

# FINANCE AND ADMINISTRATION





## **FINANCE AND ADMINISTRATION**

The Finance and Administration function includes those Executive Branch agencies that generally control, coordinate, assist and provide services to other agencies and programs in state government. It includes the Department of Administration, the Department of Personnel, the Department of Information Technology (DoIT), and the Department of Taxation. For the 2009-11 biennium, General Fund appropriations for the Finance and Administration function as approved by the 2009 Legislature total \$100.5 million. If funding allocated to the Board of Examiners for adjustments to state employee salaries is not included, state agencies within the Finance and Administration function were approved for \$70.7 million in General Fund appropriations over the 2009-11 biennium. This represents an 8.1 percent decrease from the General Fund appropriations approved for the 2007-09 biennium, exclusive of salary adjustments funds in both biennia.

### **DEPARTMENT OF ADMINISTRATION**

#### **SALARY ADJUSTMENTS**

Due to the economic downturn which significantly reduced General Fund revenues, the Governor recommended a temporary salary reduction of 6 percent, effective July 1, 2009, and the suspension of merit salary increases over the 2009-11 biennium for state employees, K-12 education personnel and employees of the Nevada System of Higher Education (NSHE). Additionally, the Governor recommended the suspension of longevity pay for state employees and classified employees of the NSHE who have a minimum of eight years of continuous service.

The Legislature supported the suspension of merit salary increases and longevity pay for the biennium for state employees and classified employees of the NSHE as recommended by the Governor. The Legislature modified the Governor's recommendation for licensed teachers and approved the restoration of merit increases for the acquisition of additional education and qualifications since teaching personnel do not have the same opportunity for promotion as state employees unless they choose to leave the classroom and work toward moving into administration. The restoration of merit increases for licensed teachers results in a General Fund add-back of \$9.0 million in FY 2009-10 and \$19.3 million in FY 2010-11.

In lieu of implementing salary decreases, the Legislature approved one day of unpaid furlough leave each month for full-time employees of all branches of state government resulting in an approximate 4.6 percent salary reduction each year. In approving the implementation of furloughs, the Legislature approved the funding necessary to hold employees harmless in the accumulation of retirement service credit for time taken as furlough leave. The Legislature appropriated \$23.9 million in General Funds and \$4.7 million in Highway Funds for allocation by the Board of Examiners over the

2009-11 biennium to meet any deficiencies realized by state agencies resulting from unpaid furlough leave and to hold personnel harmless in the accumulation of retirement service credit. Exceptions to the furlough requirement were authorized by the Legislature for employment situations identified as areas of critical need that are necessary for the protection of public health, safety and welfare, which require approval by the Board of Examiners or the administrative body responsible for a particular area of government. The Legislature appropriated General Funds of \$4.0 million over the biennium for allocation by the Board of Examiners to meet any salary deficiencies for employees exempted from the furloughs.

For the NSHE, the 2009 Legislature included classified employees in the requirement for 12 days of furlough per year. In addition, the Legislature authorized the Board of Regents to implement either a furlough program or a mechanism by which the overall costs for professional employees would be reduced by at least an amount equal to the savings that the 12-day furlough would have produced. A total of \$11.47 million in FY 2009-10 and \$11.52 million in FY 2010-11 was added in General Fund support to finance these recommendations during the 2009-11 biennium.

For K-12 education personnel, the Legislature approved a 4 percent reduction in pooled funding for school district employee salaries in lieu of one day of furlough leave each month. Individual school districts will make decisions on how to implement the reduction to the amount budgeted for salaries during the 2009-11 biennium. This action resulted in a General Fund add-back of \$46.0 million in FY 2009-10 and \$47.0 million in FY 2010-11 compared to amounts recommended in The Executive Budget.

The 2009 Legislature contingently appropriated General Funds and Highway Funds to the Interim Finance Committee to reduce the number of unpaid furlough days in FY 2010-11 based on the projection of the unappropriated balance in the General Fund by the Interim Finance Committee as of June 30, 2010. If the projected General Fund balance is at least \$390 million, the number of unpaid furlough days would be reduced from 12 days to 9 days for state employees and employees of NSHE and a 1 percent increase in funding for school district employee salaries would go into effect. If the General Fund balance is at least \$425 million, the number of unpaid furlough days would be reduced from 12 days to 7 days and a 2 percent increase in funding for school district employee salaries would go into effect. Funding to reduce the number of unpaid furlough days and increase funding for school districts employees would not go into effect if the state borrows money on or after July 1, 2009, from the Local Government Pooled Investment Fund.

### **INFORMATION TECHNOLOGY DIVISION**

The Information Technology Division provides budgetary oversight of designated large information technology projects for state agencies as well as a budgetary perspective to statewide information technology issues. In addition, the division provides operational oversight of the Integrated Financial System (IFS), the Nevada Executive Budget System (NEBS), the Enterprise Electronic Payment System and direct project management of Department of Administration information technology projects.

The Legislature approved the Governor's recommendation to eliminate two positions in the Information Technology Division based on the anticipated smaller workload for information technology (IT) project oversight for the 2009-11 biennium. The Legislature also approved funding in a budget amendment that requested to replace the division's master services agreement (MSA) programmer position with programming services provided by the Department of Information Technology. The requested change had an additional General Fund cost of \$4,953 over the 2009-11 biennium, but was projected to produce General Fund savings of approximately \$60,000 per year in future years.

