/Employer Paid Retirement \$31,862.88	Administrative Assistant III, Code 02.211 Grade 27, Step 01 Employee/Employer Paid Retirement \$31,862.88
Department of Motor Vehicles	810/4735	CA5280	Supervisor I, Code 11.422. Grade 31, Step 01 Employee/Employer Paid Retirement \$37,563.12	Management Analyst II, Code 07.625 Grade 35, Step 01 Employee/Employer Paid Retirement \$44,411.76
Department of Motor Vehicles Pollution Control	810/4722	CC7014	Administrative Assistant III, Code 02.211 Grade 27, Step 01 Employee/Employer Paid Retirement \$31,862.88	Program Officer III, Code 07.643 Grade 35, Step 01 Employee/Employer Paid Retirement \$44,411.76

Refer to motion for approval under Agenda Item E.

Chairwoman Smith was called out of the room and turned the meeting over to Vice Chair Carlton.

F. DEPARTMENT OF ADMINISTRATION–STATE PUBLIC WORKS DIVISION.

1. Request to modify the scope of CIP Project 11-M05, replace vehicle exhaust systems-Facility Maintenance Shop and Combined Support Maintenance Shop Buildings-North Las Vegas Armory, pursuant to NRS 341.145(1)(f), and to increase the authority to receive and expend an additional \$54,867 in federal funds for the project pursuant to NRS 341.121.

Gus Nuñez, Administrator, Public Works Division, Department of Administration, explained Agenda Item F.1. was a request to increase the scope of Capital Improvement Program Project 11-M05 and for authority to receive and spend an additional \$54,867 in federal funds. He said no additional state funds were required for the increase in scope of the project.

2. Information regarding the Project Exception Report pursuant to NRS 341.100(8)(g).

Gus Nuñez, Administrator, Public Works Division, Department of Administration, explained Agenda Item F.2. was the Capital Improvement Program Project Exception Report, and he reviewed the items in the report:

- Project 07-C27 – Civil Support Team Weapons of Mass Destruction (WMD) Readiness Building in Las Vegas: there was no change in the project since the last report. Depending on action by the 2013 Legislature, the project would probably be canceled and the funds would be reallocated.
- Project 09-C14 – New Readiness Center in North Las Vegas: the agency had received additional federal funds and requested to expand the scope of the project to increase the ability to train additional soldiers at the facility. The request would be submitted at a future Interim Finance Committee meeting.
- Project 09-M02a – Water Supply Backflow Prevention for the Bradley Building and Stewart Facility: the Las Vegas Water Valley District was responsible for the project, which was not yet complete.
- Project 09-P02a – Advance Planning for Hotel College Academic Building: there was no change in the project since the last report. The project would probably be eliminated after the 2013 Legislative Session because the 2013-2015 Capital Improvement Program included a project to move the location of the building and change the funding split from 50-50 to 60-40.
- Project 11-E02 – DMV Building in South Reno – Advance Planning: there was no change in the project since the last report.

Vice Chair Carlton asked for questions from the Committee; there were none. Hearing no response to her request for public testimony, Vice Chair Carlton called for a motion to approve Agenda Items F.1. and F.2.

ASSEMBLYMAN EISEN MOVED TO APPROVE AGENDA ITEMS F.1. AND F.2.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Bobzien, Senator Parks, and Senator Roberson were not present for the vote.)

Chairwoman Smith returned to the meeting and resumed the duties of the chair.

G. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, referred Committee members to the statement of the Interim Finance Contingency Account balance on page 243 of volume II of the meeting packet (copy of statement attached as [Exhibit C](#)), which reflected the following balances as of April 18, 2013:

Unrestricted General Fund Balance	\$ 6,997,998.65
Unrestricted Highway Fund Balance	\$ 1,690,085.35
Restricted Funds Balance	\$22,366,053.00

Mr. Krmpotic said there were no requests from the Contingency Account on the current meeting's agenda. He noted there was a bill in the Assembly Committee on Ways and Means (Assembly Bill 474), which would replenish the General Fund portion of the Interim Finance Committee Contingency Account in the amount of \$5.8 million, bringing the balance to approximately \$12 million.

Chairwoman Smith asked for questions from the Committee; there were none.

H. REQUEST FOR EXTENSION OF PERIOD WITHIN WHICH TO PROVIDE ADDITIONAL DOCUMENTATION REQUESTED BY THE BOARD OF EXAMINERS IN SUPPORT OF A REQUEST FOR A GRANT OR LOAN FROM THE DISASTER RELIEF ACCOUNT PURSUANT TO NRS 353.2755(2) – Department of Public Safety – Division of Emergency Management – For a request related to severe winter storm damage in Hawthorne, Nevada.

