

**MINUTES OF THE  
JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT  
OF THE SENATE COMMITTEE ON FINANCE  
AND THE ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-fourth Session  
April 19, 2007**

The Joint Subcommittee on General Government of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order at 8:08 a.m. on Thursday, April 19, 2007. Chair Bob Beers presided in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**SENATE SUBCOMMITTEE MEMBERS PRESENT:**

Senator Bob Beers, Chair  
Senator Dean A. Rhoads  
Senator Bob Coffin

**ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:**

Assemblywoman Kathy McClain, Chair  
Assemblyman Tom Grady  
Assemblyman Joseph P. (Joe) Hardy  
Assemblyman Joseph Hogan  
Assemblywoman Ellen Koivisto  
Assemblyman David R. Parks

**STAFF MEMBERS PRESENT:**

Gary L. Ghiggeri, Senate Fiscal Analyst  
Rex Goodman, Program Analyst  
Larry L. Peri, Principal Deputy Fiscal Analyst  
Mark W. Stevens, Assembly Fiscal Analyst  
Anne Vorderbruggen, Committee Secretary

**OTHERS PRESENT:**

Chris L. Apple, Administrative Services Officer, Department of Information Technology  
Daniel Stockwell, Director, Chief Information Officer, Department of Information Technology  
Dave McTeer, Division Chief, Information Technology Division, Department of Administration  
Shawn Curby, Manager, Internet Services and Servers, Director's Office, Department of Information Technology

**CHAIR BEERS:**

This morning, we will attempt to close the Department of Information Technology's (DoIT) budgets. The DoIT's budgets are among the first to be considered because their costs are allocated to all of the user agencies. Mr. Goodman, will you please start with the DoIT Director's Office, budget account (B/A) 721-1373?

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 2

## FINANCE AND ADMINISTRATION

### ADMINISTRATION

### INFORMATION TECHNOLOGY

DOIT - Director's Office – Budget Page DOIT-1 (Volume I)  
Budget Account 721-1373

REX GOODMAN (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The Subcommittee has copies of the Joint Subcommittee on General Government Closing List No. 4 ([Exhibit C](#), original is on file in the Research Library). The DoIT's accounts are funded by a cross-section of State funding through assessments and charges for their service.

The Director's Office budget contains six items staff has identified as closing issues. The first one is decision unit E-251 which recommends the addition of four new security positions, two in fiscal year (FY) 2007-2008 and two in FY 2008-2009. Four of the closing issues are related to this security unit.

#### E-251 Working Environment and Wage – Page DOIT-4

These positions would add scope to the duties the security unit performs. The new positions would perform the duties of lead disaster recovery, support disaster recovery activities and technical security administration. The security unit currently has eight positions, five of which were approved by the 2005 Legislature. The new positions would increase the assessment for the security unit by 34 percent over the biennium. The assessment would increase from \$61.05 per full-time equivalent (FTE) in FY 2006-2007 to \$82.02 per FTE in FY 2008-2009. The new positions recommended for FY 2007-2008 are budgeted to begin on July 1, 2007. Staff would recommend an adjustment of that start date to October 1, 2007, to provide time for the recruitment and hiring of the new positions if approved.

CHAIR BEERS:

I am not convinced of the need for the new positions. They appear to be assigned to duties the Subcommittee looked at last Session and did not want to fund. An increase of 34 percent in that assessment is excessive.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THAT NONE OF THE FOUR NEW POSITIONS RECOMMENDED IN DECISION UNIT E-251 BE APPROVED.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 3

MR. GOODMAN:

The next item is equipment for new security initiatives. Decision units E-275 and E-720 recommend the purchase of new security hardware and equipment to support a cyber-security incident response team. These items would include a forensics computer tower, software, evidence safe, a digital camera, network software, personal digital assistants (PDA) and a global positioning satellite (GPS) receiver.

E-275 Maximize Internet and Technology – Page DOIT-6  
E-720 New Equipment – Page DOIT-8

CHAIR McCLAIN:

Is this equipment needed since the new positions will not be authorized?

CHAIR BEERS:

The Office of the Attorney General also has some initiatives in the cyber-security arena.

CHAIR McCLAIN:

The Department of Public Safety does also.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE NOT TO APPROVE THE EQUIPMENT REQUESTED IN DECISION UNITS E-275 AND E-720.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The next item is a reclassification of the chief information technology (IT) manager position. Decision unit E-806 recommends the position of classified chief IT manager be changed to an unclassified chief position. At the Department's committee hearing, the incumbent employee and the director of the Department indicated this was an initiative introduced by their predecessors, and they do not support this recommendation.

E-806 Unclassified Position Salary Increases – Page DOIT-10

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO NOT APPROVE THE RECLASSIFICATION OF THE CHIEF IT MANAGER AS PROPOSED IN DECISION UNIT E-806.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 4

MR. GOODMAN:

The next item is decision unit E-278. This would provide a new server and server software for the Department's secure space access control system. This is the system for card swipe entry and tracking of access for many of the State's buildings.

E-278 Maximize Internet and Technology – Page DOIT-7

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE FUNDING FOR THE HARDWARE AND SOFTWARE TO EXPAND THE IT DEPARTMENT'S SECURE SPACE ACCESS CONTROL SYSTEM AS RECOMMENDED IN DECISION UNIT E-278.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The next item is the relocation of the contract administration unit covering decision units E-915, E-254, E-916 and E-917.

E-254 Working Environment and Wage – Page DOIT-5

E-915 Transfer From BA 1373 to BA 1358 – Page DOIT-17

E-916 Transfer From BA 1373 to BA 1358 – Page DOIT-17

E-917 Transfer From BA 1373 to BA 1358 – Page DOIT-18

The Governor has recommended the relocation of the Department's contract administration unit to the Purchasing Division within the Department of Administration to better align the solicitation of IT contracts with similar functions at the Purchasing Division. Four of five existing positions would transfer with this relocation. One position would remain at the DoIT to perform the functions of a contract monitor. The recommended transfer would reduce, by 25 percent, the staff oversight requirement of an unclassified chief of administration position.

CHAIR BEERS:

Is there a motion to approve the transfer of the contract administration unit to the Purchasing Division, as recommended in these decision units?

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE TRANSFER OF THE CONTRACT ADMINISTRATION UNIT TO THE STATE PURCHASING DIVISION AS RECOMMENDED BY THE GOVERNOR IN DECISION UNITS E-254, E-915, E-916 AND E-917.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

SENATOR BEERS:

The next question is whether we want to retain a position in the Director's Office to perform contract monitoring duties. A separate motion is not required for this.

The third question is whether we want to consider an adjustment of the salary of the unclassified position of chief of administration to reflect the 25-percent decrease in supervisory responsibilities.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THAT THE SALARY OF THE UNCLASSIFIED CHIEF OF ADMINISTRATION BE ADJUSTED TO REFLECT THE DECREASE IN RESPONSIBILITIES.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

ASSEMBLYMAN HARDY:

Since we are not approving new positions, the remaining positions will probably have increased workloads. I do not know if the job descriptions can overlap, but it seems the people who are left are going to be working harder and longer. Could I have some answers about what that interaction would be?

MR. GOODMAN:

We have not discussed this with the Department. It was brought to our attention recently and this proposal is reflected on the organization chart. The current position oversees 16 positions. The transfer out of the contract administration unit would remove four positions from the oversight of that position. No other new positions are recommended in this budget account. I do not know if the position would have increased duties from other transfers.

CHRIS L. APPLE (Administrative Services Officer, Department of Information Technology):

While I agree with Mr. Goodman that the number of people this individual will have responsibility for may decrease, there will be no reduction in our responsibility for contracts which we would then be working on with the Purchasing Division. The responsibility for this program remains with the chief of administration even though the number of employees supervised may decrease. Because of that, I am not sure a commensurate decrease in salary is warranted.

CHAIR BEERS:

Do you believe the chief of administration does more than supervise these people?

MR. APPLE:

Yes.

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 6

ASSEMBLYMAN HARDY:  
I would be reluctant to decrease the salary.

DANIEL STOCKWELL (Director, Chief Information Officer, Department of Information Technology):

Since we were not aware of this proposal prior to this meeting, could we have until Monday to present our concerns to you? As Mr. Apple stated, the responsibilities of the Department have not decreased. We have not asked for new positions because of the reduction in revenue, and we have tried to stay within the guidelines. We are doing more with less every day. Our staff is now at 142 employees. Four years ago, our Department had 221 employees.

