

# DEPARTMENT OF ADMINISTRATION

preserving the past, serving today, planning for tomorrow



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## GOVERNOR'S 2018-2019 BUDGET OVERVIEW PRESENTATION

LEGISLATIVE COMMISSION'S  
BUDGET SUBCOMMITTEE

JANUARY 26, 2017

PATRICK CATES, DIRECTOR



# DEPARTMENT LEADERSHIP



**Patrick Cates, Director  
Department of Administration**



**Evan Dale, Administrator  
Administrative Services Division**



**Keith Wells, Administrator  
Fleet Services Division**



**Bryan Nix, Senior Appeals Officer  
Hearings & Appeals, Victims of Crime**



**Jeff Kintop, Administrator  
Library, Archives, & Public Records**



**Jeff Haag, Administrator  
Purchasing Division**

**Lee-Ann Easton, Deputy Director  
Department of Administration**

**Shanna Rahming, Administrator &  
State Chief Information Officer  
Enterprise IT Services Division**

**Connie Lucido, Chief  
Grants Office**

**Peter Long, Administrator  
Human Resource Management**

**Gus Nunez, Administrator  
Public Works Division**

**Ana Andrews, Administrator  
Risk Management Division**

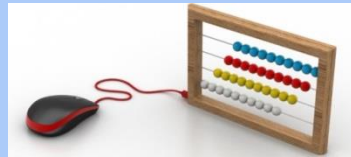


# DEPARTMENT STRUCTURE

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Department of Administration Consists of the Director's Office and the following ten divisions:

- Administrative Services
- Enterprise IT Services
- Fleet Services
- Grants Procurement, Coordination and Management
- Hearings & Appeals and Victims of Crime
- Human Resource Management
- Library, Archives & Public Records
- Public Works (including Buildings & Grounds)
- Purchasing
- Risk Management



# SHARED SERVICES MODEL

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## Department of Administration represents a shared services model for State government:

- **Fiscal Services, Human Resources, Procurement, Fleet Services, and Information Technology** are examples of functions suitable for a shared services model
- **Shared Services** provided by an internal service provider
- **Internal Service Funds** funded by using agency via assessments and billed services
- **Internal Service Funding Model** regulated by the Federal government in order to receive federal financial participation, reducing burden on General Fund
- **Efficiency** gains through economies of scale, standardized procedures and skills
- **Cost effective** compared to duplicative services across agencies
- **Allows agencies** to focus on their business instead of support functions
- **Customer Service** focus is key to success of the shared services model

