

BDR 16-596 AB 302

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 25, 2017

Agency Submitting: Department of Public Safety

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

BDR 16 – 596 AB 302 Transfers the Division of Parole and Probation (P&P) from the Department of Public Safety (DPS) to the Department of Corrections (DOC). The impact to the remaining DPS Agencies would be significant but cannot be accurately estimated because of many variables. The DPS has outlined on Exhibit 1 some of the readily identifiable areas that will be fiscally impacted and the estimated costs; however, a more thorough analysis will be required to identify the full impact.

The transfer of such a large division (currently 506 FTE) from one department to another may require SFY 2018 – 2019 to be a transitional period whereby DPS will bill some expenditures to P&P until those items can be identified and requested in P&P's SFY 2020-2021 budget.

Name Susan Hohn

Title Budget Analyst 3

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Friday, March 24, 2017

The agency's response appears reasonable.

Name Paul Nicks

Title Budget Officer

Exhibit 1
BDR 16-596 (AB302)
Transfer Division of Parole and Probation from
Dept. of Public Safety to Dept. of Corrections

The full impact of the proposal to transfer the division of Parole and Probation (P&P) from the Department of Public Safety (DPS) to the Department of Corrections (DOC) would require extensive research and planning due to the myriad of integrated services and business components. Below, however, is a high-level viewpoint of the various DPS areas initially identified to experience a significant impact. The estimated minimum fiscal impact to the revenue funding source(s) needed to continue operations for the remaining divisions has been quantified as best as possible. Further detailed review would most likely result in a much larger fiscal impact.

Director's Office (DO) 4706

- Provides department-wide support in the following areas: Human Resources (Admin., Processing, Recruiting, Relations, Backgrounds), Payroll, Fiscal, Accounting, Contracts, Budget, and Administration.
- Budgeted costs in 4706 would have to be reallocated to the remaining DPS Agencies. Highway Fund would be impacted the most since the Nevada Highway Patrol (NHP) FTE percentage relative to total DPS FTE count would increase. The Director's Office (DO) FY18/19 Governor Recommended biennium budget is \$6.617 million (\$3.260/\$3.357).
- The agency has identified three positions that may be lost or transferred to DOC. They include: 1 HR recruiter, 1 HR processing (ESMTs), 1 background.
- The DO cost allocation must be reallocated to the remaining DPS agencies. The minimum estimated biennial impact will be an increase of \$1.006 million to Highway Fund and \$600,000 to various other funding sources that include General Fund, Fees and Federal Grants. This impact includes the potential cost reduction related to the aforementioned personnel.
- The SWCAP amount assigned to the DO must be re-allocated to the other DPS non-cost allocated budgets (this is separate from the DO cost allocation). The minimum estimated biennial impact will be an increase of \$66,500 to Highway Fund and \$25,000 to various other funding sources that include General Fund, Fees and Federal Grants. This impact includes the potential cost reduction related to the aforementioned personnel.
- DO budget includes EITS services allocated to all DPS Agencies – Virtual Servers, data base administration, circuits. These costs will have to be billed to DOC until they are segregated during the FY18/19 transitional period.

Evidence Vaults 4701

- For FY18/19, amounts will continue to run through the DPS cost allocation and DPS will bill DOC for P&P's use of DPS vaults.
- DOC will need to purchase evidence vaults in FY20/21 for P&P evidence.
- In FY20/21 the DO cost allocation must be reallocated to the remaining DPS agencies. The minimum estimated biennial impact will be an increase of \$153,000 to Highway Fund and \$285,000 to various other funding sources that include General Fund and Fees.

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Office of Professional Responsibility (OPR) 4701

- The agency has identified one position that may be lost or transferred to DOC. This position is a Category 1 peace officer, rank of Sergeant.
- Budgeted costs in 4707 would have to be reallocated to the remaining DPS Agencies. The minimum estimated biennial impact will be an increase of \$122,000 to Highway Fund and \$23,000 to various other funding sources that include General Fund, Fees and Federal Grants. This impact includes the potential cost reduction related to the aforementioned personnel.

General Services Division (GSD) 4702

- Dispatch – DPS will bill DOC for P&P radio traffic. No impact.
- P&P currently utilizes the DPS Records Management System (RMS-Spillman). If P&P retains access during FY18/19, amounts will continue to run through the DPS cost allocation and DPS will bill DOC for P&P's use. There are concerns, however, regarding user access controls for agencies outside of DPS. This will need to be evaluated for migration to a DOC RMS system.
- Department-wide costs consist of items, such as circuits and shared IT systems, which support all DPS Divisions and are allocated by FTE count. FY18 Gov. Rec. amount allocated to P&P - \$461,000. DPS could bill NDOC. Should these systems be separated in the future to remove P&P from the GSD cost allocation, the impact to other DPS divisions is unknown, but anticipated to be an increase to the various funding sources that include Highway Fund, General Fund, Fees and Federal Grants.
- EITS Specific Charges – These charges went from \$2.1 million in FY17 to less than \$183,000 in FY18. Previously allocated based on FTE and Application Hours. P&P's share is \$28,000. DPS could bill NDOC. Should these systems be separated in the future to remove P&P from the GSD cost allocation, the impact to other DPS divisions is unknown, but anticipated to be an increase to the various funding sources that include Highway Fund, General Fund, Fees and Federal Grants.

Training 3775

- The budget account for FY18-19 was funded 58% Highway Fund and 42% General Fund based on previous 8 academies.
- If P&P officers continue to receive training from the DPS Training Division, then there should be no change in the Highway Fund/General Fund appropriation submitted for FY18/19. The southern academy as proposed in Decision Unit E240 would also continue.
- If P&P officers are trained through POST or other resources, then the southern academy proposed in Decision Unit E240 would be eliminated and the Training Division will require a funding change to 100% Highway Fund, which equates to a biennial increase of \$928,000 to support the Training Division operations/facilities.

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- If NDOC pursued other training facilities, initially there would be no reduction in staff. However, when the NHP vacancy rate is reduced, there may be the ability to reduce one officer position due to class size.

Enterprise Information Technology Services (EITS)

- EITS will continue to support OTIS.
- EITS will charge P&P for all direct billed services. There should be no impact since P&P included estimated service quantities for EITS services in FY18-19.
- It is unknown if P&P will continue to require 24/7 Helpdesk support for their operations. The costs specific to P&P's use are unable to be determined at this time.

Other

There are several other areas where DPS and P&P are intertwined and it will require additional time to split the costs and documentation. Some of these areas include lab and other shared contracts; shared leases/facilities and related IT components.

Fiscal Impact Conclusion

Minimum estimated biennial impact/increase to Highway Fund ranges from \$1,347,500 – \$2,275,500

Minimum estimated biennial impact/increase to other funding sources including General Fund, Fees and Federal Grants is \$933,000.