CHAIR BEERS:

We have a motion and a second on which we will vote. We have time constraints for closing these budgets. You are welcome to come back with additional information next week. We can always reopen a budget.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GRADY AND HARDY VOTED NO.)

SENATE: THE MOTION FAILED. (SENATORS RHOADS AND BEERS VOTED NO.)

\* \* \* \* \*

ASSEMBLYMAN PARKS MOVED THAT THE ASSEMBLY MEMBERS OF THE SUBCOMMITTEE RECONSIDER THE MOTION TO RECOMMEND TO THE FULL COMMITTEE THAT THE SALARY OF THE UNCLASSIFIED CHIEF OF ADMINISTRATION BE ADJUSTED TO REFLECT THE DECREASE IN RESPONSIBILITIES.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

ASSEMBLYMAN PARKS, IN AN ASSEMBLY-ONLY MOTION, MOVED TO RESCIND THE ACTION OF THE ASSEMBLY MEMBERS OF THE SUBCOMMITTEE TO RECOMMEND TO THE FULL COMMITTEE THAT THE SALARY OF THE UNCLASSIFIED CHIEF OF ADMINISTRATION BE ADJUSTED TO REFLECT THE DECREASE IN RESPONSIBILITIES.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 7

MARK W. STEVENS (Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

By these actions, both the Senate Committee on Finance and the Assembly Committee on Ways and Means have voted for no change in salary.

MR. GOODMAN:

The next item is the recommended transfer of a management analyst III position from the Director's Office budget to the Communications and Network Engineering Division. This position is recommended to provide fiscal support and customer service responsibilities for the Communications and Network Engineering Division.

E-911 Transfer From BA 1373 to BA 1386 – Page DOIT-15

CHAIR McCLAIN:

I would reluctantly approve this transfer, since it has already been done.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF THE TRANSFER OF ONE MANAGEMENT ANALYST III POSITION FROM THE DIRECTOR'S OFFICE BUDGET TO PROVIDE FISCAL AND MANAGEMENT ANALYSIS FOR THE COMMUNICATIONS AND NETWORK ENGINEERING DIVISION, AS RECOMMENDED IN DECISION UNIT E-911.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The first item under Other Items on page 4 of [Exhibit C](#) is continued programming and database administration costs to continue implementing a project to post the DoIT's billing information on the State Intranet. This has a cost of approximately \$13,000 in FY 2007-2008, \$16,000 in FY 2008-2009 and ongoing costs of approximately \$15,000 annually.

E-280 Maximize Internet and Technology – Page DOIT-7

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF FUNDING FOR PROGRAMMING AND DATABASE ADMINISTRATION COSTS TO SUPPORT A PROJECT TO POST DOIT BILLING INFORMATION FOR STATE AGENCIES ON THE STATE INTRANET AS RECOMMENDED IN DECISION UNIT E-280.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 8

MR. GOODMAN:

The second item under Other Items is the approval of new file servers for the Department. Three new file servers are recommended to provide backup to DoIT's internal file servers and for disaster recovery and business continuity.

E-722 New Equipment – Page DOIT-9

CHAIR BEERS:

One of the new file servers would back up a server which provides Microsoft updates and antivirus software updates for State agencies. If that server went down, it would not be a tragedy if it were not to come back up for a couple of days. Is the Subcommittee interested in making a motion to approve one new server and one replacement server?

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THAT DECISION UNIT E-722 BE AMENDED TO INCLUDE ONE NEW SERVER AND ONE REPLACEMENT SERVER AND TO APPROVE THE DECISION UNIT AS AMENDED.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-250 requests additional training for the contracts administration unit which was recommended, and now approved by the Subcommittee, to transfer to the Purchasing Division. The requested amount of \$5,040 in each year of the biennium for training for the four transferring full-time equivalent (FTE) employees exceeds the amount in the Purchasing Division's budget for its entire staff of 26 FTEs.

E-250 Working Environment and Wage – Page DOIT-4

CHAIR BEERS:

I would accept a motion to eliminate decision unit E-250 and have the training for these people be the responsibility of the Purchasing Division.

ASSEMBLYWOMAN KOIVISTO MOVED TO RECOMMEND TO THE FULL COMMITTEE TO ELIMINATE DECISION UNIT E-250.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*



Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 9

MR. GOODMAN:

There are a number of decision units to adjust the internal cost allocation for the Director's Office budget account. Staff requests approval to make technical adjustments based on final approval of other budgets within the Department.

M-801 Cost Allocation – Page DOIT-3  
E-800 Cost Allocation – Page DOIT-9  
E-802 Cost Allocation – Page DOIT-10  
E-804 Cost Allocation – Page DOIT-10

Decision unit E-277 recommends the installation of wireless communications between the Department's office and their computer facility.

E-277 Maximize Internet and Technology – Page DOIT-6

Decision unit E-711 requests replacement office hardware and software, including desktop computers and printers.

E-711 Replacement Equipment – Page DOIT-8

Decision unit E-813 recommends funding to increase unclassified salaries commensurate with the classified salary increase received last biennium.

E-813 Unclassified Step Adjustments – Page DOIT-11

Decision unit E-912 recommends the transfer out of some IT research subscriptions from the Director's Office budget to the Planning and Research Division budget.

E-912 Transfer from BA 1373 to BA 1370 – Page DOIT-16

Staff would not take any exception with these decision units.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS M-801, E-800, E-802, E-804, E-277, E-711, E-813 AND E-912 AS RECOMMENDED BY STAFF, AND TO AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

There are a number of other items for the security unit which are recommended to transfer out of this budget account. The first decision unit is E-900 which would transfer all the positions and adjusted base expenditures related to the security unit to a new budget account, B/A 721-1389.

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 10

E-900 Transfer From BA 1373 to BA 1389 – Page DOIT-11

CHAIR McCLAIN:  
Why is this needed?

CHAIR BEERS:  
It makes the accounting easier.

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE THE APPROVAL OF DECISION UNIT E-900 TRANSFERRING THE SECURITY UNIT POSITIONS AND ADJUSTED BASE EXPENDITURES TO NEW BUDGET ACCOUNT 721-1389.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:  
Decision unit E-252 recommends enhanced background checks for existing and new security unit staff. At the Department's Subcommittee hearing, the Department director and the chief IT manager for the unit expressed concern that these enhancements were unnecessary and existing staff would not be required to undergo additional background checks.

E-252 Working Environment and Wage – Page DOIT-5

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THAT DECISION UNIT E-252 BE ELIMINATED.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:  
Decision unit E-253 recommends additional travel for the security unit staff to increase the number of security assessments they perform around the State. It would also allow them to attend four out-of-state conferences each year. Travel funds have provided for two out-of-state conferences in FY 2005-2006, the base year.

E-253 Working Environment and Wage – Page DOIT-5

CHAIR BEERS:  
Is part of the additional in-state travel related to the forensic unit?

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 11

MR. GOODMAN:  
That relationship was not directly made.

CHAIR BEERS:  
What was the last budget for in-state travel?

MR. GOODMAN:  
I do not have that information.

CHAIR MCCLAIN:  
Since we did not approve all the recommended new positions, it would seem not as much travel would be needed.

MR. STEVENS:  
Actual out-of-state travel was \$14,058 in the last budget. That amount is in the Base Budget.

CHAIR MCCLAIN:  
Would this be \$21,000 in addition to the \$14,000?

CHAIR BEERS:  
Yes, it would add \$21,000 in each year of the biennium. That would include two out-of-state conferences which are unnecessary.

ASSEMBLYMAN HARDY:  
We have the responsibility to make sure the DoIT has the support, knowledge, expertise and training necessary to support all of the other agencies. I support staff learning from other people and would be appreciative of having staff continue the needed training.

CHAIR BEERS:  
I appreciate your sentiment and I agree. This additional travel is only for the security group. Their Base Budget includes their travel authority for last year. The proposed amount is now for five staff members instead of nine and is above the amount they had for travel in the last biennium.

SENATOR COFFIN:  
Would you please clarify how much is out-of-state travel and how much is in-state travel?

MR. STEVENS:  
Of the \$21,731 recommended in decision unit E-253, \$5,973 is out-of-state travel and \$15,758 is in-state travel.

If all of the new security positions are not approved, they may not need all of the requested additional travel.

SENATOR COFFIN:  
Does the Department have a team approach whereby conferences are attended by designees who share the knowledge when they return? Sending everyone to every conference seems excessive, but the team approach would make a lot of sense.

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 12

CHAIR BEERS:

Would this be four additional out-of-state conferences each year for these five staff members?

