



Office of the Governor

February 11, 2010

TO: All Departments

FROM: Jim Gibbons, Governor

SUBJECT: 2010 Emergency Budget Action

Please be advised that effective March 1, 2010 (unless otherwise identified) the following emergency budget actions will take effect. The Department Heads may delegate these assignments. However, the responsibility for accomplishing these tasks ultimately rests with the Department Heads.

1. All Departments shall eliminate all travel that is not related to the core mission of performing the job, health, life and safety of the employee or the public. This includes all training not directly related to maintaining the certification necessary to perform the core mission of the position/Department. Any travel not paid by the State is exempt. Fee paid travel is considered paid by the State.
2. All Departments shall eliminate all overtime that is not directly related to the core mission of performing the job, health, life and safety of the employees or of the public. Every supervisor shall provide to the Department Head or assigned designee written documentation of any overtime accrued. The documentation shall illustrate how the overtime was directly related to those parameters. Any overtime accrued within the enforcement staff of the Departments of Public Safety, Corrections, Gaming, Wildlife and Industrial Relations shall be assumed to be directly related to those parameters. The Department of Administration's Audit Division shall randomly conduct overtime audits within those divisions in order to assess compliance with this directive.
3. Effective Central Payroll PP20 (March 8, 2010), no request to accelerate a salary of a new or promoted employee will be approved by the Department of Personnel until further notice.
4. Effective Central Payroll PP20 (March 8, 2010), all temporary adjustments to salaries (+5%), with the exception of those legislatively mandated, will be rescinded until further notice. Please contact your human resource representative to ensure compliance with all requirements necessitated by this change.
5. Given the potential of involuntary terminations and their associated regulations, I direct a hiring freeze be implemented.

The current fiscal condition of the state warrants consistent controls over salaries as well as contracts to outside vendors. The budget deficit requires both a detailed surgical approach and a broad scan of Nevada's fiscal health in order to achieve the reductions necessary to comply with the constitutional requirement of balancing the budget.

To that end, I further direct:


- A. All Departments shall analyze all contracts. Efforts should be made to reduce each contract by at least 15%. A report shall be prepared and submitted to the Department of Administration; Director's Office and copied to the Purchasing Division. The report shall list the following: a) the contract participants; b) purpose of contract; c) total cost of the contract for each fiscal year; and d) efforts made to reduce contract

by 15%. A column within the report should also illustrate which of these contracts are absolutely mandatory for the protection of health, life or safety of state employees and/or of the public (“core mission”). Lastly, a citation of the applicable law for those legally required contracts shall be included in the last column of the report and a copy of the applicable law shall be attached to the report. A contracts analysis spreadsheet can be found on the Purchasing Division’s website at <http://purchasing.state.nv.us> to be used for reporting by all Departments.

- B. All Departments, State Agencies, the Supreme Court System, the University and Community College System, Boards and Commissions must analyze their existing real property leases. Leases entered into within the last two years should reflect current market conditions however if they do not, they are to be renegotiated along with existing leases commencing prior to January 1, 2008. On the leases identified within the above parameters, an effort shall be made by each agency to contact their landlords’ to obtain approval to reduce their lease expense by at least 15% for the sixteen months effective March 1, 2010 (Fiscal Years 10 and 11). The savings achieved shall not be added to the remaining lease term. Reporting: All leases, including those to be renegotiated, are to be reported on the template format titled “Governor’s Request – Report of Leases” posted on the Buildings and Grounds Website (Go to <http://bandg.state.nv.us>. Click on ‘Services’, then click on ‘Leasing Program’ and at the bottom of the page click on ‘Download Governor’s Request – Report of Leases’). Initial reports must be e-mailed to the relevant Budget Analyst within Department of Administration, Director’s Office, and to the Buildings and Grounds Division, at rday@bandg.state.nv.us no later than February 22, 2010. For those reductions achieved, agencies under the jurisdiction of Buildings and Grounds lease amendments shall be prepared for them by B & G.

Thank you all for your continued efforts. Given the economic correction and the dire financial circumstances created for all Nevada residents it is incumbent upon all departments, no matter how they are funded, to comply.

We are one Nevada.



JIM GIBBONS
Governor