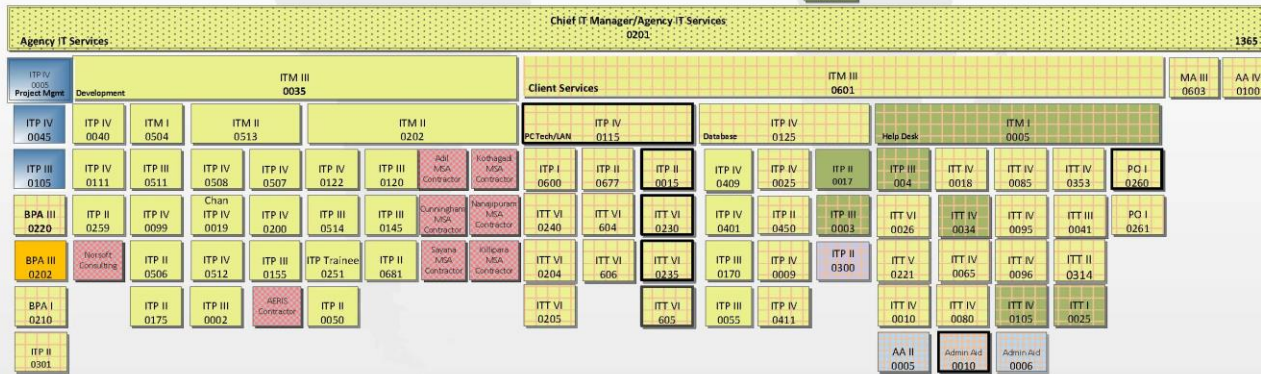
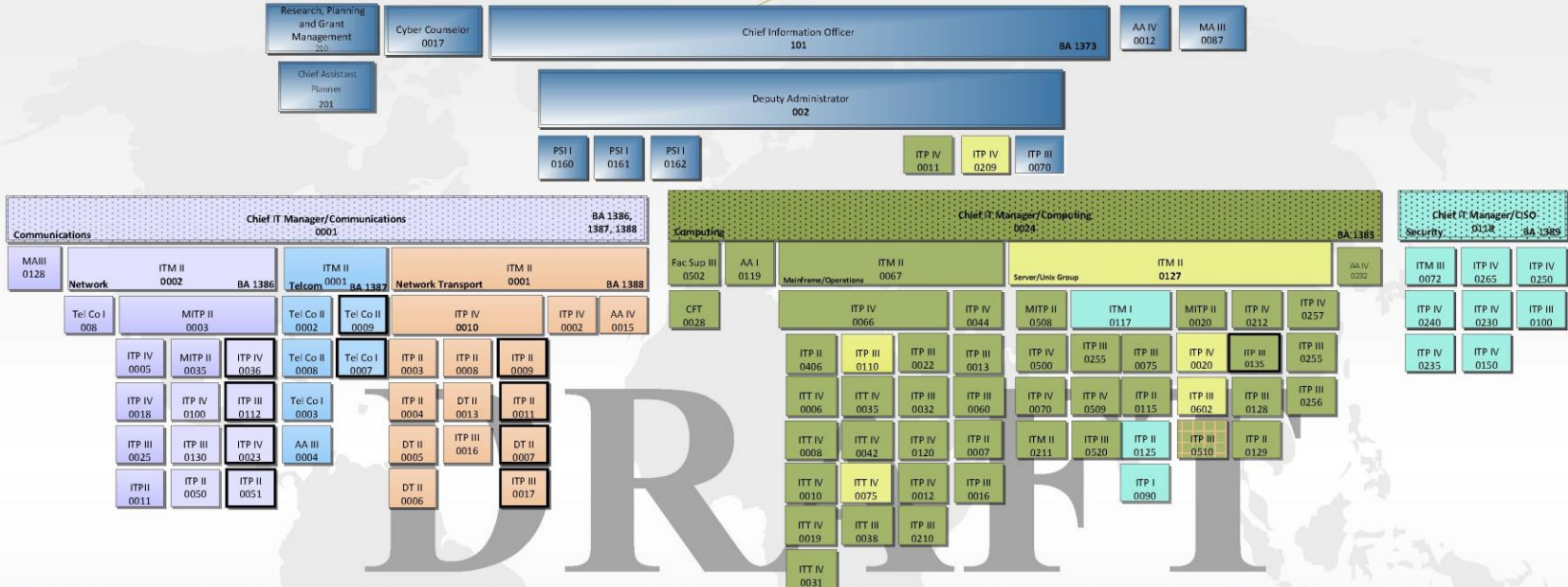
# Enterprise IT Services Reorganization

A total of 23 FTEs are being moved within the division to build a full service Agency IT Services Unit for GO, DOA, and DPS in order to clearly align functions between enterprise wide services and agency level services to better serve EITS customers. Includes IT Manager, IT Pro, Business Process Analyst, IT Tech, and Admin Assistant positions.