MR. GOODMAN:

Yes, this would be four additional out-of-state conferences above the two out-of-state conferences they attended in the base year of FY 2005-2006.

CHAIR BEERS:

Presumably, there were two out-of-state conferences in the second year of the biennium. This would double the out-of-state conferences. Would this be four spaces at out-of-state conferences?

MR. GOODMAN:

I believe that is correct.

CHAIR BEERS:

They were proposing to almost double the size of their staff. This would double the out-of-state conferences, from four to eight in the biennium, for the existing staff of five people.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO INCREASE THE TRAVEL EXPENSES IN DECISION UNIT E-253 BY 15 PERCENT OF THE BASE BUDGET INSTEAD OF THE AMOUNT PROPOSED IN THE DECISION UNIT.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLYMAN HARDY:

The 15-percent increase is not clear. Would that cover another person attending a conference?

CHAIR BEERS:

They already have four conferences in their budget. Do you want to make sure they have five?

ASSEMBLYMAN HARDY:

Yes. Does 15 percent mean one more person can attend?

CHAIR McCLAIN:

It means they can decide for themselves how they spend it.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-279 requests funding for the replacement of a federal grant which purchased promotional materials for a security awareness program.

E-279 Maximize Internet and Technology – Page DOIT-7

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO NOT APPROVE DECISION UNIT E-279.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-712 recommends the replacement of laptops, related software and docking stations under the normal replacement schedule.

E-712 Replacement Schedule – Page DOIT-8

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE THE APPROVAL OF DECISION UNIT E-712.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO GRANT STAFF AUTHORIZATION TO MAKE ADJUSTMENTS TO EQUIPMENT COSTS AND ANY OTHER TECHNICAL CHANGES NECESSARY IN B/A 721-1373.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Next is B/A 721-1370. There is one major closing item in this budget account which includes three decision units.

DOIT - Planning & Research Division – Budget Page DOIT-20 (Volume I)  
Budget Account 721-1370

The first decision unit is E-600 which is the elimination of the project delivery unit.

E-600 Budget Reductions – Page DOIT-23

This was a separate decision unit in the last Legislative Session. It was approved to provide the services of project oversight and to be billed on an hourly basis for their services. The Department has indicated there have been insufficient billable hours during the current biennium to retain this unit. It has not been self-sustaining and they have recommended it be eliminated. Staff has no exception with this recommendation.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THE ELIMINATION OF THE PROJECT DELIVERY UNIT AS PROPOSED IN DECISION UNIT E-600.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-605 recommends the elimination of the position of chief of the Planning and Research Division and the reorganization to include the management of this unit under the Application Design and Development Unit. Staff has no reservations about this recommendation.

E-605 Budget Reductions – Page DOIT-23

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE ELIMINATION OF THE POSITION OF CHIEF OF THE PLANNING AND RESEARCH DIVISION AS RECOMMENDED IN DECISION UNIT E-605.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The third item on page 7 of [Exhibit C](#) is the transfer out of three positions from B/A 721-1370.

E-901 Transfer From BA 1370 to BA 1385 – Page DOIT-25

The Governor recommends three positions, including the Enterprise architect, the capacity planner and a planner position, be transferred to the Computing Division to more closely support the operation of the Carson City computer facility. Staff has some reservations about the intended location of these

positions and has developed some alternative options for your consideration on pages 7 and 8 of [Exhibit C](#). The Governor's recommended budget would change the funding of these positions from the DoIT planning assessment to the DoIT infrastructure assessment and spread the costs over additional agencies which pay these assessments.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE OPTION B ON PAGE 8 OF [EXHIBIT C](#), THE TRANSFER OUT OF THE PLANNER TO THE DIRECTOR'S OFFICE AND CHANGE THE FUNDING FROM THE DOIT PLANNING ASSESSMENT TO THE DIRECTOR'S OFFICE COST ALLOCATION TO RECOGNIZE THE DEPARTMENT-WIDE CUSTOMER SERVICE RESPONSIBILITIES THIS POSITION IS RECOMMENDED TO ASSUME; TO APPROVE THE CAPACITY PLANNER TRANSFER TO THE COMPUTING DIVISION AND CHANGE THE FUNDING FROM THE DOIT PLANNING ASSESSMENT TO THE INFRASTRUCTURE ASSESSMENT WHICH RECOGNIZES THE PRIMARY RESPONSIBILITY OF THIS POSITION FOR ANALYZING COMPUTING AND COMMUNICATION RESOURCES OF THE DEPARTMENT; AND THAT THE ENTERPRISE ARCHITECT REMAIN IN THE PLANNING AND RESEARCH DIVISION FUNDED BY THE DOIT PLANNING ASSESSMENT, RECOGNIZING THE ENTERPRISE-WIDE PLANNING RESPONSIBILITIES OF THIS POSITION.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Under Other Items for B/A 721-1370, decision unit E-805 recommends the reclassification of the two positions which were just discussed, the Enterprise architect and the Enterprise capacity planner.

#### E-805 Classified Position Reclassifications – Page DOIT-25

This decision unit recognizes the advanced technical certifications and experience of these two positions. These recommended reclassifications are based on the incumbent employees. This may create difficulty for filling these positions in the future because of the certifications designated for the positions.

ASSEMBLYMAN HARDY:

If the positions are reclassified, will we enhance our ability to get replacements for the current employees when they leave?

CHAIR BEERS:

We would be customizing the positions for specific individuals and potentially make it much harder to recruit for the position if they leave.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO NOT APPROVE THE RECLASSIFICATION OF THE ENTERPRISE ARCHITECT AND ENTERPRISE CAPACITY PLANNER POSITIONS AS RECOMMENDED IN DECISION UNIT E-805.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLYMAN HOGAN:

The Department has a valid problem in recognizing and showing monetary appreciation for valuable, advanced skills. We need a better and more direct way to accomplish that than permanently upgrading the position to the point it becomes hard to fill down the road. That is probably not an issue for us to try to deal with today.

CHAIR McCLAIN:

The Department of Personnel performs studies regarding issues such as this.

ASSEMBLYMAN HARDY:

Can we direct the Department of Personnel to study this issue and come back with a recommendation for us?

CHAIR BEERS:

They can do that without direction from us.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision units E-500 and E-912 receive the transfer of the IT research subscriptions from the Director's Office budget.

E-500 Adjustments - Transfers In – Page DOIT-22

E-912 Transfers From BA 1373 to BA 1370 – Page DOIT-26

Decision units M-800 and E-800 adjust the amount of internal cost allocation authority in this budget account. Staff would request approval to make technical adjustments to these cost allocation amounts based upon final approval of the other budgets in this Department.

M-800 Cost Allocation – Page DOIT-22

E-800 Cost Allocation – Page DOIT-24

Decision unit E-710 recommends the replacement of computer hardware and software including two desktop computers, one laptop computer and accompanying software and one scanner.

E-710 Replacement Equipment – Page DOIT-24



Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 17

Decision unit E-720 recommends the purchase of a new laptop to support this Division and its functions.

E-720 New Equipment – Page DOIT-24

Under Technical Adjustments on page 9 of [Exhibit C](#), the Department has made staff aware of a reallocation of rent space. Staff has made a technical adjustment to reflect the revised amount of rent space in this budget account.

ASSEMBLYMAN PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEE THE ACCEPTANCE OF STAFF RECOMMENDATIONS IN DECISION UNITS E-500, E-912, M-800, E-800, E-710 AND E-720 AND TO GRANT STAFF AUTHORITY TO MAKE NECESSARY TECHNICAL ADJUSTMENTS.

SENATOR RHOADS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The next budget account is the Application Design and Development Unit, B/A 721-1365.

DOIT - Application Design & Development Unit – Budget Page DOIT-28  
(Volume I)

Budget Account 721-1365

Staff has identified two closing issues with this budget account. Decision unit E-250, on page 10 of [Exhibit C](#), reflects the elimination of two positions.

E-250 Working Environment and Wage – Page DOIT-30

Two vacant information systems specialist positions are recommended to be reduced or eliminated due to a reduced amount of billable programmer hours projected by the Department. Staff has no reservations about this recommendation.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THE ELIMINATION OF THE TWO PROGRAMMER POSITIONS AS RECOMMENDED IN DECISION UNIT E-250.