### **INFORMATION TECHNOLOGY PROJECTS**

The Legislature approved funding for the two projects recommended by the Governor. First, funding was approved in the amount of approximately \$2.0 million (\$499,878 of General Funds) for the procurement of vendor services to take over the existing Medicaid Management Information System (MMIS) for the Division of Health Care Financing and Policy. The project was viewed as an opportunity to extend the life of the existing system at an economical cost while also mitigating the risk involved with continuing to rely on the services of the current MMIS vendor, who has indicated that it intends to leave the MMIS market after its current contract expires in September 2012.

The second project approved by the Legislature included the implementation of hardware and software solutions to increase the efficiency and efficacy of Benefit Eligibility Caseworkers in the Division of Welfare and Supportive Services. Funding totaling approximately \$7.7 million in FY 2009-10 (\$5.9 million General Funds) and \$2.0 million in FY 2010-11 (\$1.5 million General Funds) was approved to implement service oriented architecture tools, document imaging, and an electronic online application system for three of the division's assistance programs: Temporary Assistance for Needy Families, Supplemental Nutrition Assistance Program (formerly Food Stamps), and Medicaid Child Health Assurance Program. The Legislature recommended that approximately \$2.3 million of the General Funds for the project be placed in the Interim Finance Committee's Contingency Fund, and that the agency be allowed to request the funding after it has received responses to its request for proposal, to determine if any savings are available related to the software implementation costs and costs of the equipment and software procured for the project.

### **DIVISION OF INTERNAL AUDITS**

The Division of Internal Audits consists of three sections: Internal Audits, Financial Management, and Post Review. The Internal Audits section performs audits and provides recommendations to improve the efficiency and effectiveness of Executive Branch agencies. The Internal Audits section also independently reports to the Executive Branch Audit Committee, which the Governor chairs, and includes the Lieutenant Governor, Secretary of State, State Treasurer, State Controller, Attorney General, and a representative of the public. The Financial Management section reviews Executive Branch agencies' internal controls and provides training to ensure effective financial administration. The Post Review section reviews Executive Branch agency transactions for compliance with laws, regulations, guidelines and contract stipulations. The division's budget is funded entirely by an appropriation from the General Fund.

The 2009 Legislature approved the elimination of four positions as recommended by the Governor to meet budget reduction measures: three vacant Executive Branch Auditor I positions and one vacant Executive Branch Auditor II position. Due to the elimination of these four positions within the Internal Audits section of the division, it is anticipated that fewer executive branch audits will be performed. To ensure adequate coverage, the division will use risk basis analysis to determine the audits to be performed that will allow the division to best focus its resources. The position eliminations resulted in a General Fund savings of \$285,233 in FY 2009-10 and \$287,062 in FY 2010-11. The General Fund support of \$3.7 million approved for the 2009-11 biennium is a decrease of 19.1 percent over the \$4.6 million approved for the 2007-09 biennium.

### **STATE MOTOR POOL**

The State Motor Pool is responsible for administration of the state's vehicle fleet. State agencies have access to vehicles in Carson City, Reno and Las Vegas, with service and maintenance provided at all three facilities. Funding for the division is generated primarily from vehicle rental charges.

The 2009 Legislature concurred with the Governor's recommendation to modify the monthly vehicle rental rates for some vehicles: \$3 per month increase for a compact vehicle and \$85 per month increase for a luxury vehicle, while intermediate and full-size monthly vehicle rates decreased by \$16 and \$27, respectively. There were no changes to the daily rate for any vehicle category from the rates approved for the 2007-09 biennium. The per-mile surcharge remained unchanged for compact and intermediate vehicles; however, an increase of .07 cents per mile was approved for full-size/premium vehicles and a .06 cent per mile increase was approved for luxury vehicles, as compared to the per-mile rates adjusted by the State Motor Pool on July 1, 2008.

The 2009 Legislature also approved the Governor's recommendation for 124 replacement vehicles for state agencies (59 in FY 2009-10 and 65 in FY 2010-11), and 13 new vehicles in FY 2009-10. The total cost of the replacement and new vehicles is approximately \$3.2 million over the biennium. Funding for the replacement and additional new vehicles is provided through accumulated depreciation, which is included in the rates charged to agencies using Motor Pool vehicles. Due to budget reductions, the Governor recommended and the Legislature approved the elimination of a part-time student worker for the Reno Motor Pool facility. Further, no General Fund one-shot appropriation was recommended or approved for new vehicle purchases. Total budgeted funding (including reserve) for the State Motor Pool division's operating budget is \$11.6 million over the 2009-11 biennium; a 2.3 percent increase over the amount approved for the 2007-09 biennium.

The 2009 money committees directed the Department of Administration, in conjunction with the State Motor Pool Division, to study the current 80,000 mile vehicle replacement threshold and other state fleet policies addressing utilization, maintenance and procurement of state vehicles, with the goal of implementing a new statewide fleet policy prior to the 2011-13 biennium.

## **STATE PURCHASING DIVISION**

The State Purchasing Division's primary responsibility is to assist state agencies and political subdivisions in the efficient procurement of quality supplies, equipment, and services at reasonable costs. The State Purchasing Division is funded primarily through assessments to state agencies utilizing the division's services. The 2009 Legislature approved the Governor's recommended budget for the division, including the elimination of three positions (one Purchasing Technician and two Management Analysts) in order to meet targeted budget reductions for the upcoming biennium. Total funding for the division is approximately \$6.3 million over the 2009-11 biennium, compared to \$7.3 million authorized for the 2007-09 biennium.

## **DIVISION OF BUILDINGS AND GROUNDS**

The Division of Buildings and Grounds provides physical maintenance and housekeeping for most state-owned and leased buildings. The division also funds security services provided by the Capitol Police Division of the Department of Public Safety. The primary source of funding for the division is rent charged to state agencies for the use of state-owned building space.