		<b>In</b>	<b>Out</b>	<b>Net</b>
<b>1365</b>	<b>Agency IT Services</b>	<b>11.00</b>	<b>(6.00)</b>	<b>5.00</b>
<b>1337</b>	<b>Director's Office</b>	<b>0.00</b>	<b>(1.00)</b>	<b>(1.00)</b>
<b>1373</b>	<b>Office of the CIO</b>	<b>3.00</b>	<b>(4.00)</b>	<b>(1.00)</b>
<b>1385</b>	<b>Computer Facility</b>	<b>9.00</b>	<b>(6.00)</b>	<b>3.00</b>
<b>1387</b>	<b>Telecommunications</b>	<b>0.00</b>	<b>(2.00)</b>	<b>(2.00)</b>
<b>1389</b>	<b>Security</b>	<b>0.00</b>	<b>(4.00)</b>	<b>(4.00)</b>
	<b>Total FTEs</b>	<b>23.00</b>	<b>(23.00)</b>	<b>0.00</b>

# Revised EITS Org Chart:

## State of Nevada EnterpriseIT



- ### Units
- Office of the CIO & BA 1373
  - BA 1365
  - BA 1385
  - BA 1386
  - BA 1387
  - BA 1388
  - BA 1389
  - BA 1337
  - EITS Contractors
  - Fill Dots = Report to CIO
  - Bold Outline = Vegas/Elko Position
  - Agency IT Services (Proposed)
  - Bolded Names = Managers/Supervisors