ASSEMBLYMAN HOGAN SECONDED THE MOTION

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

At the Subcommittee hearing several weeks ago, there was discussion regarding the four programmer positions which were at one point recommended to transfer to the Department of Personnel. This transfer was removed from the Governor's recommended budget. Since our last discussion, the Department of Personnel has informed staff they do not wish to pursue the option of transferring programmer positions from the DoIT. Also, the DoIT has provided staff with information regarding additional programmer hours related to ongoing projects for the Department of Education. Another issue discussed at the previous Subcommittee hearing was whether the remaining positions which do not support the Department of Personnel would have sufficient billable hours to be productive for the entire year. It was calculated each position would have 890 hours. With the additional hours from the Department of Education, it would appear they have sufficient hours to reflect standard billable hours for the Department. However, staff has not been able to sufficiently verify those hours with the Department of Education.

It is at the discretion of the Subcommittee whether the positions which support the Department of Personnel remain in the DoIT or transfer to the Department of Personnel. Also, whether the remaining positions which support all other State agencies remain with the number of existing positions in the Base Budget or be adjusted to reflect an increased number of billable hours for each position.

CHAIR BEERS:

Was the budget built with the transfer of the programmer positions from DoIT to the Department of Personnel?

MR. GOODMAN:

That request was made in the agency request budget of the Department of Personnel but was not retained in the Governor's recommended budget. It was not included in the DoIT's budget.

CHAIR BEERS:

In the last biennium, has the Department of Personnel upgraded an IT position to supervisor in anticipation of managing these people?

MR. GOODMAN:

That is our understanding.

CHAIR BEERS:

We may have an adjustment in personnel if that person who has been upgraded to supervise these people ends up not supervising these people.

CHAIR McCLAIN:

It would seem logical to move the programmers into the Department of Personnel because they will be working on the migration.

CHAIR BEERS:

My concern is we are seeing some compelling numbers which indicate that in accommodating the decentralization of IT positions, the State has significantly increased the number of IT supervisors located throughout the State. This has

increased the cost of our IT effort by reducing the number of people managed by each supervisor.

CHAIR MCCLAIN:

It would make sense to have the DoIT programmer positions that are dedicated to the Integrated Financial System (IFS) application be in the Department of Personnel.

MR. STOCKWELL:

The Information Technology Optimization Study contained recommendations regarding the agencies which should be centralized. An executive report to the Governor said they did not recommend the programmers be decentralized to the IFS project. Those programmers have worked on that project, under the DoIT's direction, for the last seven years without one failure. During that time, a Grade 41 managed the programmers and the projects. Once the Department of Personnel created an information systems manager position, they requested the programmer positions. This does not fit within the Optimization Study.

To go a step further, the additional hours that became an issue did not include such things as administrative duty time, which is about 222 hours per year, annual leave, sick leave and 11 state holidays. With that, they would definitely go over the 1,450 hours. Transferring the programmers to the Department of Personnel serves no purpose when there have been no failures and no problems. As far as the migration, the DoIT is currently involved in that and meets weekly on that portion of it. Migration is a small part of their duties.

CHAIR BEERS:

If we want the programmers to remain in the DoIT, we do not need a motion. Is there a motion?

There being no motion, the next issue we need to discuss is the remaining six positions, one of which spends 30 percent of their time managing the other positions. Each position currently has 890 billable hours a year based on current projections. Would you please provide more information regarding the services which may be required by the Department of Education?

MR. GOODMAN:

The DoIT provided us with estimates of an additional 3,640 hours of billable services required by the Department of Education. We have not received a definitive response from the Department of Education regarding these services. They have identified funding through several federal grants, but we are still awaiting an answer from them about whether they would utilize the grants for these services.

CHAIR BEERS:

Is that funding in the Department of Education's budget?

MR. GOODMAN:

It was not budgeted for the DoIT services in the Governor's budget. I am not certain whether that additional funding is included in the budget for something else.

CHAIR BEERS:

Setting aside the 3,600 hours of possible work at the Department of Education, if we reduced the 5.7 FTEs down to 4.7, each one would have 1,188 and 1,186 billable hours in the next two years. This is still short of the 1,450 billable hours identified as the target. If we reduced them to 3.7 FTEs, they would have 1,509 and 1,507 billable hours which is slightly over the 1,450 hours. Another factor would be that the supervisor who spends 30 percent of their time managing would not have as much managerial responsibility and would be able to devote more time to programming which would drop the hours down to the 1,450 range. This does not accommodate the potential work for the Department of Education.

ASSEMBLYWOMAN KOIVISTO MOVED TO RECOMMEND TO THE FULL COMMITTEE THE ELIMINATION OF TWO PROGRAMMER POSITIONS.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-900 recommends the transfer of two positions to the Department of Taxation.

E-900 Transfer From BA 1365 to BA 2361 – Page DOIT-33

These two positions have historically supported the Unified Tax System at the Department of Taxation. They are an information systems specialist and an IT manager position. Staff would have no reservations about this transfer. Through the Governor's request for reductions to the budget, the Department of Taxation identified one of these positions as currently vacant and requested the elimination of the transfer of that position. If the Department of Taxation does not want this position, the position is vacant and does not provide services for the DoIT, it could be eliminated.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THE TRANSFER OF ONE IT MANAGER POSITION TO THE DEPARTMENT OF TAXATION AND THE ELIMINATION OF THE INFORMATION SYSTEMS SPECIALIST POSITION FROM THE DOIT'S BUDGET.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 21

MR. GOODMAN:

The first item on the bottom of page 11, under Other Items in [Exhibit C](#), is decision unit E-275 which recommends additional staff training in the amounts of \$29,869 in FY 2007-2008 and \$24,392 in FY 2008-2009. The Department indicates this additional training would help staff become proficient with new software applications being implemented by State agencies. The recommended level of funding for training would increase the amount for each FTE from \$1,073 in FY 2006-2007 to \$2,870 for each FTE in FY 2007-2008 and \$2,582 in FY 2008-2009. Those numbers do not reflect the recent reductions the Subcommittee has chosen to make.

E-275 Maximize Internet and Technology – Page DOIT-31

CHAIR BEERS:

Are there training dollars in the Base Budget?

MR. GOODMAN:

That amount is approximately \$24,500 each year.

CHAIR MCCLAIN:

Maybe we could authorize a percentage increase over last year as we did for the travel budget.

CHAIR BEERS:

The number of positions in the programming area has been reduced.

ASSEMBLYMAN PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO INCREASE THE TRAINING AMOUNT TO \$1,500 FOR EACH FTE AND TO LET STAFF MAKE THE CALCULATION WHICH MAY RESULT IN A DECREASE IN THE FINAL NUMBER FOR DECISION UNIT E-275.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-720 recommends two new file servers for this Division to be used for Web and report development and additional capacity for the production database server. The Department indicates they are approaching their capacity limits on this server and additional capacity is necessary for projected growth in the future biennium.

E-720 New Equipment – Page DOIT-32

CHAIR BEERS:

Is one of these file servers a replacement and one new? Is that why there is only one software license?

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 22

MR. GOODMAN:

They are both new servers. One of them would be able to use the software license from an existing server.

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-720.

SENATOR RHOADS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-805 recommends the reclassification of the Division's IT manager position from an IT manager III to a chief IT manager with a 1-grade increase. This would reflect the increased responsibilities of overseeing the Planning and Research Division.

E-805 Classified Position Reclassifications – Page DOIT-33

Decision units M-800 and E-800 adjust the amount of internal cost allocation authority for this budget account.

M-800 Cost Allocation – Page DOIT-30

E-800 Cost Allocation – Page DOIT-33

Staff requests approval to make additional technical adjustments as the other budget accounts are finalized.

Decision unit E-710 recommends the purchase of three replacement office chairs in each year of the biennium.

E-710 Replacement Equipment – Page DOIT-31

Decision units E-711 and E-712 recommend the replacement of one file server to be used as a database development server and two high-end desktop computers with software and printers.

E-711 Replacement Equipment – Page DOIT-32

E-712 Replacement Equipment – Page DOIT-32

Staff requests approval to make technical adjustments based on the updated cost of computer hardware and equipment.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-805, M-800, E-800, E-710, E-711 AND E-712 AND TO AUTHORIZE STAFF TO MAKE NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR BEERS:

The next budget account is the DoIT Computing Division, B/A 721-1385.

DOIT - Computing Division – Budget Page DOIT-36 (Volume I)  
Budget Account 721-1385

MR. GOODMAN:

At the bottom of page 13 of [Exhibit C](#), staff has identified four closing issues with this budget account. The first would be the recommendation for an additional mainframe Enterprise Server for southern Nevada. This is decision unit E-586.

