

MINUTES

Government Operations & Audit Committee



Senator Ryan Maher, Chair
Representative Sue Peterson, Vice Chair

Fourth Meeting, 2019 Interim
Thursday, July 18, 2019

Room 413 – State Capitol
Pierre, South Dakota

The fourth meeting of the 2019 Interim Government Operations and Audit Committee (Committee) was called to order by Chair Maher at 8:03 a.m., July 18, 2019, in room 413, State Capitol Building, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Representatives Bordeaux, Latterell, Haugaard, Peterson and Senators Wismer, Wiik and Maher. Representative Karr joined by conference call. Senators Rush and Cronin were excused.

Staff member present was Tim Flannery, State Government Audit Manager for the Department of Legislative Audit (DLA).

NOTE: For purpose of continuity, the following minutes are not necessarily in chronological order. The bulleted items below each agenda item are documents sent out by the Committee.

Approval of Minutes

Representative Peterson moved, seconded by Representative Latterell, the minutes of the June 11, 2019 meeting be approved ([Minutes 6-11-19](#)). Motion prevailed unanimously on a voice vote.

Item 1 – Follow-up on performance management indicators for the Department of Agriculture (SDCL 2-6-37)

- [Letter to Agriculture Doc.2](#)
- [Agriculture Proposed Metrics Doc.2a](#)

Dani Hanson, Policy Advisor for the Department of Agriculture (SDDA), was present to address the Committee. She provided SDDA's mission and presented the [updated performance management indicators](#). She stated that metrics one and two are the same as what was presented during the April Committee meeting. Representative Latterell suggested tracking volunteer fire departments' accountability over grant funds.

Ms. Hanson advised the third metric measures activities within the Division of Resource Conservation and Forestry by providing planning resources. Metric four measures activities within the Agricultural Services Division by measuring the percentage of pesticide violation allegations where SDDA made initial contact with the complainant within one business day of receipt of the allegation. The fifth metric is to report information on the number and size of farms in South Dakota.

Chris Petersen, Finance Officer for the SDDA, was present to address the Committee. He provided additional information from their budget report regarding the number of fire training sessions, the total

amount and number of grants approved, and the number of rural fire department inspections performed. The Committee discussed the effectiveness of metric five. Senator Wiik moved, seconded by Senator Wismer, to adopt the SDDA's metrics one through four. Representative Latterell suggested adding a metric that measures customer satisfaction. Ms. Hanson advised that they have considered a similar metric but would have several obstacles to overcome. The motion prevailed 6-1 on a roll call vote. Representative Latterell moved, seconded by Representative Peterson, to develop a customer satisfaction metric as their fifth metric for the Committee's approval. The motion prevailed 7-1 on a roll call vote.

Item 2 – Follow-up on performance management indicators for the Department of Transportation (SDCL 2-6-37)

- [Letter to Transportation Doc.3](#)
- [Transportation Proposed Metrics Doc.3a](#)

Darin Bergquist, Secretary of the Department of Transportation (DOT), was present to address the Committee. He provided updates to their [performance measures](#), including more recent data in customer satisfaction. He advised they have looked at ideas regarding a new performance measure involving railroads and are open to suggestions from the Committee. Senator Wismer suggested reporting on the conditions of State-owned rail lines as a performance metric.

Joel Jundt, Deputy Secretary for DOT, was present to address the Committee. He discussed the five sections of South Dakota highways that are gravel, totaling about 66 miles. He also discussed how they decide when to build road shoulders and road widening. Mr. Jundt advised that DOT works very closely with the Department of Public Safety and tribal and municipal governments to reduce the number of crashes on highways.

Senator Wiik moved, seconded by Representative Peterson, to accept all of DOT's performance management indicators as presented. Senator Wismer made a substitute motion, seconded by Representative Haugaard, to change the Pavement Condition metric to an Infrastructure Condition metric and include a measure of the relative condition of the State-owned rail lines. The substitute motion prevailed 7-1 on a roll call vote. Senator Wiik moved, seconded by Representative Peterson, to accept the DOT's amended performance management indicators. Motion prevailed unanimously on a roll call vote.

Item 3 – Department of Corrections to present the reports on abuse and neglect in private placement facilities for the period July 1, 2018 through June 30, 2019 (SDCL 26-11A-33.1)

- [Letter to Corrections Doc.4](#)

Mike Leidholt, Secretary for the Department of Corrections (DOC), introduced himself to the Committee. Kristi Bunkers, Juvenile Division Director for DOC, was present to address the Committee. She presented the two semi-annual reports on abuse and neglect in private care facilities. The reports covered the dates of 07/01/18 – 12/31/18 and 01/01/19 – 06/30/19. She explained how the information in the report is obtained and some of the processes within the DOC. All their staff are mandated reporters and are required to report any incident of abuse or neglect. All the facilities that DOC contracts with for the placement of youth are required to be licensed. The South Dakota Department of Social Services (DSS)

is the licensing authority for our State and provides oversight and monitoring of the facilities. There is a process performed by DOC to monitor the out of state facilities.

The first report included seven incidents at in-state providers; four incidents fell under the injury during restraint category and three incidents under the alleged abuse and neglect category. Ms. Bunkers advised that DSS did not substantiate any cases of abuse or neglect in any of the incidents in the first report, but one report of injury during restraint was forwarded to local law enforcement. She summarized the seven incidents.

The second report included eight incidents, with three incidents falling under the injury during restraint category and five under the alleged abuse and neglect category. Six of the incidents occurred at in-state programs. The Minnesota Department of Human Services did substantiate one abuse and neglect case. Ms. Bunkers summarized the eight incidents.