The 2009 Legislature approved decreasing state agencies' office rent from \$1.09 to \$1.02 per gross square foot in each year of the 2009-11 biennium, or a 6 percent decrease from the rate charged during 2007-09 biennium. The rate reduction was approved based upon decreases in expenditures, including the cost of Capitol Police services and building deferred maintenance expenditures, and an evaluation that indicated that sufficient reserves would be maintained for agency operations. The legislatively-approved budget includes rent revenue totaling approximately \$30.9 million for the 2009-11 biennium, a decrease of 2 percent from the approximately \$31.6 million approved for the 2007-09 biennium. As recommended by the Governor, the 2009 Legislature also approved the elimination of an Electrician position as a budget reduction measure.

## **MAIL SERVICES DIVISION AND MAIL SERVICES EQUIPMENT PURCHASES**

The Mail Services Division provides mail services to most state agencies in the Carson City, Reno, and Las Vegas areas. The division is funded by service charges to all agencies that use the services. The 2009 Legislature approved the Governor's recommendation to eliminate a vacant Mail Services Clerk II position for a savings of \$85,769 over the 2009-11 biennium as a budget reduction measure, and to accommodate the division's January 2009 decision to reduce twice daily mail pick-up and delivery to once daily service. No major equipment replacement or enhancements were approved for the 2009-11 biennium.

## **CLEAR CREEK YOUTH CENTER**

The Clear Creek Youth Center near Carson City was built by the federal government as a Job Corps Center. In 1970, the state of Nevada obtained a special use permit to

operate the center as a state facility. In February 1988, transfer of the center to state ownership was completed. The center historically provided meeting space for community groups and organizations; however, in FY 2003-04 the facility was placed in mothball status due to the physical condition of the infrastructure.

After several proposals for the Center's use failed to materialize, the 2007 Legislature, with funds reallocated from a 2001 CIP project for improvements and maintenance at the facility, approved CIP project 07-C85 (\$1,375,218) that provided for demolition of the facility, including removal of 20 structures, ancillary storage facilities, and other improvements at the site. The demolition project was completed in December 2007. The 2009 Legislature approved the Governor's recommendation to transfer funding for utility and operating costs to the Buildings and Grounds account to be paid by building rent revenue and to eliminate the Clear Creek Youth Center account.

### **VICTIMS OF CRIME**

The Victims of Crime program provides compensation to Nevada residents and visitors who are victims of violent crimes committed in the state. Compensation is provided for medical bills, counseling, lost wages, and funeral and burial expenses. The program is funded through a federal grant, court assessments and fees, and other miscellaneous non-General Fund revenues.

Based on revised projections, the 2009 Legislature increased the victims' claims category by approximately \$1.4 million in each year of the 2009-11 biennium to account for an increased number of claims and increased claims costs. Nevada's Victims of Crime program was awarded \$544,273 in federal funds from the federal American Recovery and Reinvestment Act (ARRA). The ARRA funds partially funded the \$1.4 million increase in victims' claims for FY 2009-10. The Legislature also approved a funding increase for the contractor who administers the victims' claims payments based on a new four-year contract approved in December 2008, and further directed the Department of Administration to report to the Interim Finance Committee regarding the services provided by the claims administrator. Total funding for the Victims of Crime program (including reserve) is approximately \$24.2 million, representing a 22.0 percent increase from the \$19.8 million approved for the 2007-09 biennium.

### **STATE PUBLIC WORKS BOARD**

The State Public Works Board (SPWB) is responsible for developing and implementing the state's Capital Improvement Program (CIP); performing the advance planning, design, and construction of the projects included in the CIP; and providing architectural and engineering services to all state agencies. The Administration account is funded entirely through an appropriation from the state General Fund. The Inspection account, which is responsible for the construction management and inspection functions of the agency, is funded primarily through assessments to the projects included in the CIP.



For the Administration account, the 2009 Legislature approved the Governor's recommendation to transfer six positions to the Inspection account and to fund the positions with fees collected from the state's CIP versus General Fund appropriations, which have historically been used to fund the positions. The transferred positions include the Manager, the Deputy Manager for Professional Services, the Deputy Manager for Administration and Fiscal Services, an IT Professional II, and two Administrative Assistant positions. Given that the position transfers would not have been considered under ordinary economic circumstances, the Legislature instructed the SPWB to include the transferred positions in the Administration account in the base budget of the agency's 2011-13 biennium budget request and to request funding the positions with General Fund appropriations.

In the Inspection account, the 2009 Legislature approved \$15.6 million in CIP assessment fee revenue for the 2009-11 biennium, which is a decrease of \$771,471 from the \$16.4 million approved for the 2007-09 biennium. The decrease in CIP assessment fee revenue results primarily from a reduction in the funding for the CIP for the 2007-09 biennium and the 2009-11 biennium. The reduction of the CIP resulted in the elimination of 11 vacant positions: 6 Project Manager and 5 Building Construction Inspector positions. The Governor originally recommended the elimination of 7 Project Manager and 5 Building Construction Inspector positions, but in order to improve the SPWB's management reporting structure, the Legislature approved the Governor's amended proposal to retain 1 additional Project Manager position.

The 2009 Legislature approved a CIP for 2009 of approximately \$241.2 million for the SPWB to administer, an approximate 70 percent decrease from the \$811 million approved for the 2007 CIP. Primarily due to General Fund revenue shortfalls in FY 2007-08, the Interim Finance Committee approved reductions to the 2007 CIP totaling approximately \$262 million, or a 32.3 percent reduction from the amount that was originally approved for the 2007 CIP. A detailed explanation of the recommended and approved CIP for the 2009-11 biennium is included in the General Fund Appropriations section of this report.

