

## State Board of Finance Minutes

Tuesday, November 15, 2016  
2:00 p.m.

Governor's Small Conference Room  
Capitol Building

**Board members present:** Tony Venhuizen, Office of the Governor; Teresa Bray, Office of the Secretary of State; Ann Holzhauser, Office of the Attorney General; Dennis Keith, Office of the State Auditor; Jeff Holden, Commissioner of Bureau of Administration, and Jim Terwilliger, Bureau of Finance and Management. Guests included Dr. Mike Rush, Monte Kramer and Sara Rankin, Board of Regents; Jan Talley, Department of Transportation; Kayla Dowling, Office of the Secretary of State; and Michele Brich, South Dakota Hotel and Lodging Association.

**Call to order:** Tony Venhuizen called the meeting to order at 2:02 pm.

**Agenda:** Tony Venhuizen moved to amend the agenda by adding Dr. Mike Rush and Monte Kramer to the beginnings of the action items portion of the agenda to discuss the Board of Regents plan to coordinate with the Obligatory Recovery Center (ORC). Jeff Holden seconded to accept the agenda as amended. A voice vote was taken. The motion carried.

**Minutes:** Jeff Holden moved to accept the October 18, 2016 minutes, with the correction changing OBC to ORC. Jim Terwilliger seconded to approve the minutes as corrected... A voice vote was taken. Motion carried.

**Professional Recruitment:** Jim Terwilliger moved and Dennis Keith seconded to approve the following professional recruitments. A roll call vote was taken and the motion carried unanimously.

- South Dakota School of Mines and Technology
  - Danielle J. Serratos
- University of South Dakota
  - Alex Antonen

**State Hosting Reimbursement Request – SDCL 3-9-2.1:** A motion was made by Jeff Holden and seconded by Jim Terwilliger to approve the following State Hosting Reimbursement requests. A roll call vote was taken and the motion carried unanimously.

- Governor's Office of Economic Development
  - Eric Fosheim
  - Scott Stern

Regarding the following two requests, the board deferred action pending further justification from Patrick Baker as to whether these requests were State Hosting or Home Station Reimbursements. In addition additional information was requested regarding who the expenses were for.

- Department of Tourism
  - Patrick Baker (2 requests)

**Home Station Per Diem Reimbursement Request – SDCL 3-9-2.2:** The request from Department of Health for the employee engagement training on December 13, 2016, appeared to be in order. The board will review the actual request once the event has occurred and the documentation is resubmitted for approval.

A motion was made by Dennis Keith and seconded by Jeff Holden to approve the following Home Station Per Diem Reimbursement requests. A roll call vote was taken and the motion carried unanimously.

- Department of Education
  - SD Dyslexia Handbook review on August 16, 2016
  - SD Dyslexia Handbook review on October 19, 2016

NOTE: *This meeting is being held in a physically accessible place. Individuals needing assistance, pursuant to the Americans with Disabilities Act, should contact the Secretary of State's Office at (605) 773.3537 in advance of the meeting to make any necessary arrangements.*

- Secretary of State
  - Campaign Finance Task Force Meeting on October 14, 2016
- South Dakota Retirement System
  - Board meeting on November 3, 2016

**Action Item:** Dr. Mike Rush and Monte Kramer presented the plan for how the Board of Regents (BOR) would like to participate with the ORC. They noted that the BOR can opt in or out of participation. Dr. Rush stated that the increase in the debt level threshold to \$1,000 before licensing is restricted was agreeable with the BOR. He then explained that the BOR is dealing with two types of debt – past debt from 2011 and prior and current debt from 2012 to present. All 2011 and prior debt has already been through two debt collection agencies and the BOR would like to submit this debt for write off. For the current debt the BOR would like some discretion in how the debt is run through the process. All debt over \$250 would be referred to the ORC for collection purposes. Debt under \$250 would be evaluated by the BOR. This would be after the normal process of three notices about the debt being mailed, with one being by certified mail. Monte Kramer clarified that the universities do not ever remove a forgiven debt from the record. The debt is held on the record and if the individual applies to attend the university again in the future, all past debt must be paid first. The BOR asked if the Board of Finance would be okay with debt of less than \$250 not going through the ORC. CGI, the debt collection agency has set the minimum limit for collection at \$50. Jeff Holden stated that there should be consistency between all the agencies if the minimum limit is changed to \$250. Tony Venhuizen stated the BOR could move forward with the plan as presented.

Regarding the request submitted in October 2016 from the Board of Regents for lodging over state rate, Sara Rankin stated the original request that should have been sent to the State Auditor for pre-approval did not get forwarded. This was not discovered until after expenses were being submitted by those who attended the Research Affairs Council meeting. Sara was asking for the board to approve the amount that was over the state rate.

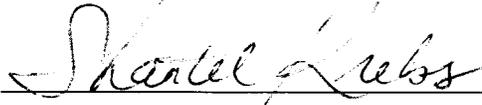
A motion was made by Jeff Holden and seconded by Jeff Holden to approve the following requests for reimbursement of lodging expenses over the state rate. A roll call vote was taken and the motion carried unanimously.

- Request from South Dakota Board of Regents for over state rate lodging for Mary Berry, Kevin Kephart, Nathan Lukkes, Mark Hawkes and Mel Ustad for the South Dakota Board of Regents Research Affairs Council meeting in Spearfish from July 27-28, 2016.
- Request from Department of Game, Fish, and Parks for over state rate lodging for Heather Berg, for the Black Hills Digital Mapping Association annual conference in Rapid City from October 3-5, 2016.
- Request from Board of Pardons and Paroles for over state rate lodging for Myron Rau for Parole Hearings held in Pierre on October 17, 2016.
- Request from Department of the Military for over state rate lodging for Don Nothem, HVAC technician, that was unable to get state rate for a stay in Moberly on October 25, 2016.

Teresa Bray updated the board that the administrative rules revisions were approved at the Interim Rules Committee hearing the prior day. These changes will go into effect on December 5<sup>th</sup>. A discussion was held regarding electronic signatures. It was decided that additional information was needed. Tony Venhuizen requested Teresa Bray to provide information regarding the statutory changes the Secretary of State's office made to accept electronic signatures at the next meeting.

Regarding the legislation that had been proposed by the Legislative Research Council, Tony Venhuizen requested that Teresa Bray and Ann Holzhauser prepare the recommended changes for review at the next meeting. And concerning the verbiage for the Secretary of State's website regarding the ORC and write offs, Jeff Holden will provide Teresa the information.

**Adjournment:** Jim Terwilliger moved and Dennis Keith seconded to adjourn the meeting. The meeting was adjourned at 2:45 p.m.

A handwritten signature in cursive script, reading "Shantel Krebs", is written over a horizontal line.

Shantel Krebs, Secretary of State