E-586 Technology Invest: Maximize Internet and Technology – Page DOIT-41

As discussed at the DoIT's Subcommittee hearing, the Governor's recommended budget requested funding for an additional mainframe Enterprise Server to provide disaster-recovery and business-continuity capabilities for the Department. Staff was later informed the Department has received notice from the mainframe vendor, IBM, that capacity upgrades or reductions are no longer available for their current mainframe in Carson City, as of October 2006. The DoIT was requested to provide alternative options to meet the mainframe disaster-recovery capabilities and operations requirements of the Department. They have developed three options which were discussed at the last Subcommittee hearing.

The first option would be the purchase of two new mainframe servers, one to replace the existing mainframe server in Carson City and provide processing capability under a normal production and development environment. The other server would reside at a separate location, possibly in southern Nevada, to provide disaster recovery and business continuity for the State.

The second option would be to purchase two mainframe servers. In this case, both servers would be enabled for processing functions, one located in the north and one located in the south.

The third option would be to purchase one new mainframe Enterprise Server to replace the current mainframe in Carson City. This option would provide no new disaster-recovery capabilities. The State would continue to rely on its contract with an out-of-state vendor to provide disaster recovery.

The costs for each option are illustrated in the table on page 14 of [Exhibit C](#). The Department's recommended option is the first option which is the purchase of two new mainframes, one being the active processing mainframe and the other serving as standby in case of a disaster. Staff has reviewed these cost

estimates and they appear reasonable. While the recommended option has a higher cost in the 2007-2009 biennium, that option also has a lower ongoing cost in future biennia because the State would be able to eliminate the out-of-state disaster-recovery contract.

Costs for both the first and the third options are lower than the Governor's recommended budget for the mainframe replacement and capacity upgrade. There would be a savings to the General Fund if either option were approved. The option to purchase two new mainframes and have both of them active would result in an increase of approximately \$1 million to the Governor's budget.

This recommendation could also eliminate decision unit E-723, for additional processor and memory capacity, because the new mainframe servers would contain the additional needed capacity.

#### E-723 New Equipment – Page DOIT-44

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE FIRST OPTION ON PAGE 14 OF [EXHIBIT C](#), WHICH INCLUDES THE PURCHASE OF TWO NEW MAINFRAME ENTERPRISE SERVERS; ONE SERVER WOULD PROVIDE ALL NORMAL PRODUCTION, DEVELOPMENT AND TEST PROCESSING, AND THE OTHER SERVER WOULD PROVIDE ONLY DISASTER RECOVERY AND BUSINESS CONTINUITY IN THE EVENT OF A DISASTER; AND TO ELIMINATE DECISION UNIT E-723.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

SENATOR COFFIN:

I would urge the Subcommittee to ask our staff to begin to consider migration to another company's products and/or system.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

SENATOR COFFIN MOVED TO REQUEST THAT STAFF DRAFT A LETTER TO THE AGENCY DIRECTING THEM TO OFFICIALLY BEGIN EXPLORING OTHER ALTERNATIVES TO THE STANDARD BEARER FOR THE INDUSTRY.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*



Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 25

MR. GOODMAN:

Decision unit E-587 recommends funding for 1,350 square feet of additional leased building space in Las Vegas to serve as a southern Nevada data center. The Department indicates this would house its data storage network device, the second Enterprise Mainframe Server, one of the consolidated IFS servers and State agency servers currently housed at other locations. The Department has explored options in Las Vegas and has identified a private vendor offering which they request to utilize at a cost of \$211,416 in FY 2007-2008 and \$493,645 in FY 2008-2009.

E-587 Technology Invest: Maximize Internet and Technology – Page DOIT-42

This decision unit affects the previous decision unit for the southern Nevada mainframe. If this southern Nevada data center is not approved, an additional \$27,000 each year would be required for the mainframe decision unit to provide space to house that unit.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THAT THEY APPROVE DECISION UNIT E-587.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

ASSEMBLYMAN HARDY:

Is it correct the rental of 1,500 square feet will cost \$750,000 for two years?

CHAIR BEERS:

That is correct. The facility sits on top of a national record number of fiber-optic cables. We will be cotenants with many major national banks and Fortune 500 companies which have their primary data systems at this location.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The third major decision item in this budget account is the Integrated Financial System (IFS) consolidation, decision unit E-588.

E-588 Technology Invest: Maximize Internet and Technology – Page DOIT-42

This decision unit is a request to consolidate 15 existing servers into 2 large Enterprise Servers to be located in the north and the south to provide geographic separation and promote disaster recovery. The costs in this budget are \$147,826 in FY 2007-2008 and \$118,735 in FY 2008-2009. This funding would cover the principal and interest payments for the purchase of the two servers. The total cost of the two servers is approximately \$408,000. The Department is requesting to finance the servers over six years with an additional \$54,000 in financing charges.

Coupled with the cost of the hardware purchase is the redistribution of the UNIX charges and data storage costs. Currently, only two of the IFS agencies pay into those service pools and two other IFS agencies, the Office of the State Controller and Department of Transportation, maintain their own servers and do not incur the UNIX or data storage charges.

The other piece of this decision unit to redistribute those charges is located in the individual budget accounts of the IFS agencies, the Office of the State Controller, the Department of Transportation, the Budget Division within the Department of Administration and the Department of Personnel.

Anticipated benefits would include improved disaster-recovery capability, the timely replacement of these servers, additional processing capacity, a reduction in the number of servers to maintain and possible reductions in software licensing and maintenance costs.

There are risks and concerns regarding this project. One is the ability to migrate the older software applications to the new software operating system. They would be required to use the new servers. The Controller's Office has expressed concern over the impact on their Advantage Financial System which could affect the stability of the system. There is concern over the availability of agency staff to perform the migration and testing of this software migration and there is concern over the agreement and willingness of the other State agencies to participate in the project. The Controller's Office cites chapter 242.131 of the *Nevada Revised Statutes* which permits that agency to negotiate with the DoIT for its services.

The Department has identified potential savings, and staff has verified the amount of those savings would be \$423,000 over the 2009-2011 biennium. Direct savings from software license reductions are not expected because this migration is anticipated to require the entire 2007-2009 biennium for completion.

The Controller's Office has asked not to be a part of this consolidation and have presented an alternative proposal for their agency. They have \$976,000 in their budget account to cover expenses related to this project. They have identified \$593,000 to implement their disaster-recovery option. A number of servers would be located in Carson City but they would have a disaster-recovery server located in Las Vegas at the Department of Transportation's Freeway and Arterial System of Transportation (FAST) building. The Controller's Office project contains minimal risks. They will continue to rely on an older software platform to house their Advantage Financial System which is an unsupported application. By approving an additional project, there is the possibility for duplication of efforts. Two separate systems would have separate recovery solutions and separate supporting staff which leads to a greater potential for duplicated costs.

If the Controller's option were approved, and they were separated from the IFS consolidation, there would be an effect on the IFS consolidation. The estimated cost reduction would be \$286,000 in FY 2007-2008 and \$70,871 in FY 2008-2009.

At the bottom of page 17 of [Exhibit C](#) is a table illustrating the differences in these costs. The cost of the Governor's recommended solution is approximately \$2 million in FY 2007-2008 and approximately \$1.9 million in FY 2008-2009. The IFS consolidation plan without the Controller's Office would have a cost of approximately \$1.77 million in the first year of the biennium and \$1.8 million in the second year.

The combined cost of the IFS consolidation without the Controller's Office, allowing the Controller's Office to provide their own project, has costs of approximately \$2.26 million in the first year of the biennium and \$1.89 million in the second year. The additional cost to approve two separate solutions for this project would be \$235,000 over the biennium. The Department of Administration has identified \$146,000 in Oracle software licenses which could be transferred from the Department of Administration to the Controller's Office. This would reduce to \$90,000 the net cost of allowing the Controller's Office to provide their own consolidation plan.

If this plan is not approved, some hardware replacement would be necessary. They are reaching capacity and end of life on some of the existing servers and would need to request hardware replacements during the 2007-2009 biennium.

On page 18 of [Exhibit C](#) are some actions the Subcommittee may wish to consider. Option A would be to approve the IFS consolidation, as proposed by the Governor, which includes the participation of the Controller's Office. Option B would be to approve the IFS consolidation project without the Controller's Office and approve their alternative disaster-recovery project. Option C would be to not approve the IFS consolidation but to approve the alternative project for the Controller's Office. Option D would be to appropriate funding for one or both projects to the Interim Finance Committee (IFC) and require that the Department of Administration approach the IFC with results of their pilot migration project.