## **DEPARTMENT OF TAXATION**

The Department of Taxation is responsible for the administration of the majority of the state's non-gaming tax laws, as well as the Local Government Budget Act. In FY 2007-08, gross revenue collected by the Department of Taxation was \$4.63 billion, a decrease of \$174.2 million, or 3.6 percent below FY 2006-07 revenue collections. The legislatively-approved budget for the 2009-11 biennium provides General Fund support to the department of \$52.7 million, a decrease of approximately \$8.1 million compared to the \$60.8 million approved for the 2007-09 biennium. However, it is important to note the department's 2007-09 budget included one-time funding of \$3.12 million for the Unified Tax System project begun in the 2003-05 biennium and \$546,262 for the replacement of computer and office equipment department-wide.

### **POSITION RESTORATION AND ELIMINATION**

The 2009 Legislature approved the Governor's recommendation for General Fund appropriations of \$1.44 million in FY 2009-10 and \$1.50 million in FY 2010-11 to restore 23.0 positions which the department had held vacant during the 2007-09 biennium for budget reduction purposes. Additionally, the 2009 Legislature concurred with eliminating 6.51 positions also held vacant for budget reduction purposes reducing the departmental total to 328.0 positions for each year of the 2009-11 biennium.

### **POSITION RECLASSIFICATION AND REDEPLOYMENT TO TAXPAYER TELEPHONE CALL CENTER**

The 2009 Legislature approved the reclassification of 15.0 of the 23.0 restored positions resulting in General Fund savings of \$94,738 in FY 2009-10 and \$95,012 in FY 2010-11. In addition to approving the reclassifications, the Legislature also approved the department's plan to establish a new Taxpayer Services Telephone Call Center to improve the department's timeliness in responding to taxpayers' questions and requests for assistance. To staff the Call Center, the Legislature approved the redeployment of 10.0 of the restored and reclassified positions.

The Call Center is to be located in Carson City and will operate Monday through Friday, 8:00 a.m. to 5:00 p.m. A "702" area code telephone number for residents of Clark County and a "775" area code telephone number for residents of the rest of the state will be established. The Legislature additionally approved \$50,226 in General Fund support for the 2009-11 biennium to fund the licensing cost of a computer software solution by which taxpayers' calls would be routed to the Call Center through the Internet. During FY 2007-08, only 54.76 percent of calls to the department were returned within five days. Once established, the department anticipates answering approximately 500 telephone calls per day and improving its performance to 91 percent of calls returned within five days.

### **UNIFIED TAX SYSTEM AND LOCKBOX SERVICE**

With the completion of the development phase of the department's Unified Tax System (UTS) and to continue the transition of long-term maintenance and support to being an "in-house" capacity, the 2009 Legislature approved the Governor's recommendation of support for a dedicated, full-time database administrator (DBA) located within the Department of Information Technology (DoIT) to maintain the UTS. The Legislature approved \$278,320 in General Fund support over the 2009-11 biennium for this position. The 2007 Legislature provided funding for the same purpose; however, the department reverted the funding for budget reduction purposes. The 2009 Legislature additionally approved General Fund support of \$229,680 in FY 2009-10 to fund a 12-month contract extension for the department's existing DBA to ensure that department and DoIT staff are fully trained to maintain the UTS.

The 2009 Legislature also approved the department's continued outsourcing of enhanced lockbox services including payment processing, data entry and document scanning/imaging. Based upon projections indicating that the department's lockbox contract costs would exceed the \$1.32 million in annual General Fund appropriation recommended by The Executive Budget, the Legislature reduced annual overtime authority by \$130,000 and redirected those monies to the lockbox services contract to provide total General Fund support of \$1.45 million in each fiscal year.

#### **SALES AND USE TAX COLLECTIONS ON REMOTE SALES TO NEVADA RESIDENTS**

Federal law currently limits states' ability to require the collection and remittance of sales and use taxes on sales made by out-of-state sellers who do not have a physical presence in the particular state. The 2009 Legislature discussed the potential for increased sales and use tax collection if federal legislation was introduced to change current law. In order to be kept informed of changes in federal legislation, the money committees issued a letter of intent to the department directing that it report semi-annually to the Interim Finance Committee on any changes which would allow Nevada to require the collection and remittance of sales and use taxes on remote sales to Nevada residents.

#### **DEPARTMENT OF INFORMATION TECHNOLOGY**

The Department of Information Technology (DoIT) consists of the Director's Office and the Planning and Research, Application Design and Development, Computing, Communications, and Security divisions. For the 2009-11 biennium, total funding approved for the department is \$57.4 million, which is approximately 15.4 percent less than the amount approved for the 2007-09 biennium. The major reductions reflected in the legislatively-approved budget include the elimination of the department's Planning and Research Division, with seven related positions, the elimination of eight other positions in the department, and the continuation of various expenditure reductions that were implemented during the 2007-09 biennium.

#### **DIRECTOR'S OFFICE**

The Director's Office of DoIT provides administrative, financial management, billing, clerical, and personnel support to the functional divisions in the department. The 2009 Legislature approved the transfer of two Information Technology (IT) Professional positions and related expenses from the department's Planning and Research Division, related to the elimination of that division. With the recommended transfers, the planning functions historically performed by the Planning and Research Division will be performed by the managers of the department's other operational units and coordinated by one of the IT Professional positions transferred to the Director's Office budget. The other transferred IT Professional position will continue to provide research assistance to the department, the statewide technology committees, and other state agencies. Other expenses including subscription research services, a replacement computer, and server

hosting charges were also approved to transfer to this budget. The Legislature approved the elimination of an Administrative Assistant position, as recommended by the Governor, and approved the purchase of replacement computer equipment, as well as the transfer of debt service payments to the department's Security Division.

