Chair Darryll Farmer called the meeting to order at 1:30P.M.

Item 1. APPROVAL OF MINUTES
Approve the minutes of the June 19, 2012 board meeting as submitted. John Sullivan made a motion to approve, seconded by Dr. Bernard Poeschel. The motion passed on a unanimous vote.

Item 2. REORGANIZATION OF AGENDA
None.

Item 3. PUBLIC APPEARANCES
There were no public appearances.
Item 4. BOARD MEMBERS’ MATTERS

Chair Darryll Farmer asked board members if there were any issues they would like to discuss.

Dr. Bernard Poeschel questioned the date of the next board meeting conflicting with hunting season. Dr. Charles Brokopp responded that we would check on the date of hunting season.
Chair Darryll Farmer discussed sand mining in Wisconsin with regards to air quality issues. He mentioned that problems with sampling methodology may exist. Steven Strebel responded that silica is an issue and that the analytical techniques do not lend themselves well for sensitivity of samples. Dr. Henry Anderson questioned how we would be paying for testing of silica particles. He further questioned the industrial hygiene standard of how much of this air is okay for us to breathe (in the workplace vs. at home with no clear-out time). John Sullivan asked members to send him an email with their concerns and he can provide an answer to the board.

Item 5. FISCAL YEAR 2012 YEAR-END CLOSEOUT REPORT

1) Jim Sterk, Wisconsin State Laboratory of Hygiene

Jim Sterk noted that our year-end annual budget as of June 30, 2012 was $1,378,482 (Net Operating Income) with an actual value of $3,959,454 giving us a favorable variance of $2,580,972. Our total revenues were almost $4 Million over budget and our expenses driven by revenue were an additional $1.4 Million. The largest revenue was through state agencies. We did not originally anticipate this revenue in the budget. Part of this was driven by a chemical and bioterrorism grant and a cytology grant with DHS for testing and education worth $800,000 to $900,000 total.

The next largest variance was non agency revenues. This was primarily in CDD with increased work load and testing. Also CDD’s work with APHL was a factor. GPR funding took a $488,060 hit. OWI Fund revenues have not been fully funded so we took a $303,026 hit. These grants are issued conservatively so typically in the year we come out ahead of budget.

Salaries came out at $17,194,762 with an under variance of $991,798. Fringe benefits came out at $6,666,061 with an under variance of $654,011. With supplies and services we came out with an over variance of $3,049,804. This is because we had over $4 Million in additional program revenue that provided funding for extra supplies. We had increased revenues and increased expenses of $1,414,450 (a 3.5% favorable variance). Agency revenue had the most significant variance with about $17,000,000 (the DHS contract supporting cytology is a major contributor to this). GPR and OWI funding for this year is less
than the prior year. Grant funding is also down from the prior year because the SCID grant expired last September. UW Program Revenue has a huge hit for this year of $882,800. Compared to last year, our revenues are up 1.4%.

Dr. Brokopp commented that in Fiscal year ’12 the $131,400 is fund 127 for the driver improvement surcharge. DOA took that money from us initially and then given back to us.

Jim Sterk continued to mention that we had a total working capital of $9,591,776. Our available working capital is $7.6 Million which is an improvement from prior quarters, months, and years. We do have a fair amount of cash on our books right now. Some are held on reserve and on operating contingency and also with trace metals, the LIMS investment, and anticipated costs of the relocation of Henry Mall.

Jeffery Kindrai questioned if we reduced the fringe benefits to offset the contributions of retirement. Jim Sterk responded to say that this was done in this year’s budget also. Dr. Brokopp noted that there was a 6% reduction in fringe benefit dollars from the year before.

Jim Sterk addressed concerns of costs of double billing and assured that GPR is a one year fund covering current expenses based on current costs. Jim Sterk mentioned that we have had a big favorable variance because of vacancies. Sterk noted that the basic agreement (funded by GPR), would otherwise be a fee for service which is funded by the individual or insurance. Dr. Brokopp noted that last year on basic agreement we went to total cost. We increased the basic agreement by 1.6 million dollars to cover that. We are using the fee that the board has established so we are not trying to track different fee schedules for different people. When we went from direct cost to total cost, we added 1.6 million to the basic agreement to cover the added amount. This was all provided when we negotiated the FY12 contract.

