



DEPARTMENT OF ADMINISTRATION

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ALL AGENCY MEMORANDUM #2007-36

December 17, 2007

TO: All Agencies

FROM: Andrew K. Clinger, Director
Department of Administration

SUBJECT: RECOMMENDATIONS FOR 4.5% BUDGET RESERVES

Per the Governor's press release on Friday, December 14th, the target budget reserves for agencies has been reduced from 8% to 4.5%. Therefore, agencies will need to reevaluate their budget reserves and submit them to the Budget Office. A separate spreadsheet is attached listing the revised total target each department's budget reserve recommendations must meet. The deadline to provide the recommended budget reserves to the Budget Office is the close of business on Friday, December 21, 2007. Agencies will only have inquiry access after the deadline. As with the prior process, the Budget Office is requesting that **all** recommendations be entered into the Nevada Executive Budget System (NEBS) in department priority order.

Please note, the recommended budget reserves remain confidential and should not be disclosed per the October 31, 2007 memorandum sent to all department directors from Josh Hicks, General Counsel and Deputy Chief of Staff to the Governor. The budget reserves will not be made public until the Governor approves a final plan.

The Budget Office has reopened the NEBS version used for the 8% budget reserves (version L01R – BUDGET RESERVES – LEG APP in Budget Period 2007-2009 Biennium). Agencies should enter their recommended 4.5% budget reserves in the L01R version. Since department reserve recommendations are confidential, legislative staff will not have access to this version and this information should not be shared with them at this time.

Please use the same groupings of decision units identified in All Agency Memorandum 2007-30. Each recommendation for a budget reserve entered into NEBS must utilize one of those decision unit numbers.

Department's are also being requested to submit a soft copy summarizing the priorities, similar to those used during the budget reserve meetings.

Agencies should not submit work programs for FY 2008 or FY 2009 until the Governor has approved a final budget reserve plan.

Detailed instructions and examples were provided in All Agency Memorandum 2007-30. You may find it helpful to review this information to re-familiarize yourself with the process. Please contact your assigned budget analyst if you have any questions regarding this process or using NEBS.

This memorandum, and all other All Agency Memorandums issued by the Director of the Department of Administration, is posted on the Budget and Planning Division's website at <http://budget.state.nv.us/> under the memos link.

Thank you,



Andrew K. Clinger, Director