



MINUTES

GOVERNMENT OPERATIONS AND AUDIT COMMITTEE

**First Meeting
2010 Interim
June 9, 2010**

**Room 413
State Capitol
Pierre, South Dakota**

The first meeting of the 2010 Interim Government Operations and Audit Committee was called to order by Chair Tieszen at 10:05 a.m., June 9, 2010, in LRC Room 413, State Capitol Building, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senators Jean Hunhoff, Craig Tieszen, and Jeffrey Haverly; Representatives Deb Peters, Paul Dennert, Quinten Burg, and Charles Turbiville. Senators Margaret Gillespie and Julie Bartling, and Representative Kent Juhnke were excused.

Staff members present were Mr. Martin L. Guindon, Auditor General, Mr. Bob Christianson, and Mr. Tim Flannery, State Government Audit Managers for the Department of Legislative Audit (DLA).

Approval of Minutes

Representative Turbiville moved, seconded by Representative Burg, the minutes of the January 11, 2010 meeting be approved. Motion prevailed unanimously on a voice vote.

Department of Human Services – Recently Reported Incidents of Abuse and Review of Various Programs (Doc's. 2, 9, 10, 11, 12, 13, 14, 15, 16, and 17)

Executive Session – Reported Incidents of Abuse from Juvenile Corrections Monitor

Representative Turbiville moved, seconded by Senator Hunhoff to go into Executive Session to discuss the reported incidences of abuse involving juveniles in Correction's facilities. Motion passed unanimously on a voice vote.

The Committee came out of executive session and took no action on matters discussed in executive session.

Mr. Tim Reisch, Secretary of the Department of Corrections answered Committee questions regarding review of the two cases of substantiated abuse discussed in the aforementioned executive session. Mr. Reisch testified that the two employees involved in the substantiated abuse are no longer employed with the Department of Corrections. Mr. Reisch also testified that the first case has been turned over to the State's Attorney with no charges filed at this time. The second case is still under investigation.

Representative Turbiville moved, seconded by Senator Haverly to approve the reports of substantiated abuse from the Juvenile Corrections Monitor. Motion passed unanimously on a voice vote.

Department of Human Services – Review of Various Programs

Mr. Jerry Hofer, Secretary of the Department of Human Services, and Mr. Dan Lusk, Deputy Secretary of the Department of Human Services were present to review information the Department of Human Services provided in regards to Medicaid/Medicare billing; maintenance, repair, and use of the Redfield facility; the Human Services prescription drug program; and federal accounts set aside for maintenance and repair projects. The Committee requested further information on project costs incurred and estimated costs to completion. There was no further discussion.

Department of Corrections – Rapid City Unit Update (Doc. 3)

Secretary Reisch testified that after a South Dakota Supreme Court ruling in favor of the State of South Dakota on May 5, 2010, the Department of Corrections is planning to start construction after July 1, 2010. Mr. Reisch estimates completion dates of November 2010 for the parole offices and November 2011 for the housing unit. Mr. Doug Hermann, Director of Juvenile Services, Department of Corrections, then addressed the Committee on techniques/training used for employees hired at correctional facilities.

Department of Social Services – Follow Up With Respect to the Report on Abuse and Neglect in Private Placement Facilities (Docs. 22 and 23)

Ms. Deborah Bowman, Secretary of the Department of Social Services, and Ms. Kim Malsam-Rysdon, Deputy Secretary of the Department of Social Services were present to address the Committee. Ms. Bowman reviewed the Department of Social Services policies regarding group care centers seclusion and restraint rules, and licensing and renewal policies for South Dakota treatment facilities. There was no further discussion.

Department of Legislative Audit – Review of Single Audit Report for FY2009 (Doc's. 5, 6, and 7)

Mr. Bob Christianson, Department of Legislative Audit was present to address the Committee. Mr. Christianson provided a detailed overview of the FY2009 Single Audit and separately issued audits performed by the Department of Legislative Audit and independent public accountants. There was no further discussion.

Department of Education – State Aid to School Districts (Doc's. 4 and 21)

Ms. Tamara Darnall, Director of Finance for the Department of Education addressed the Committee on new procedures for determining the amount of state aid provided to school districts. The new procedures will be put in place for school year 2010-2011. There was no further discussion.

Future Items for Discussion

- Corn Utilization Council – Fiscal year 2009.
- Blue Book

Future Meeting Date

August 24, 2010 at 10:00 a.m.

Representative Turbiville moved, seconded by Representative Peters, to adjourn the meeting. Motion prevailed unanimously on a voice vote.

The Committee adjourned the meeting at 4:05 p.m.



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