### **APPLICATION DESIGN AND DEVELOPMENT DIVISION**

The Application Design and Development Division is responsible for application development and maintenance programming, production support, web page support, and database development and administration.

The Governor recommended that two IT Professional positions transfer to this division from the Department of Transportation to consolidate in one agency the majority of support statewide for the Integrated Financial System (IFS). The Legislature approved this recommendation and also approved budget amendments to establish two new positions to replace master service agreement contractor positions that previously supported the IFS in the Department of Administration and Department of Personnel. The conversion of contractor positions to state positions is projected to have an increased cost of \$89,885 over the 2009-11 biennium due to the need to overlap the contractor positions with the new state positions to ensure adequate training on the vital systems included in the IFS, but annual savings of approximately \$120,000 are projected after the conversion is complete. The Legislature approved the Governor's recommendation to transfer a Management Analyst position from the Planning and Research Division, which was approved for elimination, to provide support for projected growth in this division's web page support unit. Replacement personal computer equipment was approved, as well as server hosting expenses for two servers that were added in the 2007-09 biennium and additional virtual private network (VPN) accounts for division staff that provide emergency system maintenance.

### **PLANNING AND RESEARCH DIVISION**

The Planning and Research Division has historically been responsible for assisting state agencies in planning for information technology projects, including assisting in acquiring and evaluating cost estimates for information technology alternatives and developing budget requests. In addition, the division has been responsible for developing the department's strategic information technology plan and capacity plan, as well as supporting the statewide information technology policy committees.

The 2009 Legislature approved the Governor's recommendation to eliminate the Planning and Research Division, including the elimination of seven IT Professional positions and the transfer of three positions to other department units. The recommended reorganization eliminates the DoIT Planning Assessment charged to non-exempt Executive Branch agencies, which totaled approximately \$1.4 million in FY 2007-08. Several operating expenses from the Planning and Research Division budget were approved to continue and transfer to other department units, as described in the Director's Office budget. The Legislature determined that office lease expenses,

which were recommended to transfer to the department's other units in the Governor's budget, could be reduced instead and corresponding adjustments were made in each of the department's other budgets.

### **COMPUTING AND COMMUNICATIONS DIVISIONS**

The Computing and Communications Divisions consist of the department's Computing, Data Communications and Network Engineering, Telecommunications, and Network Transport Services functions. The Computing Division manages and operates the state's mainframe, Internet and application servers in a secure environment. The Data Communications and Network Engineering function manages and supports the statewide data communication infrastructure. The Telecommunications and Network Transport Services functions provide telephone and microwave communication services to state agencies.

The 2009 Legislature approved the Governor's recommendation to eliminate four positions in the Computing Division, three IT Professional positions and one IT Technician position, to reduce agency overhead and maintain stable rates for its services. The department testified during its subcommittee hearings that it constantly polls its customers to understand their needs and feels comfortable that adequate staffing will be available for the next biennium based on customer needs.

The Legislature approved funding recommended by the Governor of \$333,819 over the 2009-11 biennium for the purchase of UNIX system and wide area network hardware to allow DoIT's system to support a technology investment request approved for the Division of Welfare and Supportive Services. The Legislature also approved funding for additional e-mail system licenses, replacement agency server hardware, and licensing for additional ports on storage area network hardware, all as recommended by the Governor.

The Legislature approved the elimination of two positions in the Communications Division, one IT Professional position and one IT Technician position, to reduce agency overhead expenses and help maintain stability in the agency's service rates. The department indicated that it has adjusted its operations to maintain agency services with fewer staff, and that customer utilization of its services is projected to remain level or include minimal growth in the 2009-11 biennium. The Legislature approved funding for replacement network security equipment as recommended by the Governor and additional equipment requested in a budget amendment that had been inadvertently left out of the division's budget.

The Legislature approved funding for a microwave radio link system to provide wireless connectivity to the state Silvernet and the Internet for state agencies in Carson City. The system has a one-time cost of \$64,960, but the department projects that it will pay for itself over the 2009-11 biennium and produce annual savings in the future by allowing agencies to eliminate data line charges that the agencies currently pay to private vendors.

The Legislature approved funding in the Telecommunications budget for the purchase of a replacement call management system for installation in the state phone system which was not included in The Executive Budget but requested as a budget amendment. The Legislature also approved funding for additional state phone system hardware and personal computer equipment.

The Legislature approved funding of \$13,475 in each year of the 2009-11 biennium in the Network Transport Services budget for remote propane monitoring equipment at 40 mountaintop communications sites throughout the state. Funding was also approved for new microwave transmission test sets to allow the department to monitor and troubleshoot the operation of its microwave circuits, as recommended by the Governor.

### **SECURITY DIVISION**

The Legislature approved the establishment of a new service rate to be charged to customer agencies for expenses associated with building secure access systems administered by DoIT. The Legislature also approved the elimination of one IT Professional position that had been held vacant through the 2007-09 biennium.

### **DEPARTMENT OF PERSONNEL**

For the 2009-11 biennium, total departmental funding of \$36.4 million was approved (includes Unemployment Compensation account), which represents an increase of 8 percent over amounts approved for the 2007-09 biennium. The department is funded by uniform assessments to all state agencies for personnel, payroll and unemployment compensation services. In order to meet the department's projected funding requirements, the 2009 Legislature approved the following rate adjustments: a decrease in the personnel assessment from 0.89 percent of employee gross salaries in FY 2008-09 to 0.78 percent in each year of the 2009-11 biennium; a decrease in the payroll assessment from 0.29 percent of employee gross salaries in FY 2008-09 to 0.21 percent in each year of the 2009-11 biennium; and an increase in the unemployment compensation rate from 0.35 percent of employee gross salaries in FY 2008-09, to 0.70 percent from July 1, 2009, to December 31, 2010, and a decrease to 0.25 percent from January 1, 2011, until June 30, 2011.