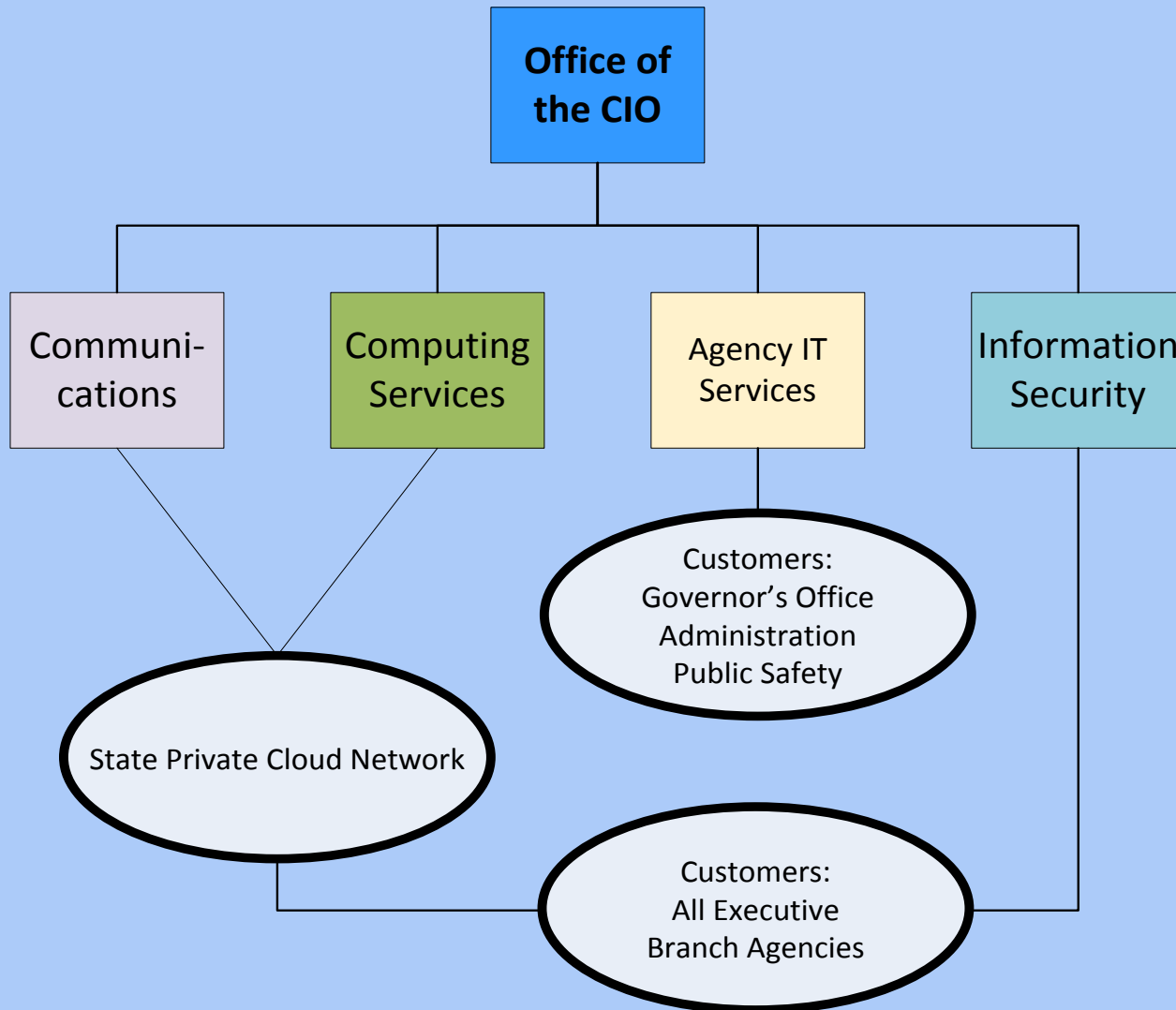
FY 18/19 DRAFT

PLEASE NOTE: REORGANIZATION CONCEPT - DRAFT COPY

9.27.16 CONCEPT DRAFT



# EITS Summary Org Chart



# IT Infrastructure Investments

Protecting and Enhancing State IT Resources for the New Nevada





# Cyber Security

Cyber Security resources to protect the State's IT infrastructure and sensitive data from cyber attack

## Enterprise IT Services Division

**Biennial Total: \$3,425,200**

**Office of Information Security**

**FY18:** \$844,314    **FY19:** \$1,190,337    **FTEs:** 2.00

**Computer Facility**

**FY18:** \$347,182    **FY19:** \$ 142,561

**Network Transport Services**

**FY18:** \$ 53,582    **FY19:** \$ 42,909

**General Fund Loan**

**FY18:** \$497,625    **FY19:** \$ 306,690

- 5-year payback

- Systems Monitoring & Security Optimizing Tools
- Cyber Threat Risk Assessment & Risk Managers
- Server Protection – firewalls, security, discovery tools
- Network Protection – log manager, firewalls
- Physical Security – server cage locks



# Bigger Pipes

Enhance SilverNet bandwidth and last mile connectivity to facilitate customer usage, disaster recovery, redundancy, and infrastructure for cloud computing initiatives

## Enterprise IT Services Division

**Biennial Total: \$6,907,970**

**Data & Network Engineering**

**FY18:** \$1,562,392 **FY19:** \$2,288,455

**FTEs:** 2.00

**Network Transport Services**

**FY18:** \$ 528,265 **FY19:** \$ 529,963

**FTEs:** 2.00

**General Fund Loan**

**FY18:** \$1,998,895 **FY19:** \$ 0

- 5-year payback

- 10 GB connectivity North-South
- Upgrade Las Vegas internet infrastructure
- Upgrade switching infrastructure
- Expands network capacity
- Replaces and upgrades critical end-of-life equipment
- Adds personnel to design and maintain new infrastructure



# Information Technology

Applications for an Efficient and  
Responsive State Government



# ERP Project

Replacement of the State's 18-year old financial and human resources system with a modern Enterprise Resource Planning system to increase statewide productivity and enhanced decision making for resource allocation

## Department of Administration

### **Special Appropriations**

**FY18:** \$15,000,000 **FY19:** \$0

- Major functional areas of ERP – financial, HR, procurement, grants management, budgeting
- 2014 benchmark study showed Nevada lagging behind other states in efficiencies of it's financial and HR processes
- \$1 million appropriation in 2015 Session for process documentation and RFP development
- Seeking funding for implementation of Financial system in FY 2019
- Project ranked #2 in priority by the State IT Strategic Planning Committee