Chris Smith, Administrator, Division of Emergency Management and Office of Homeland Security, Department of Public Safety, introduced Rick Martin, Bureau Chief, Recovery and Mitigation, Division of Emergency Management, who would explain the request in Agenda Item H.

Rick Martin, Emergency Management Programs Officer, Recovery and Mitigation, Division of Emergency Management, Department of Public Safety, said he was appearing on behalf of the City of Hawthorne, which was requesting grant assistance from the Disaster Relief Account as a result of high-wind and storm damage that occurred on November 30, 2012. The city was in the process of identifying actual costs of the damages and requested a 12-month extension from the date of the event to complete an application for funds.

Chairwoman Smith asked for questions from the Committee. She explained the Committee often received similar requests for extensions because of the time involved in gathering supporting documentation.

Hearing no response to her request for public testimony, Chairwoman Smith called for a motion.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE
AGENDA ITEM H.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Bobzien, Senator Kieckhefer, Senator Parks, and Senator Roberson were not present for the vote.)

I. INFORMATIONAL ITEMS

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that there had been no Committee member requests for testimony on any of the informational items. Chairwoman Smith requested discussion of Item 3.a.

3. DEPARTMENT OF ADMINISTRATION

- a. Budget Division—Report of agency activity relating to contracting with current or former employees from October 1, 2012, through December 31, 2012, pursuant to NRS 284.1729(4)—Department of Administration, Budget Division, on behalf of state agencies.

Chairwoman Smith noted that Agenda Item I.3.a. was a report of agency activity relating to the use of consultants, and she pointed out that responses were not being received from everyone who was supposed to respond. She suggested that a letter be sent from the Committee reminding the agencies that had not responded of their obligation to do so.

Brenda Erdoes, Legislative Counsel, Legislative Counsel Bureau, opined that a letter from the Committee would be an appropriate action to remind the agencies of their obligation, because the request was a procedural item for the Committee rather than action on a particular item. She noted that reminders had been sent in the past.

ASSEMBLYWOMAN CARLTON MOVED THAT A LETTER BE SENT FROM THE INTERIM FINANCE COMMITTEE REMINDING STATE AGENCIES OF THEIR OBLIGATION TO PROVIDE INFORMATION TO THE COMMITTEE ON THE USE OF CONSULTANTS.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Bobzien, Senator Kieckhefer, Senator Parks, and Senator Roberson were not present for the vote.)

J. PUBLIC COMMENT

Chairwoman Smith asked for public comment.

Keith Uriarte, Chief of Staff, American Federation of State, County and Municipal Employees (AFSCME) Local 4041, testified on Agenda Item E-36:

- 36. Department of Health and Human Services - Health Division - Early Intervention Services - FY 2013** - Transfer of \$750,000 from the Personnel Services category to the Medical Contracts/Payments category to fund additional services to children who have an Early Intervention Services Individualized Family Service Plan, but are currently on a waitlist for services. Requires Interim Finance approval since the amount added to the Medical Contracts/Payments category exceeds \$75,000. **Work Program #C25978**

Mr. Uriarte recalled that it was said that the waitlist was generated in part by the vacancies that resulted in the \$750,000 savings, and now the Committee had approved the money to fund contracted services. He said the positions were left vacant for the entire year, in part causing that waitlist. He was very concerned with the continued neglect of the children and the services they were receiving or had not received during the year. Mr. Uriarte stated for the record that AFSCME was concerned about the lack of early intervention services being provided for the children.

Chairwoman Smith thanked Mr. Uriarte for his comments and said his concerns would be included in the record.

Chairwoman Smith asked for further public comment; there was none.

K. ADJOURNMENT

There being no further business to come before the Committee, Chairwoman Smith adjourned the meeting at 10:18 a.m.

Senator Debbie Smith, Chairwoman
Interim Finance Committee

Rick Combs, Director, Legislative Counsel
Bureau, and Secretary, Interim Finance Committee

EXHIBITS INTERIM FINANCE COMMITTEE April 18, 2013		
Exhibit	Witness/Agency	Description
A	*****	Agenda
B	*****	Meeting Packet
C	Mark Krmpotic, Senate Fiscal Analyst	Statement of IFC Contingency Account Balance