The 2009 Legislature approved the Governor's recommendation to eliminate 1.51 vacant positions from the Department of Personnel including a full-time Administrative Assistant and a half-time Compliance Investigator, for a total savings of \$141,071 over the 2009-11 biennium. The department indicated a reorganization of its administrative responsibilities enabled the elimination of the Administrative Assistant without an impact to the department's functionality. Also, through streamlining the administrative processes for sexual harassment/discrimination investigations, the department indicated it could reduce the average number of days to conduct those investigations from 69 days in FY 2007-08 to 30 days without the half-time Compliance Investigator. In addition, the 2009 Legislature approved the Governor's recommendation to transfer lease expenditures associated with a computer training facility in Carson City from the Division of Administration to the Department of Personnel for General Fund savings of \$21,426 over the 2009-11 biennium.

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2009-11 Legislature**

	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>FINANCE &amp; ADMINISTRATION</b>					
<b>DEPARTMENT OF ADMINISTRATION</b>					
<b>BUDGET AND PLANNING</b>					
	4,200,945	3,231,603	3,275,792	3,695,824	3,749,058
GENERAL FUND	3,636,631	2,808,180	2,833,988	3,268,735	3,305,066
INTER-AGENCY TRANSFER	564,314	423,423	441,804	427,089	443,992
REVERSIONS					
<b>JUDICIAL COLL &amp; COLL OF JUVENILE &amp; FAMILY JUSTICE</b>					
	375,000	322,050	322,050	322,050	322,050
GENERAL FUND	375,000	322,050	322,050	322,050	322,050
<b>GENERAL FUND SALARY ADJUSTMENTS</b>					
	33,462,325		29,242,507		554,405
GENERAL FUND	33,462,325		29,242,507		554,405
REVERSIONS					
<b>HIGHWAY FUND SALARY ADJUSTMENT</b>					
	5,225,230		4,960,134		108,167
HIGHWAY FUND	5,225,230		4,960,134		108,167
REVERSIONS					
<b>ADMINISTRATION - ADMINISTRATIVE SERVICES</b>					
	1,766,356	1,797,804	1,819,122	1,877,536	1,864,364
BALANCE FORWARD	423,861	272,796	272,796	352,528	318,038
INTER-AGENCY TRANSFER	1,342,495	1,525,008	1,546,326	1,525,008	1,546,326
<b>MERIT AWARD BOARD</b>					
	5,000	4,294	4,294	4,294	4,294
GENERAL FUND	5,000	4,294	4,294	4,294	4,294
REVERSIONS					
<b>INFORMATION TECHNOLOGY DIVISION</b>					
	1,041,858	625,469	694,941	624,161	561,176
GENERAL FUND	1,000,744	625,469	694,941	624,161	561,176
INTER-AGENCY TRANSFER	41,114				
REVERSIONS					
<b>INFORMATION TECHNOLOGY PROJECTS</b>					
	10,822,249	8,634,439	6,065,686	3,349,136	2,642,006
GENERAL FUND		6,127,357	4,159,179	2,022,312	1,480,509
BALANCE FORWARD	10,822,249				
INTER-AGENCY TRANSFER		2,507,082	1,906,507	1,326,824	1,161,497
REVERSIONS					
<b>INSURANCE &amp; LOSS PREVENTION</b>					
	34,765,938	29,795,292	29,795,292	27,347,246	27,358,981
BALANCE FORWARD	12,040,580	10,068,510	10,068,510	6,759,955	6,771,690
INTER-AGENCY TRANSFER	22,602,568	19,607,460	19,607,460	20,467,969	20,467,969
OTHER FUND	122,790	119,322	119,322	119,322	119,322
<b>DIVISION OF INTERNAL AUDITS</b>					
	2,385,812	1,816,985	1,852,343	1,841,537	1,886,206
GENERAL FUND	2,266,857	1,816,985	1,852,343	1,841,537	1,886,206
INTER-AGENCY TRANSFER	118,955				
REVERSIONS					
<b>MOTOR POOL</b>					
	5,895,446	5,803,534	5,803,534	5,849,307	5,838,850
BALANCE FORWARD	452,125	610,693	610,693	631,405	620,948
INTER-AGENCY TRANSFER	5,432,762	5,165,047	5,165,047	5,190,108	5,190,108
OTHER FUND	10,559	27,794	27,794	27,794	27,794