# ERP Governance & Project Timeline

- Executive Committee – Department of Administration, Governor's Finance Office, State Controller
- Stakeholder Subcommittees chaired by Dept. of Administration leadership: Financial, Human Resources, Procurement, IT
- Other stakeholder agencies: NDOT, DMV, DPS, DHHS, State Treasurer, NDOC, NDOW
- Project Team (vendors) – project manager and team of business process analysts
- Project Kick-off meeting with all stakeholders held in April 2016
- Project Team has been documenting processes for each functional area, with emphasis on finance since last summer
- Vendor demonstrations are currently in progress
- RFP development will begin February with RFP to be released next fall
- Contract award anticipated by early 2018
- Financial system implementation by end of FY 2019

# E-Procurement

Addition of a commercial off-the-shelf system to fully automate the procurement of products and services statewide

## Purchasing Division

### **E-Procurement**

**FY18:** \$550,000    **FY19:** \$ 450,000

- Automates currently manual RFPs and Contracting processes
- Facilitates “on contract” spending through robust catalogue and control features
- Allows online vendor registration and cataloguing
- Provides analytics for better procurement decision making
- Funding via vendor fees and rebates (standard practice in industry)
- Project ranked #4 in priority by the State IT Strategic Planning Committee



# Grants Management System

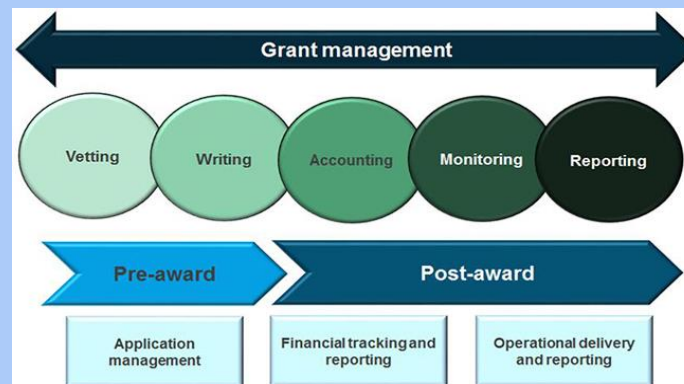
Addition of commercial, off-the-shelf web application to automate statewide grants management functions currently performed ad hoc by agencies without uniform tools or reporting

## Grants Office

### Software Subscription

FY18: \$212,718 FY19: \$211,104

- Enhance Nevada's efficiency in grants management administration
- Improve opportunities for future awards
- Integrates with ERP with emphasis on reporting and sub-recipient monitoring
- Ranked #16 by the State IT Strategic Planning Committee





# Microsoft Office 365

Statewide Hybrid Cloud system for email, office productivity, and intranet sharing with mobile capabilities to enhance productivity of the State workforce

Department of Administration  
**Office of Information Security**  
**Director's Office**

Biennial Total: \$2,249,693

**FY18:** \$844,314    **FY19:** \$1,190,337    **FTEs:** 2.00  
**FY18:** \$124,762    **FY19:** \$90,280

- Unified, shared system across State government
- Customizable to meet agency needs
- Replaces current aged and fragmented email systems
- Cloud Pilot implemented in current biennium
- Includes Dept. of Admin licensing, personnel, and vendor services
- Onboard State agencies budgeted for licensing during biennium
- Standard service for all State agencies in future biennia



# Electronic Workflow & E-Signature

Addition of commercial, off-the-shelf web application for electronic workflow and e-signature for online form submissions pursuant to SB236 (2013 Session) as well as automation of internal workflows

## Enterprise IT Services Division

### **Software Subscription**

**FY18:** \$247,500 **FY19:** \$247,500

- Provide tool for all agencies to automate work flows and forms processing
- Enhances customer service to the public
- Cost effective means to increase productivity and enhance customer service
- Minimizes costly and time consuming custom programming of legacy applications



# Other Budget Initiatives

**Workforce, Infrastructure, and  
Resources to Enhance Customer  
Service**

## Fleet Services Division

**Southern Nevada Maintenance Facility**      **FY18:** \$541,783    **FY19:** \$0

Planning for construction of a facility at the Grant Sawyer site to provide fleet services to Las Vegas base state agencies