Item 6. APPROVAL OF DEPARTMENT OF HEALTH SERVICES BASIC AGREEMENT

1) Dr. Charles Brokopp, Board Member, Director Wisconsin State Laboratory of Hygiene

Dr. Brokopp mentioned that the basic agreement for DNR and DHS were presented at the last board meeting. The DHS basic agreement needed table updating. The DNR had the secretary sign their agreement and it was approved by the board. We would like to thank Karen McKeown for moving this forward. Funding provided to DHS for FY13 is about $3.6 Million. This includes the lapse of $76,500; however, the funds for FY13 are $102,650 more than last year. This is because last year there was a lapse of about $180,000 which we had to take
out of the basic agreement. This was a one-time reduction. This money came back to us for FY13, but we had to implement a much smaller lapse. Because the lapse of $76,500 has gone down from $180,000, we will now have more available funds. The fee schedule of the basic agreement for FY12 contained less than half of the fees of what we were actually charged. Lapse was allocated based on the percentage of GPR that went to the DNR, and the percentage held by the University for internal use.

Darryl Farmer made a motion to approve and second the agreement. Dr. Poeschel and Sue Buroker motioned to approve with Jeffery Kindrai abstaining.

Item 7. FORENSIC TOXICOLOGY TASK FORCE REPORT

1) David Webb, Wisconsin State Laboratory of Hygiene

David Webb mentioned that this report culminates the work of a lot of people. This took three meetings starting in late 2011. A lot of work was done by Pat Harding and Laura Liddicoat in toxicology. We ended up agreeing on a goal of 60-90 days for alcohol and drug turn-around time. The drug tests are roughly 20X more difficult to complete than the alcohol tests. There are several task force recommendations we are working on. First, implementing Lean/6 Sigma quality improvements in terms of where materials are located and sample storage. Second is promoting remote court testimony. Almost every day someone is leaving the lab to go testify. We want to reduce this. We will look into video or telephone testimony as an alternative. There is a lot of legal precedent regarding these situations that makes it difficult for us to say no to testifying. We want to see a huge decrease in blood alcohol tests to see a meaningful FTE deficiency. Dr. Brokopp added that a lot depends on local law enforcement agencies with regards to breath alcohol testing. For example, it is a lot more difficult for smaller law enforcement agencies to do breath alcohol testing. It is easier for them to take the blood sample and send it to us. For larger jurisdictions, it makes more sense for them to do breath alcohol on site. Here’s the problem with not taking a blood sample: if they have a negative breath alcohol test, they do not have anything to charge them with even if they have other drugs in their system. If 50% of the alcohol tests were done by the breath method, that would be less than 1 FTE for our lab.

David Webb followed up to say that the main tests we do are THC, marijuana, and cocaine, with the majority of testing being for THCs. Therefore, if we could stop testing when THC is found, that would result in a lot more FTEs than with alcohol tests. The difficulty is balancing protecting public health without abusing the resources we have. We will really see efficiency when we revise the workflow. We’ve been working with Kevin Jones in partnering with the crime lab
to work on sharing resources of sample workflow. We’ve also been working on increasing the volume of the drug analysts. Chair Darryll Farmer questioned when we estimate these goals to be reached by. David Webb responded that with the ARRA funding component in order, we hope by late 2013 we should have a 50% reduction in turn-around time of samples. Hopefully a year after that we can complete all of our aforementioned goals.

Item 8. DEPARTMENT OF JUSTICE ARRA FUNDING

1) Dr. Charles Brokopp, Board Member, Director Wisconsin State Laboratory of Hygiene

Dr. Brokopp mentioned that we do not have the resources we need to do the job at the level law enforcement want us to do it. The task force was able to identify some federal funds that could be available to us. Governor Walker approved taking some unspent ARRA Funding ($400,000) designated to the Department of Justice and earmarked for helping us in Toxicology. Joint finance approved this. The best uses for this funding are 1) $160,000 to outsource some of the drug tests in the backlog, with our goal being to get rid of the backlog. 2) $190,000 used for automated GC’s (we need to replace old ones and add a new system. 3) $50,000 earmarked for staff overtime to help us get rid of this backlog. This money needs to be spent by the end of February. Although we are outsourcing samples, we will be retaining a portion of the sample in the lab in case we need it to testify.

