

State Board of Finance

Minutes

Tuesday, October 16, 2018
2:00 p.m.

Governor's Small Conference Room
Capitol Building

Board members present: Ellie Bailey; Office of the Governor, Teresa Bray, Office of the Secretary of State; Ann Holzhauser, Office of the Attorney General; Jenna Latham, Office of the State Auditor; Marianne Gabriel, Office of the State Treasurer; Leah Svendsen, Bureau of Administration; and Colin Keeler, Bureau of Finance and Management. Guests included: Kayla Dowling, Office of the Secretary of State; Rick Murray, Jasper Diegel and Katie Sieverding, South Dakota Hotels and Lodging Association; Nathan Sanderson, South Dakota Retailers Association; Chris Peterson, Department of Game, Fish and Parks; Ashley Waibel, Department of Agriculture; and Brian Zeeb, Division of Criminal Investigation.

Call to order: Ellie Bailey called the meeting to order at 2:00 p.m.

Agenda: A motion was made by Leah Svendsen and seconded by Colin Keeler to approve the agenda as presented. A voice vote was taken. Motion carried.

Minutes: A motion was made by Colin Keeler and seconded by Leah Svendsen to approve the minutes from the meeting on September 18, 2018. A voice vote was taken. Motion carried.

State Transfers: A motion was made by Colin Keeler and seconded by Jenna Latham to approve the following State Transfers. A roll call vote was taken, and the motion carried unanimously.

- Department of Corrections
 - Kristofer Karberg
- Department of Game, Fish, and Parks
 - Trevor Johnson
- South Dakota State University
 - Mary J Isaacson

Professional Recruitment: A motion was made by Leah Svendsen and seconded by Colin Keeler to approve the following Professional Recruitments. A discussion was held regarding electronic signatures, as three of the requests included electronic signatures, not original signatures that were scanned or faxed. It was agreed that the motion to approve would include these three requests and further discussion regarding election signatures would be deferred until November. A roll call vote was taken, and the motion carried unanimously.

- South Dakota Board of Regents
 - Christopher Lee Myers
- Black Hills State University
 - Quintin Owens
- Dakota State University
 - Lisa Hardie
 - Zhiyuan Sun
- Department of Game, Fish, and Parks
 - Jason Jungwirth
 - Cameron Goble
- Northern State University
 - Assia Baker
 - Megan Frewaldt
- South Dakota State University
 - Cameron Simaz
- University of South Dakota
 - Anthony James Franken
 - Melissa Antinori Berninger
 - Jennifer M Lemaster
 - George Stephenson Smith
 - Sebastian Wai

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.*

State Hosting Reimbursement Requests – SDCL 3-9-2.1: A motion was made by Colin Keeler and seconded by Leah Svendsen to approve the following State Hosting Reimbursement requests. A roll call vote was taken, and the motion carried unanimously.

- Department of Tourism
 - Stephanie Palmer

Home Station Per Diem Reimbursement Request – SDCL 3-9-2.2: A motion was made Teresa Bray and seconded by Leah Svendsen to approve the following Home Station Per Diem Reimbursement requests. A roll call vote was taken, and the motion carried unanimously.

- Department of Education
 - Kristin Jerome, Melissa Flor, Wendy Trujillo, and Lisa Turner who attended the Governor’s Special Education Advisory Panel meeting on September 18, 2018 in Pierre.
- Department of Human Services
 - Bernie Grimme who attended the Governor’s Special Education Advisory Panel meeting on September 18, 2018 in Pierre.
- Department of Game, Fish, and Parks
 - Law enforcement training reimbursements for Kendyll Jones, Daniel Dirks, and Spencer Carstens for the month of August.
- Department of Labor and Regulation
 - Unemployment Insurance Division Conference held on September 12-13, 2018 in Pierre.
- South Dakota Retirement System
 - SDRS Board of Trustees meeting held on September 6, 2018 in Pierre.

Action Items: A discussion was held regarding the request from the South Dakota Retailers Association and South Dakota Hotels and Lodging Association to reconsider increasing the state lodging rate to 80% of the current federal lodging rate. Jasper Diegel, South Dakota Hotels and Lodging Association, stated the last time this topic was discussed was December 2017. At that time the Board deferred further discussion until the revenue and budget projections were more favorable. Jasper indicated that the state rate for lodging was the lowest in the surrounding states and that the hotels needed help given the increasing costs for running the hotels. Jasper encouraged the Board to consider the increase. Rick Murray, South Dakota Hotels and Lodging Association, also spoke about the rising costs of running a hotel and that the state last increase for lodging was made in 2015. He encouraged the Board to pass the increase to 80% of the federal rate. Nathan Sanderson, South Dakota Retailers Association, spoke about the last increase which was four years ago. He also discussed the increased sales tax each hotel has incurred without an increase from the state rate. Nathan encouraged the Board to consider a rate change. It was also pointed out that an administrative rules process would be required to implement a new rate if the Board voted to do so. With the end of an administration and transitional time of a new one, the Board agreed to defer this action until a meeting date yet to be determined after the new administration takes office.

A discussion was held regarding a request for an exception regarding the per diem guidelines. Brian Zeeb, Interim Director for DCI, presented a problem with ARSD 5:01:02:17, which does not provide for per diem for state employees that work hours after the designated hour requirement. Zeeb stated this has been a long-standing issue for DCI agents that are required to work through the night hours on investigations or other Division functions without per diem for a meal. Specifically brought to the Board’s attention were three DCI agents working the Sturgis Motorcycle Rally. The home station for each is Rapid City, and each were required to work from 6:00 pm to 3:00 am in Sturgis. The State Auditor’s office denied their request because of the administrative rule. After a lengthy discussion, Colin Keeler moved and Leah Svendsen seconded to approve the request and provide relief to these three employees’ hardship. A roll call vote was taken, and the motion passed. There were seven ayes, with the Attorney General’s office abstaining. A letter would be provided to include with their vouchers. The Board agreed this problem should be revisited.

Debt Write Off: Leah Svendsen moved and Colin Keeler seconded to approve the following debt write off request. A roll call vote was taken and the motion carried unanimously.

- University of South Dakota submitted one debt write off totaling \$16,439.02.

Public Comment: Meeting was open to the public for comment. There was none.

Adjournment: A motion was made by Colin Keeler and seconded by Leah Svendsen to adjourn the meeting. The meeting was adjourned at 2:50 p.m.