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2009-11 Legislature**

	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>MOTOR POOL VEHICLE PURCHASE</b>	1,894,272	2,088,028	2,088,028	2,220,750	2,127,854
BALANCE FORWARD	53,695	406,254	406,254	487,201	394,305
INTER-AGENCY TRANSFER	1,644,148	1,485,345	1,485,345	1,537,120	1,537,120
OTHER FUND	196,429	196,429	196,429	196,429	196,429
REVERSIONS					
<b>PURCHASING</b>	3,863,886	3,162,246	3,208,152	3,131,423	3,111,377
BALANCE FORWARD	975,287	684,275	684,275	503,461	426,790
INTER-AGENCY TRANSFER	2,839,082	2,388,431	2,434,337	2,538,422	2,595,047
OTHER FUND	49,517	89,540	89,540	89,540	89,540
<b>COMMODITY FOOD PROGRAM</b>	8,496,409	13,606,881	13,606,881	15,925,936	15,922,809
BALANCE FORWARD	1,783,667	1,484,786	1,484,786	1,628,882	1,625,755
FEDERAL FUND	1,133,303	1,226,217	1,226,217	1,226,217	1,226,217
INTER-AGENCY TRANSFER	112,942	69,493	69,493	69,493	69,493
OTHER FUND	5,466,497	10,826,385	10,826,385	13,001,344	13,001,344
<b>BUILDINGS &amp; GROUNDS</b>	19,834,255	18,763,909	18,763,909	19,560,844	19,229,428
BALANCE FORWARD	3,188,653	2,906,171	2,906,171	2,657,242	2,753,372
INTER-AGENCY TRANSFER	16,638,779	15,791,836	15,791,836	16,837,700	16,410,154
OTHER FUND	6,823	65,902	65,902	65,902	65,902
<b>B&amp;G - MAIL SERVICES</b>	8,037,575	7,778,518	7,778,518	7,929,757	7,914,594
BALANCE FORWARD	1,197,252	988,110	988,110	1,103,515	1,088,352
INTER-AGENCY TRANSFER	6,840,323	6,790,408	6,790,408	6,826,242	6,826,242
OTHER FUND					
<b>B&amp;G - MAIL SERVICES - EQUIPMENT PURCHASE</b>	251,599	230,568	232,112	283,189	286,277
BALANCE FORWARD	170,258	169,682	169,682	223,036	224,580
INTER-AGENCY TRANSFER	81,341	60,886	62,430	60,153	61,697
<b>B&amp;G - CLEAR CREEK YOUTH CENTER</b>	6,007				
GENERAL FUND	6,007				
OTHER FUND					
REVERSIONS					
<b>B&amp;G - MARLETTE LAKE</b>	1,672,841	1,403,551	1,403,551	1,491,534	1,488,911
BALANCE FORWARD	591,345	224,816	224,816	229,319	226,696
OTHER FUND	1,081,496	1,178,735	1,178,735	1,262,215	1,262,215
<b>ADMINISTRATION - HEARINGS DIVISION</b>	4,834,854	4,441,490	4,507,328	4,520,324	4,602,557
INTER-AGENCY TRANSFER	9,311	25,808	25,808	25,808	25,808
OTHER FUND	4,825,543	4,415,682	4,481,520	4,494,516	4,576,749
REVERSIONS					
<b>VICTIMS OF CRIME</b>	11,330,091	12,240,463	12,052,914	13,970,344	12,163,386
BALANCE FORWARD	1,710,103	2,096,402	1,364,580	3,828,823	2,021,865
FEDERAL FUND	2,138,000	2,151,000	2,695,273	2,151,000	2,151,000
OTHER FUND	7,481,988	7,993,061	7,993,061	7,990,521	7,990,521



**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2009-11 Legislature**

	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>TOTAL DEPARTMENT OF ADMINISTRATION</b>	160,167,948	115,747,124	147,477,088	113,945,192	111,736,750
GENERAL FUND	40,752,564	11,704,335	39,109,302	8,083,089	8,113,706
BALANCE FORWARD	33,409,075	19,912,495	19,180,673	18,405,367	16,472,391
FEDERAL FUND	3,271,303	3,377,217	3,921,490	3,377,217	3,377,217
HIGHWAY FUND	5,225,230		4,960,134		108,167
INTER-AGENCY TRANSFER	58,268,134	55,840,227	55,326,801	56,831,936	56,335,453
OTHER FUND	19,241,642	24,912,850	24,978,688	27,247,583	27,329,816
REVERSIONS					
<b>PUBLIC WORKS BOARD</b>					
<b>PUBLIC WORKS ADMINISTRATION</b>	1,100,714	261,009	276,490	261,875	281,341
GENERAL FUND	1,056,365	261,009	276,490	261,875	281,341
INTER-AGENCY TRANSFER	44,349				
REVERSIONS					
<b>PUBLIC WORKS INSPECTION</b>	8,981,357	7,689,601	7,828,624	7,648,697	7,844,366
GENERAL FUND		95,303		95,525	
BALANCE FORWARD					
INTER-AGENCY TRANSFER	35,000	35,000	35,000	35,000	35,000
OTHER FUND	8,946,357	7,559,298	7,793,624	7,518,172	7,809,366
<b>TOTAL PUBLIC WORKS BOARD</b>	10,082,071	7,950,610	8,105,114	7,910,572	8,125,707
GENERAL FUND	1,056,365	356,312	276,490	357,400	281,341
BALANCE FORWARD					
INTER-AGENCY TRANSFER	79,349	35,000	35,000	35,000	35,000
OTHER FUND	8,946,357	7,559,298	7,793,624	7,518,172	7,809,366
REVERSIONS					
<b>DEPARTMENT OF TAXATION</b>					
<b>DEPARTMENT OF TAXATION</b>	33,356,199	26,677,275	27,103,692	26,419,507	26,993,143
GENERAL FUND	30,175,197	25,979,856	26,406,273	25,710,964	26,284,600
BALANCE FORWARD	1,401,573				
INTER-AGENCY TRANSFER	1,160,160	8,916	8,916	8,916	8,916
OTHER FUND	619,269	688,503	688,503	699,627	699,627
REVERSIONS					
<b>TOTAL DEPARTMENT OF TAXATION</b>	33,356,199	26,677,275	27,103,692	26,419,507	26,993,143
GENERAL FUND	30,175,197	25,979,856	26,406,273	25,710,964	26,284,600
BALANCE FORWARD	1,401,573				
INTER-AGENCY TRANSFER	1,160,160	8,916	8,916	8,916	8,916
OTHER FUND	619,269	688,503	688,503	699,627	699,627
REVERSIONS					
<b>DEPARTMENT OF INFORMATION TECHNOLOGY</b>					
<b>DOIT - DIRECTOR'S OFFICE</b>	2,090,230	2,074,575	2,211,868	1,956,924	2,089,573
BALANCE FORWARD	361,241	404,976	404,976	281,329	295,934
INTER-AGENCY TRANSFER	1,728,989	1,669,599	1,806,892	1,675,595	1,793,639
OTHER FUND					
<b>DOIT - APPLICATION DESIGN &amp; DEVELOPMENT UNIT</b>	2,579,648	2,802,117	2,966,739	2,896,131	3,070,424
BALANCE FORWARD	571,778	309,280	309,280	453,385	371,747
INTER-AGENCY TRANSFER	2,007,870	2,492,837	2,657,459	2,442,746	2,698,677

