

# State Board of Internal Control Minutes

Date: 3/25/26

Time: 10:30 am

Location: Room 414, State Capitol Building (4th floor),  
500 E. Capitol Ave., Pierre, SD

## 1) Call to Order

## 2) Roll Call of Board Members

- Steven Kohler called the meeting to order at 10:34 a.m.
- Allysen Kerr called the roll.

Members present:

- Kellie Beck – DOT (absent, excused)
- Heather Forney – BOR
- Amanda Jost – BIT
- Brenda Tidball-Zeltinger – DSS
- Chris Petersen – GFP (joining remotely)
- Rich Sattgast – State Auditor
- Steven Kohler – BFM
  - 1. Quorum is present

## 3) Approval of Meeting Agenda

- Motion to approve agenda.
  - IT WAS MOVED by Heather Forney, seconded by Amanda Jost
  - The motion carried with a voice vote

## 4) Approval of Minutes from Last Meeting

- Motion to approve minutes from December 19, 2025
  - IT WAS MOVED by Brenda Tidball-Zeltinger seconded by Heather Forney
  - The motion carried with a voice vote.

## 5) Recurring Discussion Items

### a) Sub-recipient Audit Notifications from Department of Legislative Audit (SDCL 1-56-9)

#### 1. Early Childhood Connections

- **Presenter:** Steve Rasmussen
- **Entity:** Department of Social Services
- **Findings:** 2024-001 (Written Uniform Guidance Policies)
- **Questioned Costs:** None
- **Repeat Finding:** Yes
- **Comments/Action:**  
Finding 2024-001 – Working with the Internal Control team regarding remediation plan

### b) GOAC Update

- None.

## 6) Internal Control Quarterly Report

### a) Statewide:

- The internal control framework focuses on continuous monitoring, testing, and reporting, and has been implemented across 27 agencies with two more onboarding. Agencies document and periodically review their objectives, risks, and controls, while semi-annual attestations for high and critical risks ensure controls are operating effectively and as intended.
- This report summarizes those assessments, highlighting strong statewide participation—959 questionnaires sent to 224 control owners with a 99.3% response rate—demonstrating effective coordination and supporting ongoing visibility into the state’s risk environment.
  - **Total risks identified to date:** 13,365
  - **High and critical risks identified:** 2,649 (≈20% of total risks)
  - **Controls documented and implemented:** 3,533
  - **Control issues identified this period:** 39
  - **Control Issue Process**
    - Each issue is reviewed with the agency’s internal control officer to determine:
      - **One-time execution failures** – Closed and monitored for recurrence.
      - **Ongoing or implementation-phase issues** – Assigned a remediation plan, owner, and follow-up date.
      - Each agency’s internal control officer will present their individual reports and remediation plans.

### b) Agency

- i. **Department of Game Fish and Parks – Chris Petersen**
  - a. Risks: 375 documented
  - b. Completion: 93.3% attestations on time
  - c. Issues: 10
- ii. **Department of Military - Leanne Reindl**
  - a. Risks: 81 documented risks
  - b. Completion: 100% attestations on time
  - c. Issue: None
- iii. **Department of Public Safety – Angela Lemieux**
  - a. Risks: 264 documented
  - b. Completion: 100% attestations on time
  - c. Issues: 1

- iv. **Department of Social Services – Kayla Dowling**
  - a. Risks: 897 risks documented
  - b. Completion: 100% attestations on time
  - c. Issues: 17 control issues
  
- v. **Department of Health - Cally Hall**
  - a. Risks: 447 risks documented
  - b. Completion: 100% attestations on time
  - c. Issues: 7 control issues
  
- vi. **Department of Education – Cody Stoesser**
  - a. Risks: 518 documented risks
  - b. Completion: 100% attestations on time
  - c. Issues: 0
  
- vii. **Department of Labor & Regulation – Jacob Frohreich**
  - a. Risks: 348 Risks documented
  - b. Completion: 100% attestations on time
  - c. Issues: 3
  
- viii. **Department of Veterans Affairs - Leanne Reindl**
  - a. Risks: 192 Risks documented
  - b. Completion: 100% attestations on time
  - c. Issues: 0
  
- ix. **Public Utilities Commission – Cindy Kemnitz**
  - a. Risks: 115 documented risks
  - b. Completion: 100% attestations on time
  - c. Issues: none
  
- x. **South Dakota Retirement System – Brittne Adamson**
  - a. Risks: 346 documented risks
  - b. Completion: 100% attestations on time
  - c. Issues: 1
  
- xi. **Department of Agriculture & Natural Resources – Darcy Keiser**
  - a. Risks: 814 documented risks
  - b. Completion: 100% attestations on time
  - c. Issues: none

#### **7) Framework Project Update**

- a. Kerr: Implementation is nearing completion, with work underway at the Governor’s Office and soon resuming with the Secretary of State’s Office, after which all state agencies will be onboarded.
- b. At the same time, the annual RCM review is about 72% complete across agencies, with strong collaboration helping keep the process on track to meet the June 30 fiscal year-end deadline.

- 8) **Other Discussion Items**
- 9) **Agenda Items for Next Time**
- 10) **Public comment**
- 11) **Adjourn meeting at 11:23 a.m.**
  - Adjourned by voice vote.

DRAFT