

Interim Committee Minutes

Government Operations and Audit Committee

The first interim meeting of the Government Operations and Audit Committee was called to order by Representative Overweg at 9:00 AM on June 30, 2026, in Room 412 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering roll call: A quorum was determined with the following members answering roll call: Sen. Foster, Sen. Grove, Sen. Karr (remote), Sen. Otten (remote), Rep. Auch, Rep. Emery (remote), Rep. Lems, Sen. Howard (remote), and Rep. Overweg. Rep. Moore was excused.

Staff members present included Mitch Honan, Fiscal Analyst; Jacob Carlson, Senior Research Analyst; and Kaitlyn Baucom, Administrative Specialist.

NOTE: For the purpose of continuity, the following minutes are not necessarily in chronological order. All referenced documents distributed at the meeting are hyperlinked to the document on the Legislative Research Council website. This meeting was live streamed. Each section contains a hyperlink to the time stamp pertaining to that item in the archived live stream available at sdlegislature.gov.

Approval of Minutes

Representative Julie Auch moved, seconded by Representative Karla J Lems, to approve the minutes of the November 13, 2025, Government Operations and Audit Committee meeting. The motion prevailed on a voice vote.

Department of Legislative Audit

Mike Kogelmann, Department of Legislative Audit, shared a presentation and report. [2. DLA FY25 Single Audit Presentation](#) [2. DLA FY25 Single Audit Report \(3:03\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their first audit finding and recommendations for the Board of Economic Development and answered questions from the committee. [2. DLA FY25 Single Audit Presentation \(22:10\)](#)

Mike Kogelmann, Department of Legislative Audit, touched on their first audit finding and recommendations for the Department of Revenue and answered questions from the committee. [2. DLA FY25 Single Audit Report \(26:16\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their third audit finding and recommendations for the Department of Human Services (DHS) and answered questions from the committee. [2. DLA FY25 Single Audit Presentation \(36:40\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their fourth audit finding and recommendations for the DHS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(38:19\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their fifth audit finding and recommendations for the DHS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(43:53\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their sixth audit finding and recommendations for the DHS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(45:23\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their seventh audit finding and recommendations for the Department of Social Services (DSS) and Department of Health and answered questions from the committee. [2. DLA FY25 Single Audit Report \(50:14\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their eighth audit finding and recommendations for the DSS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(54:43\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their ninth audit finding and recommendations for DSS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(1:00:03\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their tenth audit finding and recommendations for DSS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(1:05:46\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their eleventh audit finding and recommendations for DSS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(1:08:24\)](#)

Lisa Schofield, Department of Legislative Audit, touched on their twelfth audit finding and recommendations for DSS and answered questions from the committee. [2. DLA FY25 Single Audit Report \(1:10:21\)](#)

Russell Olson, Auditor General, shared information about the process. [\(1:18:32\)](#)

Mike Kogelmann, Department of Legislative Audit, touched on their remaining audit findings and recommendations for the Soybean Research and Promotion Council, Corn Utilization Council, and Wheat Utilization, Research and Market Development Commission and answered questions from the committee. [2. DLA FY25 Single Audit Report \(1:20:07\)](#)

Russell Olson, Auditor General, answered questions from the committee. [\(1:22:03\)](#)

Representative Karla J Lems moved, seconded by Senator Tamara R Grove, to acknowledge receipt of the Single Audit Report prepared and submitted by the Auditor General pursuant to SDCL 4-11-2. The motion prevailed on a voice vote. [\(1:25:25\)](#)

Russell Olson, Auditor General, shared a report and answered questions from the committee. [3. DLA Compilation of State Board Disclosures FY2026 \(1:26:00\)](#)

Representative Karla J Lems moved, seconded by Representative Julie Auch, to acknowledge receipt of the annual report from the Auditor General detailing the authorizations to derive direct benefit from a contract pursuant to SDCL 3-23-3. The motion prevailed on a voice vote. [\(1:33:16\)](#)

State Board of Internal Control

Jim Terwilliger, Board of Internal Control, Bureau of Finance and Management, talked about the work of the State Board of Internal Control. [\(1:34:19\)](#)

Allysen Kerr, Bureau of Finance and Management, shared a presentation on the State Board of Internal Control. [4. BFM 2026 State Board of Internal Control \(1:36:57\)](#)

Jim Terwilliger, Board of Internal Control, Bureau of Finance and Management, answered questions from the committee. [\(1:51:32\)](#)

Representative Karla J Lems moved, seconded by Representative Julie Auch, to acknowledge receipt of the annual work plan prepared and submitted by the State Board of Internal Control pursuant to SDCL 1-56-7. The motion prevailed on a voice vote. [\(1:53:15\)](#)

South Dakota Brand Board

Debbie Trapp, South Dakota Brand Board, shared a report. [5. Brand Board Report CY2025 \(1:54:18\)](#)

Kory M. Bierle, South Dakota Brand Board, answered questions from the committee. [\(2:08:30\)](#)

Representative Karla J Lems moved, seconded by Representative Julie Auch, to acknowledge receipt of the annual report prepared and submitted by the Brand Board pursuant to SDCL 40-18-18. The motion prevailed on a voice vote. [\(2:10:18\)](#)

Public Comments

The following individuals offered public comments:

Renae Ann Randall, Self (Renae Ann Randall, Self Handout)

Adjournment

Representative Karla J Lems, seconded by Senator Tamara R Grove, that the Government Operations and Audit Committee be adjourned. The motion prevailed on a voice vote.

The Government Operations and Audit Committee adjourned at 11:26 AM.