Item 9. FORENSIC TOXIOLOGY PROGRAM DECISION ITEM NARRATIVE

1) Dr. Charles Brokopp, Board Member, Director Wisconsin State Laboratory of Hygiene

Dr. Brokopp mentioned that we have prepared and submitted to the UW a request for additional funding. The funding we receive from the driver improvement surcharge will be reduced by $300,000. This DIN serves only to replace the funding we have lost. In FY11 we were cut $84,900 and in FY12 we were cut $336,800 from the base level funding. This is a reduction in the dollars available for drug and alcohol testing. We’re submitting a DIN knowing the fund
likely will not see revenue. Therefore, Fund 127 (the surcharge itself) or GPR could be used to bring money in that could be earmarked for our purposes. This will likely end up in the UW’s FY14-15 cycle.

John Sullivan questioned whether or not we could resubmit this for some cost recovery.

Chair Darryll Farmer commented that perhaps we should go for the larger amount to make sure we have enough. Dr. Henry Anderson mentioned that this has to go through the UW. Dr. Brokopp responded saying that we can revise this and sent it through UW. As board members, if you take action approving this, it’s coming from the Board not the WSLH staff, so that carries more weight. Perhaps we could look for a legislator who will put a fiscal note on this. This request is less than half of what some of our staff are requesting to have. Chair Darryll Farmer mentioned in closing that if we are going to solve this problem we should look at making up what we lost as well as what we need. We can act on the final version in November. We are not at a point to take any action.

Item 10. FUNDING REQUEST FOR AGRICULTURE DRIVE FACILITIES

1) Dr. Charles Brokopp, Board Member, Director Wisconsin State Laboratory of Hygiene

Dr. Brokopp mentioned that when we built the Ag Drive Facilities in 1997, the WSLH had to pay 50% of the rent and the DOA covered the remainder. The rent payment has gone up and the DOA continued to pay the same amount while the WSLH paid the increasing balance. We are working with the University to see if we can combine the lease on the existing building with the new building. The current rent at Ag Drive is $1,747,930. The rent for the new building is $643,716 giving us a total yearly rent payment of $2,391,646. Our current GPR received for rent is $735,816. 50% of the total Ag Drive rent is $1,195,823, leaving us a difference of $460,007. This is the money we are asking for. We will be paying 50% of the total rent cost of the building, and the state will pay the remaining 50%. If this cannot be funded through some mechanism at the University, it needs to go forward as a DIN in the budget. For the upcoming fiscal year, the first rent payment would be no sooner than Fall 2013. This has been presented to the board to get your support for moving forward. John R. Sullivan questioned whether we will get some rent consideration from the UW for vacating Henry Mall. Chair Darryll Farmer questioned if there is general support of going for the 50% goal?

Jeffery Kindrai mentioned that it was a good idea. Chair Darryll Farmer concluded to note that the Board in general is supportive of the 50% goal. Dr. Brokopp added that the fact that we’re not paying rent now but we need to move has to weigh in here. The WSLH provides services to the State of Wisconsin. The state needs to contribute a higher percentage because of this. Dr. Anderson mentioned that everybody pays rent to the DOA, but we don’t get
any extra for rent. John Sullivan mentioned that the WSLH receives some funding from the State of Wisconsin and provides program revenue to fund another portion of the lab. Therefore, some of the funding comes from the State. The other comes from program revenue.