The Department of Administration and DoIT are presently performing a pilot migration project to measure the feasibility of migrating these older applications onto newer operating systems. They are doing that with the Department of Personnel's HR Advantage system. That option would include requiring them to return when the pilot migration project has been completed to report on its success or failure.

Finally, Option E would be to not approve either project and possibly allocate funding to the IFC for maintenance of the current systems. The costs for this have not been identified.

CHAIR BEERS:

It appears that Options A, B and C are options to be considered together and independently of Options D and E. Option E is not a viable alternative. Is it correct we could choose Options A, B or C and either apply or not apply Option D?

MR. GOODMAN:

That is correct.

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 28

CHAIR BEERS:

If we choose Option B, one possible risk with the Controller's Office solution is the continued reliance on older software platforms to house the Advantage Financial application which is an unsupported application. However, Option B appears to include the assumption that the Controller's Office would eventually come into the IFS consolidation project if it is successful.

CHAIR McCLAIN:

I would not want to force an agency to be a part of something new when they have an alternative solution.

ASSEMBLYMAN HARDY:

I concur with Option B. On page 16 of [Exhibit C](#), the potential savings have been estimated as high as \$423,000 in the 2009-2011 biennium. Would it affect the potential savings if the Controller's Office came into the IFS consolidation project in the 2009-2011 biennium?

MR. GOODMAN:

There would not be an additional reduction by adding them at that time. With their additional application, additional licenses would be required which the Department of Administration now anticipates transferring to them. The licenses would still need to be maintained.

ASSEMBLYMAN HARDY:

By delaying their inclusion in the process by two years, would the cost of Option B not increase in the 2009-2011 biennium?

MR. GOODMAN:

That is correct.

ASSEMBLYMAN HARDY:

I do not see any downside in Option B.

CHAIR BEERS:

The downside of the Controller's Office solution is the continued reliance on an unsupported software platform. The second risk is the potential for duplication of effort if the systems which automatically communicate today can no longer communicate.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF OPTION B, THE IFS CONSOLIDATION PROJECT WITHOUT THE PARTICIPATION OF THE OFFICE OF THE STATE CONTROLLER, AND TO APPROVE THE CONTROLLER'S OFFICE ALTERNATIVE DISASTER-RECOVERY PROJECT.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

SENATOR COFFIN:

My experience with all of the State Controllers over the years has been that we have had good leadership. They have run their office well and I sense that is continuing and we have a person with judgment. If they have made a mistake,

they will hear about it and will take responsibility for it. That is why I support this decision.

CHAIR BEERS:

In the spirit of teamwork, I will be supporting Option B. The additional money it is going to cost taxpayers is not that much. For me, the saving grace is that the assumption is the Controller's Office will not be held independent from the rest of the integrated system in the long term.

MR. GOODMAN:

There is no indication in either the IFS consolidation or the Controller's Office option to return them to the IFS consolidation once it is implemented. We have received no verification that, if the IFS consolidation were implemented, the Controller's Office would be willing to join it at that time.

CHAIR BEERS:

Mr. McTeer, would you please address the long-term plan if we select Option B? If we were to approve the consolidation project without the Controller's Office and the Controller's Office alternative disaster recovery project, would the assumption be that we would have one integrated system? Staff does not believe that long-term vision is included with the proposal before us.

DAVE McTEER (Division Chief, Information Technology Division, Department of Administration):

That is an issue which would have to be addressed in the next Session to determine which pieces were successful. We believe ours will be and the State Controller, I am sure, believes hers will be, also.

CHAIR BEERS:

On a long-term basis, we cannot allow the general ledger to lag behind on an old programming system.

MR. McTEER:

That would definitely have to be addressed in the next Session. If Option B is chosen, I believe it would be more appropriate to ask the State Controller's staff that question.

CHAIR BEERS:

The concerns of the Controller's Office revolve around the belief you are going to be able to migrate their three older IFS applications from the existing operating system to the new operating system. I do not believe that.

MR. McTEER:

I do not either.

CHAIR BEERS:

If we allow the IFS project to go ahead without the Controller's Office, are you going to be able to determine the convertibility of those three older modules within the next biennium?

MR. McTEER:

We will most definitely have that determined.

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 30

CHAIR BEERS:  
Will you have it accomplished?

MR. McTEER:  
We will have the Department of Personnel and the Department of Transportation accomplished. That is our objective, and we are on track.

CHAIR BEERS:  
Is it correct you do not anticipate it would take a great deal to bring the Controller's Office piece of the IFS back into the consolidated system in the future biennium?

MR. McTEER:  
That is correct.

CHAIR BEERS:  
Will the risk about migrating the older applications be resolved and will we have a handle on the stability of the system?

MR. McTEER:  
Yes.

CHAIR BEERS:  
Is there any additional discussion on the motion before us or any opposition to the motion?

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR BEERS:  
As a separate decision under Option D, we should consider the accountability and what reports are needed. We would want to know whether or not the application can be migrated and have brief quarterly reports submitted to the IFC on how the conversion of software is proceeding. How soon would you be able to start reporting on the results of the conversion?

MR. McTEER:  
We would probably have some progress to report at the September meeting of the IFC.

CHAIR BEERS:  
Are you comfortable with a quarterly report?

MR. McTEER:  
Yes, I am.

CHAIR BEERS:  
Would you please separately copy co-Chair McClain, the Controller's Office and me?

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 31

MR. McTEER:  
I certainly will.

SENATOR COFFIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO REQUIRE QUARTERLY REPORTS ON THE RESULTS OF THE CONVERSION TO BE SUBMITTED TO THE INTERIM FINANCE COMMITTEE WITH COPIES TO ASSEMBLYWOMAN McCLAIN, THE CONTROLLER'S OFFICE AND SENATOR BEERS.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision unit E-722 recommends four terabytes of additional storage capacity for the Department's two storage devices on their storage area network at a cost of \$162,284 in FY 2007-2008. The Department projects significant growth in their storage capacity needs. This was also addressed at the January 2007 meeting of the IFC where they approved some additional storage.

E-722 New Equipment – Page DOIT-43

SENATOR COFFIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THE APPROVAL OF DECISION UNIT E-722, PROVIDING FUNDING FOR INCREASES IN DISK STORAGE SPACE FOR THE DEPARTMENT'S STORAGE AREA NETWORK.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Under Other Items on page 18 of [Exhibit C](#), decision unit E-275 recommends the addition of one new position, a computer systems programmer, in FY 2008-2009. The Department has identified a need for additional support for its growing server hosting services which grew by approximately 27 percent during FY 2005-2006. This would increase the support for these services from 2.75 FTEs to 3.75 FTEs.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE THE APPROVAL OF DECISION UNIT E-275 WHICH RECOMMENDS FUNDING FOR AN ADDITIONAL COMPUTER SYSTEMS PROGRAMMER POSITION IN FY 2008-2009.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The second item at the bottom of page 18, under Other Items in [Exhibit C](#), relates to the Department's Base Budget for this account. The Department has recently identified new projections for utilization of its mainframe services. These new projections would reflect a revised methodology for calculating data storage costs and would resolve an issue with the billing of certain mainframe services. Staff has calculated a reduction in overall cost to the General Fund through these new utilization projections and requests authority to make technical adjustments to the budgets of the affected agencies to reflect the new utilization projections.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO GRANT STAFF APPROVAL TO MAKE TECHNICAL ADJUSTMENTS TO THE BUDGETS OF EACH OF THE AGENCIES AFFECTED BY THE NEW PROJECTIONS FOR UTILIZATION OF THE DOIT'S MAINFRAME SERVICES.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision units E-278 and E-710 on page 19 of [Exhibit C](#) recommend the replacement of the Department's Enterprise e-mail and instant-messaging software.

E-278 Maximize Internet and Technology – Page DOIT-40  
E-710 Replacement Equipment – Page DOIT-42

The current e-mail software is approximately five years old and will require replacement in the next biennium to keep pace with current technology. The instant-messaging software is closely related to the e-mail software and would require replacement if the e-mail software is replaced. The Department is requesting new software licenses for all 8,000 of its e-mail users and 8,000 licenses for instant-messaging software. The total cost for the e-mail software is \$545,892. It is proposed to be financed over four years. The cost would be \$148,525 in each year of the 2007-2009 biennium. The cost for the instant-messaging software would be \$162,651 in FY 2007-2008.



Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 33

ASSEMBLYWOMAN KOIVISTO:

If you buy technology on time, it may be obsolete by the time it is paid for.

CHAIR BEERS:

The e-mail system they are currently using is about six years old.