Item 4 – Department of Corrections and the Department of Social Services to discuss the recently released report from the South Dakota News Watch organization about the Aurora Plains Academy

- [Letter to Social Services Doc.5](#)
- [SD News Watch Report Doc.5a](#)

Laurie Gill, Secretary of the Department of Social Services (DSS), was present to address the Committee. She emphasized that part of DSS's mission is to strengthen and support individuals and families. Ms. Gill advised that she has been tasked to lead a full analysis of the process for licensing and inspecting the facilities that provide care for children and youth in South Dakota that are under the purview of DSS.

Virgena Wieseler, Division Director for Child Protection Services (CPS) in DSS, was present to address the Committee. She provided information on what DSS is tasked with in terms of the facilities that care for children within our State. All of the facilities are privately operated and have never been State-operated. Ms. Wieseler discussed the facility renewal process.

Representative Haugaard asked if there was a reason why none of the facilities are State-operated. Ms. Wieseler advised that none of the facilities have been State-operated since she's been with DSS. Ms. Gill advised that she is starting an ongoing analysis of the entire picture and hopes to have preliminary comments and discussion by mid to late August. She advised that the South Dakota News Watch report spanned over ten years, and through time, there have been plans of correction, modifications and processes to make things better.

Item 5 – South Dakota School for the Deaf and the Board of Regents to provide follow-up information from the June 11, 2019 meeting including:

- **A map of the locations of deaf students in the State**
- **Why the University Center in Sioux Falls was not considered for the new location for the School for the Deaf**
- [Letter to SDSL Doc.6](#)
- [SDSD Map Doc.6a](#)
- [Factbook School Districts Doc.6b](#)
- [Factbook Counties Doc.6c](#)
- [Demographic Data Doc.6d](#)
- [Outreach Data Doc.6e](#)

Marjorie Kaiser, Superintendent of the South Dakota School for the Deaf (SDSD) and the South Dakota School for the Blind, was present to address the Committee. She provided background information on

the SDSD and their audiology program. Kim Wadsworth, Outreach Director for SDSD, was present to address the Committee. She provided a South Dakota [map](#) showing the locations of kids that they serve. She described the various types of hearing loss. South Dakota has eleven consultants and they all need to have a Deaf Education background. There is one consultant in the Aberdeen area, six in the Sioux Falls area, one in Pierre, one in Hot Springs, one in Deadwood and one in Rapid City. SDSD's mission statement is that they are partners in educational success. Ms. Wadsworth advised that they are finishing their strategic plan and will implement it in the fall. She advised that nationwide, outreach programs are growing.

Angela Ellman provided public testimony to the Committee. She advised that she attended SDSD as a child and described her experiences. She feels that South Dakota could do a better job with outreach for deaf and hard of hearing students.

Mark Johnson provided public testimony to the Committee. He provided his input on the TCF property and described his experiences with the location. Mr. Johnson also described his experiences from when he attended SDSD, having the opportunity to feel like they had a place to fit in.

Anne Land provided public testimony to the Committee. She provided information on the importance of American Sign Language (ASL) and early education. She respectfully requested that the TCF property not be the final location of SDSD. She described the struggles they have endured trying to get a good education for her daughter. Senator Wismer asked if the deaf community was aware of the TCF property transaction. Ms. Land advised that she was not aware until the deal was done.

Teresa Nold provided public testimony to the Committee. She provided insight in to her experience as a part of the deaf community. She voiced her concern that the services could be further diminished as a result of the TCF location. She advised that there is no deaf education available in South Dakota.

Benjamin Suka provided public testimony to the Committee. He recommended the issue of governance for SDSD be considered, as they should be focused on special education, not higher education. He questioned whether the new location was the best use of funds.

Representative Peterson asked if there were any other states where the educational opportunities for the deaf community seemed to be working. Patty Kuglitsch discussed her knowledge of the Florida School for the Deaf and feels that the numbers of students would swell with a system like theirs. Ms. Kuglitsch also suggested finding a more suitable location for the SDSD, finding better solutions for tracking school aged students and look at increased funding for SDSD.

Senator Maher asked about educational opportunities for those out of high school. Ms. Kaiser advised that Augustana University has interpreter training, but there are no in-state schools that offer teacher of the deaf programs. Paul Beren, Executive Director for the Board of Regents (BOR), was present to address the Committee. He advised that having deaf education at the new Community College for Sioux Falls offers great opportunities.

Callista Cline, a former teacher of the deaf in western South Dakota, provided public testimony to the Committee. She described how students learn a lot by socializing with other deaf people.

Item 6 – Review the annual work plan and report of the State Board of Internal Control (SDCL 1-56-7)

- [Letter to BFM Doc.7](#)
- [SBIC Annual Report Doc.7a](#)

Liza Clark, Commissioner of the Bureau of Finance and Management (BFM), was present to address the Committee. She reviewed background information on the State Board of Internal Control (SBIC) and advised they are working towards implementing a statewide internal control system framework. Mark Quasney, Statewide Internal Control Officer with BFM, was present to address the Committee. He reviewed highlights of the SBIC's work over the last year and provided an internal control program status update. Ms. Clark discussed the SBIC's current year work plan. Senator Wismer asked about the schedule for getting all State agencies on the internal control framework. Ms. Clark advised this is a long-term process and they hope to be able to move faster in the future.

Item 7 – Future meeting dates

The next Committee meeting date will be set at a later date.

A motion was made by Senator Wiik to adjourn, seconded by Representative Peterson. The motion passed on a voice vote.