



**Joint Committee on Appropriations**

SENATOR JOHN WIİK, CO-CHAIR  
REPRESENTATIVE CHRIS KARR, CO-CHAIR

March 29, 2019

Dr. M. Greg DeSautel, Secretary  
Department of Social Services  
Kneip Building  
Pierre, SD 57501

**Letter of Intent Regarding Department of Social Services Lean Management Audit**

Dear Secretary DeSautel:

This Letter of Intent sets forth a particular view held by the Joint Committee on Appropriations (JCA) in approving your appropriation in the 2019 Legislative session. As such, this Letter of Intent seeks to supplement that legislation with specific policy guidance as approved on March 29, 2019.

While the guidance does not have the direct force of statutory law, it rests solidly on a long-standing tradition of Legislative-Executive relationships in South Dakota and it will be used by the Joint Committee as one basis for the fiscal oversight of your agency and its continued funding.

It is the intent of the Committee to provide funding from the Legislative Priority Pilot Program Contingency Fund for the purpose of conducting a Lean audit of the Department of Social Services' Medicaid claims process and other areas as the Department sees fit. The objective of this audit may include: identifying new performance measures for greater efficiency, improving the allocation of resources, and enhancing communication with legislators, state employees, and the public. The Lean audit and the use of the Legislative Priority Pilot Program Contingency Fund was utilized previously for similar audits of the Bureau of Information and Telecommunications, the Department of Labor and Regulation, the Bureau of Administration, and the Department of Corrections. In order for the JCA to proceed with this project, as per SDCL 4-8A-12, the Executive Board of the Legislature must approve by a majority vote the transfer and expenditure of these monies.

Thank you for your cooperation.

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Senator John Wiik  
Lead Co-Chair, Joint Committee on Appropriations

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Representative Chris Karr  
Co-Chair, Joint Committee on Appropriations

cc: Marty Guindon, Auditor General  
Liza Clark, Commissioner, Bureau of Finance and Management