**Southern Nevada Staffing Increase**      **FY18:** \$36,884    **FY19:** \$50,214      **FTEs:** 1.00

Addition of Fleet Service Worker position for the current Las Vegas facility to keep up with program growth in Southern Nevada

## Grants Office

**Clerical Support**      **FY18:** \$50,322    **FY19:** \$62,361      **FTEs:** 1.00

Addition of Administrative Assistant position to support the office and the Nevada Advisory Council on Federal Assistance created through Senate Bill 214 of the 2015 Legislative Session

## Enterprise IT Services Division

**Workforce Development**      **FY18:** \$24,091    **FY19:** \$32,098      **FTEs:** 0.51

Addition of part-time Public Service Intern position to provide a career path for college students in IT fields while also enhancing entry level technical support

**Enhanced 911**      **FY18:** \$168,027    **FY19:** \$42,873

Addition of an E-911 system to correctly identify locations from Voice over IP (VoIP) calls for emergency first responders to enhance safety in State facilities

**Small Agency Phones**      **FY18:** \$41,819    **FY19:** \$41,819

Addition of telephone equipment to consolidate remaining small State agencies to the upgraded EITS Enterprise VoIP common platform

# Efficiencies & Reductions

Savings for responsible management of public resources

## Eliminate Admin Services Officer and add unclassified Legal Counsel

Purchasing Division	FY18: \$11,921	FY19: \$8,954	FTEs: 0.00
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## Eliminate clerical positions and add Admin Services Officer

Administrative Services Division	FY18: \$-62,280	FY19: \$-31,932	FTEs: -2.00
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## Eliminate local government records retention services

Library, Archives, & Public Records	FY18: \$-91,005	FY19: \$-92,291	FTEs: -1.00
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## Reduce printed publication purchases & eliminate World Book Encyclopedia subscription

Library, Archives, & Public Records	FY18: \$-95,556	FY19: \$-95,556	
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## Reduce private lease expense by moving position from Las Vegas to Carson City

Library, Archives, & Public Records	FY18: \$ -5,839	FY19: \$-5,845	
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## Reduce Replacement Vehicles by 33%

Fleet Services Division	FY18: \$-633,366	FY19: \$-556,385	
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## Remove Redundant Microwave Circuits

Enterprise IT Services Division	FY18: \$-2,119,461	FY19: \$-2,088,005	
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# Efficiencies & Reductions – cont'd

## Eliminate written testing for recruitment and two related positions

Human Resource Management Division FY18: \$-202,233 FY19: \$-166,374 FTEs: -2.00

## Eliminate vacant Admin Assistant position

Human Resource Management Division FY18: \$-41,044 FY19: \$-53,354 FTEs: -1.00

## Eliminate vacant part-time Chief Assistant for Planning & retiring Special Advisor positions

Enterprise IT Services Division FY18: \$-65,798 FY19: \$-174,476 FTEs: -1.51

## Eliminate vacant Admin Assistant position

Director's Office FY18: \$-55,488 FY19: \$-57,384 FTEs: -1.00

**TOTAL BIENNIAL SAVINGS: \$6,672,797**

# DEPARTMENT BILLS

- **AB41:** Revises the qualifications of the Public Works Division Administrator
- **AB72:** Deletes SPWB Review of local government revisions to Uniform Plumbing Code
- **AB81:** Revision to Interim Finance Committee (IFC) process for acceptance of gift or grant
- **SB38:** Revises language to include local governments and school districts as potential customers
- **SB39:** Revision to posting solicitation and notices of award
- **SB44:** Issuance of permits to private contractors
- **SB45:** Remove UNR and UNLV from Facility Analysis Group scope
- **SB72:** Removes reference to Merit Board expenditure limit and timeframe review
- **SB80:** Consolidation of PEBP and Deferred Comp programs under Dept. of Administration
- **BDR 17A0831556:** Provide authority for Purchasing to establish fees for vendors
- **BDR 17A0831558** Provide authority for Purchasing to retain General Counsel to provide legal review of solicitation and contracting process





*“That’s all Folks!”*