CHAIR McCLAIN:

What system are they currently using?

SHAWN CURBY (Manager, Internet Services and Servers, Director's Office,  
Department of Information Technology):

We are currently running Microsoft Exchange Server 2003. The instant-messaging platform is from 2000.

CHAIR McCLAIN:

Do we have Microsoft Office Outlook?

CHAIR BEERS:

Yes, that is what they are considering.

CHAIR McCLAIN:

People who work at their desks should not need instant-messaging capabilities.

CHAIR BEERS:

I can see a use for instant messaging for managers who are away from their offices and want to stay in contact with their employees, but all 8,000 users do not need instant messaging. Would you be interested in approving a smaller number?

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-278 AND E-710 WITH 8,000 E-MAIL LICENSES AND 2,000 INSTANT MESSENGER LICENSES.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Decision units E-276 and E-277 recommend the purchase of new network switches to improve local area network reliability and additional licenses for the Division's server backup software. This would provide for growth in these areas and also increase reliability.

E-276 Maximize Internet and Technology – Page DOIT-39

E-277 Maximize Internet and Technology – Page DOIT-39

Decision units M-800 and E-800 adjust the amount of internal cost allocation authority in this budget account. Staff requests authority to make technical

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 34

adjustments to cost allocation amounts in these budgets based on how the other DoIT budgets close.

M-800 Cost Allocation – Page DOIT-38  
E-800 Cost Allocation – Page DOIT-45

Decision units E-500, E-501 and E-502 recommend adjustments to the amounts of funding charges and e-mail charges related to positions recommended to transfer within the Department. Staff would request authorization to make technical adjustments based on final approval of the other budgets within the Department.

E-500 Adjustments - Transfers In – Page DOIT-40  
E-501 Adjustments - Transfers In – Page DOIT-41  
E-502 Adjustments - Transfers In – Page DOIT-41

Decision units E-711, E-720, E-726 and E-727 recommend replacement of 33 desktop computers and software, the purchase of a multi-view screen for monitoring capabilities in the computer facility, multiple servers to be located in Las Vegas to provide redundancy in disaster recovery and the purchase of secure server racks for the Division's hosted servers in Las Vegas.

E-711 Replacement Equipment – Page DOIT-43  
E-720 New Equipment – Page DOIT-43  
E-726 New Equipment – Page DOIT-44  
E-727 New Equipment – Page DOIT-45

Decision unit E-900, at the top of page 20 of [Exhibit C](#), recommends the transfer in of one IT professional position to provide personal computer local area network (PCLAN) technical services for this budget and all of DoIT's internal budget accounts. We would ask that you defer a decision on this until the decentralization of the PCLAN technical services is discussed in B/A 721-1386.

E-900 Transfer From BA 1386 to BA 1385 – Page DOIT-45

Decision units E-901 and E-902 recommend the transfer in of the positions from the Planning and Research Division's budget account which was approved by the Subcommittee earlier. Staff requests approval to make technical adjustments to these decision units based on the Subcommittee's actions.

E-901 Transfer From BA 1370 to BA 1385 – Page DOIT-46  
E-902 Transfer From BA 1370 to BA 1385 – Page DOIT-46

Staff requests approval to make technical adjustments based on the revised costs of hardware and other computer equipment.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE STAFF'S RECOMMENDATIONS ON DECISION UNITS E-276, E-277, M-800, E-800, E-500, E-501, E-502, E-711, E-720, E-726 AND E-727 AS OUTLINED IN [EXHIBIT C](#); TO AUTHORIZE STAFF TO MAKE ANY ADJUSTMENTS NECESSARY; AND TO CONSIDER

DECISION UNIT E-900 DURING THE DISCUSSION OF THE NEXT BUDGET ACCOUNT.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

The next budget account is the Communications and Network Engineering budget.

DOIT - Communications & Network Engineering – Budget Page DOIT-49  
(Volume I)

Budget Account 721-1386

Staff has identified three closing issues with this budget account. The first would be the decentralization of the PCLAN technical services. The Department has requested, and the Governor recommended, that this service be eliminated from DoIT's service offerings based upon reduced billable hours in the current biennium. Three existing PCLAN technician positions would be transferred to the Department of Personnel, the Budget and Planning Division of the Department of Administration and the Department of Business and Industry. These transfers would produce long-term cost savings for those agencies over paying DoIT's hourly rates for this service.

E-900 Transfer From BA 1386 to BA 1385 – Page DOIT-57

E-901 Transfer From BA 1386 to BA 4681 – Page DOIT-57

E-902 Transfer From BA 1386 to BA 1363 – Page DOIT-58

E-903 Transfer From BA 1386 to BA 1340 – Page DOIT-58

E-600 Budget Reductions – Page DOIT-54

In addition, the Governor recommends one position be transferred to DoIT's Computing Division budget, which we just discussed, to support DoIT's internal budget accounts and assist the help desk service. This decentralization would affect approximately 43 Executive Branch agencies and 14 other agencies which have utilized the PCLAN technician service in FY 2006-2007. Those agencies have used only a projected total of 1,450 hours this year. This is slightly more than one average employee can bill for their services. Staff would not take exception with the recommended elimination of this service. The affected agencies would still be able to utilize the Master Service Agreement contractors or temporary employees to provide these services in the future if needed.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE DECENTRALIZATION OF THE PCLAN TECHNICIAN SERVICE WITH THE TRANSFER OUT OF FOUR POSITIONS, AND THE ELIMINATION OF TWO POSITIONS.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. GOODMAN:

Other items in this budget account include the reclassification of two staff in decision unit E-805.

E-805 Classified Position Reclassifications – Page DOIT-56

Decision unit E-275 recommends additional point-of-presence Internet service.

E-275 Maximize Internet and Technology – Page DOIT-52

Decision unit E-276 recommends the purchase of backup circuits for rural hub locations.

E-276 Maximize Internet and Technology – Page DOIT-52

Decision unit E-277 recommends a contract for maintenance of the fiber-optic vault system around the Carson City Capitol Complex.

E-277 Maximize Internet and Technology – Page DOIT-53

Decision unit E-911 recommends the transfer in of the management analyst position which was approved previously in the Director's Office budget.

E-911 Transfer From BA 1373 to BA 1386 – Page DOIT-59

Decision units E-710 and E-711 recommend replacement of core routers and hub-point routers throughout the State. This amount has been adjusted by Budget Amendment 27.

E-710 Replacement Equipment – Page DOIT-54

E-711 Replacement Equipment – Page DOIT-54

Decision unit E-720 recommends the purchase of five cellular telephone PDA devices.

E-720 New Equipment – Page DOIT-55

Decision unit E-722 recommends the purchase of event logging equipment software and hardware which has also been adjusted by Budget Amendment 27.

E-722 New Equipment – Page DOIT-56

Decision units M-800 and E-800 adjust the amount of the internal cost allocation for which staff would request authority to make technical adjustments where necessary.

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 37

M-800 Cost Allocation – Page DOIT-52  
E-800 Cost Allocation – Page DOIT-56

Decision unit E-278 recommends an outside vendor provide analysis of the State's wide area network, the SilverNet.

E-278 Maximize Internet and Technology – Page DOIT-53

Decision units E-713 and E-714 recommend replacement of eight desktop computers, four laptop computers and software and network analysis software.

E-713 Replacement Equipment – Page DOIT-55  
E-714 Replacement Equipment – Page DOIT-55

Staff would request approval to make technical adjustments, where necessary, based upon current pricing for hardware and computer equipment.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-805, E-275, E-276, E-277, E-911, E-710, E-711, E-720, E-722, M-800, E-800, E-278, E-713 AND E-714 AND AUTHORIZE STAFF TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR BEERS:

At this time, the members of the Assembly Committee on Ways and Means have had to leave the meeting, and the Senate Committee on Finance will continue with B/A 721-1387.

DOIT - Telecommunications – Budget Page DOIT-61 (Volume I)  
Budget Account 721-1387

MR. GOODMAN:

Staff has identified one closing issue with this budget account. That is the addition of a State telephone operator position to be located in Las Vegas. The State currently has two State telephone operators and is requesting a third to provide additional service, decrease response time to callers and provide disaster-recovery capability for the State.

E-251 Working Environment and Wage – Page DOIT-64

The Department has indicated the recommended position would reduce or eliminate the need for contract employee assistance. However, no reduction in the amount of contract funding has been recommended. Staff recommends that if this position is approved, the Subcommittee may wish to reduce the amount

of funding for contract positions by approximately one-half, or \$3,630, based upon the reduced need for those services.

