



MINUTES

GOVERNMENT OPERATIONS AND AUDIT COMMITTEE

**First Meeting
2005 Interim**

**LCR 1
March 21, 2005**

The first meeting of the Government Operations and Audit Committee was called to order by Chair Klaudt at 3:00 p.m., March 21, 2005, in the Legislative Conference Room 1, State Capitol Building, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senators Jerry Apa, William Earley, Jason Gant, John Koskan and Garry Moore; and, Representatives Michael Buckingham, Ted Klaudt, Margaret Gillespie, Gerald Lange, and Deb Peters.

Staff Members present were Marty Guindon, Auditor General, and Gary Hoscheid and Robert Christianson, State Government Audit Managers for the Department of Legislative Audit (DLA). Annie Mehlhaff, Principal Fiscal Analyst represented the Legislative Research Council.

(NOTE: All referenced documents are on file with the Master Minutes.)

Approval of Minutes

Representative Peters moved, seconded by Senator Koskan that the minutes of the December 7, 2004 meeting be approved. Motion prevailed unanimously on a voice vote.

Corrections Report

Robert Christianson gave an overview of Department of Corrections (DOC) information requested by the committee (**Document #1**). Mr. Christianson answered committee questions. The committee requested DOC prepare condition statements for all DOC funds and that the Department of Corrections be present at the next meeting to answer additional questions.

The committee requested that Rodger Leonard, State Comptroller, provide the committee with an updated report on cost savings attained since the last report to the Committee and to appear before the committee at the next meeting to discuss issues concerning state contracts.

DOC Personnel - Executive Session

Representative Peters moved, seconded by Senator Koskan, that the committee enter Executive Session to discuss personnel issues relating to the Department of Corrections. Motion prevailed unanimously on a voice vote. The committee went into executive session at 3:45 p.m.

Senator Moore moved, seconded by Representative Klaudt, to come out of Executive Session at 4:25 p.m. Motion prevailed unanimously on a voice vote.

Interim Planning

The committee requested that DLA staff prepare a listing of all contracts for the Department of Agriculture and the Department of Public Safety, and mail the listing to committee members before the next meeting. Committee members can examine the listing of contracts and prepare questions. The committee also requested that the Department of Agriculture and Department of Public Safety be present at the next meeting.

A hand out was provided to the committee which included an overview of the Other Funds and Federal Funds on the state accounting system administered by various state agencies. **(Document #2)**

The committee requested an update on encumbered funds which will be discussed at the next meeting.

The committee requested that a listing of all audit reports filed in the Auditor General's office and the associated audit requirements for non-profit and quasi-governmental entities be prepared and submitted to the committee for review.

Department of Social Services - Child Protection

Representative Klaudt reported to the committee that he had received numerous complaints concerning the Department of Social Services, Child Protection Division. He proposed that the Secretary of the Department of Social Services and the Director of Child Protection be present at a future meeting to explain the process followed by Child Protection Services and answer committee questions. He proposed holding up to possibly three open hearing sessions across the state to receive public testimony concerning Child Protection Services. LRC staff will obtain a mailing list from Department of Social Services of any correspondence received from clients concerning complaints, neglect, abuse or termination of parental rights so that a letter can be sent to these clients informing them of the open hearings to be held on Child Protection Services.

Future Meeting

The next committee meeting is scheduled for May 1st and 2nd in Springfield, South Dakota.

The committee adjourned the meeting at 5:00 p.m.



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