**Item 11. WSLH/DATCP CO-LOCATED LABORATORY UPDATE**

1) Terry Burk, Wisconsin State Laboratory of Hygiene

Terry Burk mentioned that everything is right on schedule for the building. The new building is now connected to the existing building. This means substantial completion in June/early July with us being able to move in late July. There is one caveat on this: the shipping and receiving area has been severely disrupted. We were working with the construction crew on moving the shipping and receiving unit into the new building before substantial completion. We have selected a furniture vendor (interior investments, the same group that did UW-Extension). We saved a lot of money with this option using refurbished furniture. Private offices will have new furniture, but the cubicles will have the refurbished furniture.

Commissioning has begun in earnest. Everything needs to be commissioned. We had our first meeting with the commissioning agent. There was discussion about UW Safety (people responsible for commissioning the BSL) noting that even if everything is ready on July 1st, we still will not be able to move the BSL until December or January because of the timing of the University’s license for BSL agents. Dr. Brokopp mentioned that he wrote this rule and it is being misinterpreted. With regards to the divided labor among the shipping and receiving staff, we may want to hold off the entire move until we can move everyone, leaving the move-in date up in the air.

We also have to address joint tenancy issues. There was a meeting recently with DOA, DATCP and WSLH where we discussed how were are going to work together. The largest issue was with the communications closets. WSLH is required by law (for select agents) to have the communications closet secured. Basically, we will have three separate networks. We will also need to discuss how cleaning crews will be used. There has also been discussion of having a lactation room in the new building. We will be getting a legal interpretation of whether or not we need one. Because we do not have a lactation room in the plans, we may have to make some modifications. Also there has been debate over artwork for the new building. We will be working with DOA on this. Ultimately, we have to keep in mind certain DOA rules.
Item 12. LIMS IMPLEMENTATION UPDATE

1) Linda Johnson, Wisconsin State Laboratory of Hygiene

Linda Johnson noted that stabilization and optimization has been going through in the Epic system. We are running bills and invoices. We have trained additional administrators and an HL7 project manager. WindoPath (Psyche) OutReach/HL7 is currently being tested and things are going well so we are moving that into production. The cortex data migration will be a sub-project for the project manager. Phoenix is going into an RFP. Horizon Water Micro optimization is going strong, we are ready for January 1st. We have a lot going on until June 2013.

John Sullivan mentioned that perhaps we underestimated the ability of our IT people to make the billing system. How can we make sure this does not happen again?
Linda Johnson responded to say that most is not related to billing with the exception of the Beaker upgrade scheduled for April 2013. There were pieces from Epic that we needed that were not available at the time. Because we lost almost 1/3 of our staff to retirement, it has made it very difficult for us. I have confidence we will be able to get through this. Chair Darryll Farmer concluded to express his appreciation for the work Linda has been doing.

Item 13. CONTRACTS REPORT

1) Dr. Charles Brokopp, Board Member, Director Wisconsin State Laboratory of Hygiene

Dr. Brokopp instructed the Board to refer to the list of recent contracts below:
Dr. Brokopp mentioned that out OSHA contracts are major annual contracts to support the occupational health lab. The state of Michigan has selected us to be their environmental testing contractor. We are waiting on the official notification from the state of Michigan. The DHS contracts are largely for projects funded at the DPH where there is laboratory work associated as part of the contract. A portion of that goes to us.

**Item 14. DIRECTOR’S REPORT**

1) Dr. Charles Brokopp, Board Member, Director Wisconsin State Laboratory of Hygiene

Dr. Brokopp mentioned that this is Kathy Kuno’s last board meeting. She has accepted another job working with the Dean of Students on campus and is
starting next week. We have hired Nathaniel Javid who has been working alongside Kathy and will now assume her duties. I want to publicly express my support and appreciation for everything Kathy has done and wish her the best in her new role on campus.

Dr. Brokopp asked Dr. Pete Shult to update the Board on some important news.

Dr. Shult mentioned that we have a new flu virus presenting itself. In the press you will see this referred to as Influenza A H3N2 variant. Variant is a term that normally circulates in swine but has now presented itself in the human population. The virus has been identified in nine states with Wisconsin as the latest to join the list. People who are infected have had close or indirect contact with swine. There is no person to person transmission identified as of yet. The illness is very similar to seasonal influenza in terms of symptoms, except that 90% of the virus has been found in young children, indicating that older individuals may have some measure of immunity. This year’s seasonal vaccine does not cover this variant. We do have the diagnostic test for this variant, so we can at least test and identify cases of it.