Decision unit E-277 recommends \$125,000 in FY 2007-2008 for the purchase of additional PBX licenses. That is the private branch exchange telephone system operated by the State.

E-277 Maximize Internet and Technology – Page DOIT-65

Decision unit E-278 recommends the purchase of an inventory of replacement equipment to support the State's telephone system. This would be approximately 150 replacement telephone handsets and 10 circuit packs in each year of the biennium, at a cost of \$88,000 a year.

E-278 Maximize Internet and Technology – Page DOIT-65

Decision units E-275 and E-276 recommend enhancements to the State's telephone system. The new equipment would allow for the utilization of voice-over Internet protocol technology to allow smaller agencies to join the State's telephone system.

E-275 Maximize Internet and Technology – Page DOIT-64

E-276 Maximize Internet and Technology – Page DOIT-65

Decision unit E-721 recommends funding to increase the capacity of the State's audio conference call system. The 2005 Legislature approved funding for these purposes but additional funding of \$68,000 each year is requested at this time.

E-721 New Equipment – Page DOIT-68

Decision units E-279 and E-280 recommend additional travel and training for the Telecommunications Unit staff. This would allow for more frequent trips to Las Vegas and Elko for staff supervision and the training of new and existing staff.

E-279 Maximize Internet and Technology – Page DOIT-66

E-280 Maximize Internet and Technology – Page DOIT-66

Decision units E-281 and E-710 recommend funding for the DoIT database services to reprogram the Telecommunications Unit's billing system backup and for software upgrade for the Telecommunications Unit's Telecom billing system.

E-281 Maximize Internet and Technology – Page DOIT-66

E-710 Replacement Equipment – Page DOIT-67

Decision unit E-720 recommends funding for an additional PBX backup switch to be maintained in Las Vegas to provide continuing telephone operation in the event of an emergency or disaster.

E-720 New Equipment – Page DOIT-67

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 39

Decision units M-800 and E-800 recommend the adjustment of the amounts of internal cost allocation authority in this budget account.

M-800 Cost Allocation – Page DOIT-63  
E-800 Cost Allocation – Page DOIT-68

Staff requests authority to make technical adjustments based on the closing of other DoIT budgets and the authority to make technical adjustments based upon revised equipment costs provided by the Purchasing Division.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-277, E-278, E-275, E-276, E-721, E-279, E-280, E-281, E-710, E-720, M-800, E-800 AS RECOMMENDED BY STAFF; TO APPROVE DECISION UNIT E-251 WITH THE ADDITION OF A NEW STATE TELEPHONE OPERATOR POSITION AND REDUCE THE AMOUNT OF FUNDING FOR CONTRACT POSITIONS BY \$3,630; AND TO AUTHORIZE STAFF TO MAKE NECESSARY TECHNICAL ADJUSTMENTS.

SENATOR BEERS SECONDED THE MOTION.

SENATE: THE MOTION CARRIED. (SENATOR COFFIN WAS ABSENT FOR THE VOTE.)

\* \* \* \* \*

MR. GOODMAN:

Next is B/A 721-1388, Network Transport Services. There are no major closing issues in this budget account.

DOIT - Network Transport Services – Budget Page DOIT-70 (Volume I)  
Budget Account 721-1388

Decision unit E-253 recommends funding for additional training for staff related to microwave technology, first aid, cardiopulmonary resuscitation, snowcat operation and winter survival.

E-253 Working Environment and Wage – Page DOIT-73

This would increase training in this budget account from \$7,189 in FY 2005-2006 to \$20,667 in FY 2007-80. That is an increase of 187 percent.

Decision units E-276, E-277 and E-279 recommend spare parts for the radio systems and generators which comprise the State's digital microwave system. Budget Amendment 27 reduced these costs slightly.

E-276 Maximize Internet and Technology – Page DOIT-73  
E-277 Maximize Internet and Technology – Page DOIT-74  
E-279 Maximize Internet and Technology – Page DOIT-73

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 40

Decision unit E-280 recommends a maintenance contract for the microwave system components. Two vital components located in Carson City and Las Vegas affect all aspects of the digital microwave system.

E-280 Maximize Internet and Technology – Page DOIT-75

Decision units E-711 and E-712 recommend funding to purchase replacement vehicles. This would replace two heavy-duty utility trucks and four pickups in each year of the biennium.

E-711 Replacement Equipment – Page DOIT-75

E-712 Replacement Equipment – Page DOIT-75

Decision units E-722, E-723, E-724 and E-725 request the purchase of equipment to be used for microwave system troubleshooting and analysis.

E-722 New Equipment – Page DOIT-76

E-723 New Equipment – Page DOIT-76

E-724 New Equipment – Page DOIT-77

E-725 New Equipment – Page DOIT-77

Decision units E-713 and E-729 recommend funding to purchase replacement laptops for staff with associated software and docking stations, two network printers and ten copies of AutoCAD software to update site plans and construction drawings related to mountaintop communication sites.

E-713 Replacement Equipment – Page DOIT-76

E-729 New Equipment – Page DOIT-78

Decision unit E-817 recommends funding for access to the Department of Transportation's 800 MHz radio system for 15 radios.

E-817 NDOT MHz Radio Cost Allocation – Page DOIT-78

Decision units M-800 and E-800 adjust the amount of the internal cost allocation for this budget account.

M-800 Cost Allocation – Page DOIT-73

E-800 Cost Allocation – Page DOIT-78

Staff requests authority to make technical adjustments based upon the closing of other DoIT accounts.

Under Technical Adjustments, on page 30 of [Exhibit C](#), the amount of funding for travel in the base year was increased by a work program revision in the amount of \$10,000 to accommodate additional trips to mountaintop communication sites related to the digital radio system and phase IV of the digital microwave system conversion. Since those projects are anticipated to be completed within FY 2007-2008, the Department has indicated funding for travel should be reduced by approximately \$5,000 a year.



Staff requests authority to make technical adjustments based upon revised pricing for computer hardware.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE STAFF RECOMMENDATIONS FOR DECISION UNITS E-253, E-276, E-277, E-279, E-280, E-711, E-712, E-722, E-723, E-724, E-725, E-713, E-729, E-817, M-800 AND E-800, INCLUDING THE ADDITIONAL TRAINING IN DECISION UNIT E-253; TO ACCEPT BUDGET AMENDMENT 27; TO REFLECT DISCOUNTED EQUIPMENT COSTS QUOTED TO THE AGENCY; AND TO AUTHORIZE STAFF TO MAKE ANY TECHNICAL ADJUSTMENTS NECESSARY.

SENATOR BEERS SECONDED THE MOTION.

SENATE: THE MOTION CARRIED. (SENATOR COFFIN WAS ABSENT FOR THE VOTE.)

\* \* \* \* \*

MR. GOODMAN:

Next is B/A 721-1389, Security Division.

DOIT - Security Division – Budget Page DOIT-81 (Volume I)  
Budget Account 721-1389

With the Subcommittee's approval of transferring the security positions and expenditures to this new budget account, this budget account gains existence. Decision unit E-500 in this account is now applicable because no new positions were funded for this unit and the removal of vacancy savings is recommended by the Governor. Staff requests approval to make necessary technical corrections.

E-500 Adjustments - Transfers In – Page DOIT-81

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE STAFF'S RECOMMENDATION FOR B/A 721-1389, INCLUDING THE AUTHORIZATION TO MAKE ANY TECHNICAL ADJUSTMENTS THAT MAY BE REQUIRED FOR ADMINISTRATIVE COST ALLOCATIONS AND OFFICE LEASE EXPENDITURES BASED ON FINAL APPROVAL OF THE OTHER BUDGETS WITHIN THE DEPARTMENT.

SENATOR BEERS SECONDED THE MOTION.

SENATE: THE MOTION CARRIED. (SENATOR COFFIN WAS ABSENT FOR THE VOTE.)

\* \* \* \* \*

Joint Subcommittee on General Government  
Senate Committee on Finance  
Assembly Committee on Ways and Means  
April 19, 2007  
Page 42

CHAIR BEERS:  
There being no further business to come before the Subcommittee, the meeting is adjourned at 10:44 a.m.

RESPECTFULLY SUBMITTED:

\_\_\_\_\_  
Anne Vorderbruggen,  
Committee Secretary

APPROVED BY:

\_\_\_\_\_  
Senator Bob Beers, Chair

DATE: \_\_\_\_\_

\_\_\_\_\_  
Assemblywoman Kathy McClain, Chair

DATE: \_\_\_\_\_