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2009-11 Legislature**

	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>DOIT - PLANNING &amp; RESEARCH DIVISION</b>	1,523,978				
BALANCE FORWARD	198,314				
INTER-AGENCY TRANSFER	1,325,664				
<b>DOIT - COMPUTING DIVISION</b>	14,008,557	13,182,366	13,114,452	12,459,275	11,843,921
BALANCE FORWARD	2,380,502	1,857,697	1,857,697	1,505,074	1,319,162
INTER-AGENCY TRANSFER	11,628,055	11,324,669	11,256,755	10,954,201	10,524,759
OTHER FUND					
<b>DOIT - COMMUNICATIONS &amp; NETWORK ENGINEERING</b>	3,578,674	3,308,135	3,307,375	3,327,977	3,450,833
BALANCE FORWARD	277,606	238,967	238,967	353,464	320,030
INTER-AGENCY TRANSFER	3,301,068	3,069,168	3,068,408	2,974,513	3,130,803
OTHER FUND					
<b>DOIT - TELECOMMUNICATIONS</b>	4,465,790	3,885,947	3,929,312	3,985,923	3,914,066
BALANCE FORWARD	642,482	286,409	286,409	382,411	363,443
INTER-AGENCY TRANSFER	3,823,308	3,599,538	3,642,903	3,603,512	3,550,623
OTHER FUND					
<b>DOIT - NETWORK TRANSPORT SERVICES</b>	2,983,934	2,678,136	2,665,782	2,780,654	2,675,334
BALANCE FORWARD	439,964	351,440	351,440	376,638	286,431
INTER-AGENCY TRANSFER	2,543,970	2,187,096	2,174,742	2,256,852	2,241,739
OTHER FUND		139,600	139,600	147,164	147,164
<b>DOIT - SECURITY DIVISION</b>	1,130,350	1,080,887	1,069,406	1,101,836	1,064,116
BALANCE FORWARD	257,636	146,619	146,619	141,182	125,988
INTER-AGENCY TRANSFER	870,494	932,048	920,567	958,434	935,908
OTHER FUND	2,220	2,220	2,220	2,220	2,220
<b>TOTAL DEPARTMENT OF INFORMATION TECHNOLOGY</b>	32,361,161	29,012,163	29,264,934	28,508,720	28,108,267
BALANCE FORWARD	5,129,523	3,595,388	3,595,388	3,493,483	3,082,735
INTER-AGENCY TRANSFER	27,229,418	25,274,955	25,527,726	24,865,853	24,876,148
OTHER FUND	2,220	141,820	141,820	149,384	149,384
<b>DEPARTMENT OF PERSONNEL PERSONNEL</b>	14,571,421	11,688,019	11,807,745	11,299,134	11,451,250
BALANCE FORWARD	2,879,505	2,073,211	2,073,211	1,546,580	1,544,959
INTER-AGENCY TRANSFER	11,662,562	9,583,778	9,701,780	9,721,524	9,871,757
OTHER FUND	29,354	31,030	32,754	31,030	34,534
<b>STATE UNEMPLOYMENT COMPENSATION</b>	2,609,331	4,210,760	6,477,150	4,657,608	6,656,095
BALANCE FORWARD	762,347	739,000	739,000	1,687,871	2,762,350
INTER-AGENCY TRANSFER	1,846,984	3,471,760	5,738,150	2,969,737	3,893,745
<b>TOTAL DEPARTMENT OF PERSONNEL</b>	17,180,752	15,898,779	18,284,895	15,956,742	18,107,345
BALANCE FORWARD	3,641,852	2,812,211	2,812,211	3,234,451	4,307,309
INTER-AGENCY TRANSFER	13,509,546	13,055,538	15,439,930	12,691,261	13,765,502
OTHER FUND	29,354	31,030	32,754	31,030	34,534

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2009-11 Legislature**

	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>FINANCE &amp; ADMINISTRATION</b>					
GENERAL FUND	71,984,126	38,040,503	65,792,065	34,151,453	34,679,647
BALANCE FORWARD	43,582,023	26,320,094	25,588,272	25,133,301	23,862,435
FEDERAL FUND	3,271,303	3,377,217	3,921,490	3,377,217	3,377,217
HIGHWAY FUND	5,225,230		4,960,134		108,167
INTER-AGENCY TRANSFER	100,246,607	94,214,636	96,338,373	94,432,966	95,021,019
OTHER FUND	28,838,842	33,333,501	33,635,389	35,645,796	36,022,727
REVERSIONS					
<b>TOTAL FOR FINANCE &amp; ADMINISTRATION</b>	253,148,131	195,285,951	230,235,723	192,740,733	193,071,212
Less: INTER-AGENCY TRANSFER	100,246,607	94,214,636	96,338,373	94,432,966	95,021,019
<b>NET FINANCE &amp; ADMINISTRATION</b>	152,901,524	101,071,315	133,897,350	98,307,767	98,050,193