We also have a major outbreak of Pertussis (whooping cough) right now in Wisconsin. Wisconsin has the highest rate of identified illness (4,000 cases confirmed so far this year). This is affecting people across the age spectrum. The public health message is that we need to improve on the vaccine for the long term but in the mean time every adolescent and adult should be re-immunized and re-boosted with the T-Dap vaccine. This vaccine has been shown to be very effective.

We are also in a national foodborne outbreak for foods like cantaloupe or anything grown out of the ground. These outbreaks are happening on a weekly/bi-weekly basis. If you visit the CDC website, you will see a list of all the current outbreaks happening now.

Some good news: we were recently awarded a food core site foodborne disease center for outbreak enhancement. From this, we received a substantial amount of money to improve the epidemiological workup on these cases along with performing the diagnostic testing and DNA fingerprinting of these organisms to see how they fit in to the national outbreaks. This will enhance Wisconsin’s ability to respond to these outbreaks. We are also working on having Tam Van replace Dr. Warshauer as he eases into retirement.

Dr. Brokopp mentioned that the next Board meeting is on November 20th. There are a number of incidents on page 53 of the packet for today. Please let Dr. Brokopp know if you have questions. We’ve included a list of the Public and Environmental Health Incidents of Educational Interest along with water systems tests performed by the WSLH. We tested 3,100+ water systems. Some of these wells had significant contamination.
In other news, the School of Cytotechnology graduated six students out the program. In a week, we'll be having another set of students with us for the full year. John Shalkham received the 2012 Marion & Nelson Holmquist award for outstanding cytotechnologist. This is a very prestigious award. Also, Laura Liddicoat, Dave Warshauer, Tim Monson, Erin Bowles, Amy Miles and Pat Harding have all been recognized for involvement in workshops for their respective areas. Sharon Long and Bill Johnson gave a presentation at the Society of Forensic Toxicologists meeting in Boston, MA. Dr. Brokopp made a presentation on environmental testing and participated on a panel at the National Council of State Legislators meeting in Chicago. Dr. Brokopp also presented, on behalf of APHL, the Champion of the Public Health Laboratory Award to CDC Director, Dr. Thomas Frieden.

We are recruiting for several key positions: 1) Director of the Environmental Health Division, 2) Director of the Newborn Screening Laboratory, 3) Director of Information Systems, 4) IT System Development Specialist, 5) Bioinformation Developer, 6) Financial Manager (2). We are working with the College of Engineering in recruiting for Jim Hurley’s position. Gary Hoffman has served our staff with over 40 years of excellent service, but he will be starting to phase out. Garrett Peterson left as Director of IS. I appreciate Linda Johnson helping out in the role as we go forward.

Jennifer Laffin and others from the biotechnology center are working on the development of a molecular diagnosis in genetics laboratory that would be a joint partnership between WSLH and the School of Medicine. We are looking for someone to process and interpret reams of data from sequencing analysis that we need to do. We are working with the biotechnology center to have someone help us at WSLH with setting up our new laboratory. We are also planning to recruit for a financial manager to help lead our budget, purchasing, and billing area. We also need a manager over accounts receivable. Jim Sterk and Steve Marshall and staff have been doing a fantastic staff but we need more staff.

These are the interim position replacements: Steve Marshall replacing Sharon Gehl as Deputy Director, Linda Johnson as Director of IT, Dave Webb as Director of Environmental Health and Mei Baker as Director of Newborn Screening. Lastly, APHL has put out a publication entitled “Public Health Laboratories: Protecting the Nation’s Health” as summary of what all the labs in the United States are involved in.
Chair Darryll Farmer called the meeting to adjourn at 4:00 P.M.

John R. Sullivan approved the motion.
Jeffery Kindrai seconded the motion.

Respectfully submitted by:

Charles D. Brokopp, DrPH
Secretary, Wisconsin State Laboratory of Hygiene Board of Directors