

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
June 20th, 2017
1:00 P.M – 4:00 P.M.
2601 Agriculture Drive
Madison, WI 53718**

**APPROVED MINUTES
March 21st, 2017**

MEMBERS PRESENT: Chair Jeffery Kindrai, Vice-Chair James Morrison, Dr. Robert Corliss, James Wenzler, Charles Warzecha (on behalf of Karen McKeown), Dr. Richard Moss, Gil Kelley (on behalf of Michelle Wachter)

WSLH STAFF PRESENT: Dr. Peter Shult, Dr. Daniel Kurtycz (via telephone), David Webb, Steve Strebel, Kristine Hansbery, Jan Klawitter, Steve Marshall, Cynda DeMontigny, Marie Ruetten, and Nathaniel Javid

DNR STAFF PRESENT: Ron Arneson, Steve Geis, Zana Sijan

GUESTS PRESENT: None

Chair Jeffery Kindrai called the meeting to order at 1:00 P.M.

Item 1. APPROVAL OF MINUTES

James Wenzler noted edits to the minutes that were reflected in the updated minutes distributed at today's meeting. **Chair Jeffery Kindrai** made a motion to approve the updated minutes, seconded by **James Morrison**. The edited minutes from the December 13th 2016 meeting were approved.

Item 2. REORGANIZATION OF AGENDA

James Wenzler proposed a reorganization of the agenda allowing the standard reports to precede the new agenda items so WSLH staff members may excuse themselves if

the discussion goes long. **James Wenzler** made a motion to reorganize the agenda, seconded by **Steve Geis**. The motion carried.

Item 3. PUBLIC APPEARANCES

There were no public appearances.

Item 4. BOARD MEMBERS' MATTERS

James Wenzler asked for advice on policies that do not match statute. Mr. Wenzler asked for this to be addressed at the June Board meeting. Steve Geis also mentioned that Ron Arenson is retiring in two weeks, and his replacement, Zana Sijan, has begun. The Board reflected on Ron's service to the DNR and Board and welcomed Ms. Sijan.

Item 5. RECRUITMENT UPDATE

a) Pete Shult, PhD, Interim Director, WSLH

Pete gave the recruitment update to the Board. We have two finalists for the WSLH Director position. We had an interview with Dr. James Schauer last week with Board members and the WSLH Strategic Leadership Team in attendance. In the following weeks, we will have an interview in the same format with the second candidate, Dr. Michael Wichman. Pete noted that we will be discussing how to move forward with this process.

Item 6. FINANCIAL REPORT

a) Marie Ruetten, Financial Manager, WSLH

Marie gave the financial report to the Board. Although the February financials have closed, this report is through January 31, 2017. Our total support and revenue year-to-date is at \$26,596,735, which is \$1,379,081 over budget. Our year-to-date expenses are \$24,774,469, which is \$526,076 under budget. Our net operating accrued gain is \$1,822,266, and subtracting our depreciation and capital, we have a net operating income of \$1,355,061.

Compared to last year, our total support and revenue is up by \$2,560,901, which is an increase of 10.7%. Our expenses are greater compared to last year by \$610,212, which

is an increase of 2.5%. Compared to last year, our net operating income is up by \$1,950,689 and considering depreciation and capital, our cash-basis net operating income is up by \$748,735 compared to last year.

Our cash balance as of January 31, 2017 is \$14,964,117. Subtracting our restricted cash (Newborn screening surcharge and UW contingency), deferred revenue, and encumbered payables, our available unrestricted cash balance is \$4,069,466.

Marie noted that the approved FY17 capital purchases, as of March 3, 2017, total \$2,992,307. Charles Warzecha mentioned starting a conversation and plan for addressing the contingency funds to show what needs to be held. Dr. Richard Moss cautioned against using the term contingency fund, noting that this is more of a tactical fund, due to unanticipated epidemics which are bound to arrive. The Board discussed the best way to name this fund. James Wenzler mentioned that the Board could name the line item to what best fits its purpose. James Wenzler suggested that Marie present some suggestions at the June Board meeting for naming. Marie took this opportunity to note to the Board that she is moving on to another position outside of the lab. The Board thanked Marie for her service to the WSLH and Board.

Item 7. FY18 DRAFT BUDGET

a) Marie Ruetten, Financial Manager, WSLH

Marie presented the FY18 draft budget to the Board. Our total support and revenue for FY18 is budgeted at \$43,876,227, which is an increase from FY17 by \$667,656. Our expenses have also increased by \$667,656, which gives us a total expense of \$43,876,227. Therefore, this gives us a net-zero accrued operating income of \$0. On a cash basis, we anticipate a net cash operating income of \$588,943, which is a decrease of \$640,791 compared to FY17. Marie asked the Board to refer to the packet for the budget breakdown by WSLH Division.

Item 8. CONTRACTS REPORT

a) Marie Ruetten, Financial Manager, WSLH

Marie presented the contracts report to the Board. Our contracts grand total was \$736,832. Of this, we had three contracts from the Association of Public Health Laboratories totaling \$123,000, four from the Wisconsin Department of Health Services totaling \$532,267, three from the Wisconsin Department of Natural Resources totaling \$22,000, and one from the Wisconsin Department of Veterans Affairs at \$59,565.

Item 9. DIRECTOR'S REPORT

a) Pete Shult, PhD, Interim Director, WSLH

Pete asked the Board to refer to the packet on public health updates of educational interest. Pete noted that there has been a multi-state outbreak of Seoul virus (hantavirus). This has been in multiple species of rats (for pets and laboratory purposes). There were around 10 documented cases, so far. Although we are not directly involved in testing, we have a role in ensuring the specimens are expedited to the CDC. The WSLH has also recently been involved in unknown substance testing.

Pete presented the public water system testing report to the Board from November 2016 until February 2017. Out of 3,303 systems tested, 3 received a boil water notice. Pete asked the Board to refer to the packet for more information on recent happenings at the lab, including a science day event on March 2nd. The next meeting of the Board will be Tuesday, June 20th at the Agriculture Drive WSLH.

Item 10. BOARD DISCUSSION ON CANDIDATE SELECTION PROCESS

James Wenzler mentioned that the Board needs to review the actions taken by the minority of the Board on March 15, 2017. Chuck Warzecha mentioned discussing what the Board understands its role to be in the candidate selection process. The Board continued this discussion with James Wenzler noting in the statute that the UW System Board will make their recommendation with the approval of the WSLH Board, per statute 36.511. Dr. Richard Moss noted that the Chancellor has delegated the appointment of the new WSLH Director to the Dean of the SMPH. A committee was appointed, and the WSLH and Board were represented on this committee. Dr. Moss suggested that we should set up opportunities for Board members who were not able to attend the candidate interviews to meet with the candidates. The WSLH Board, acting as an executive committee, takes the role in approving the Chancellor's recommendation. Dr. Moss noted that he would be happy to hear the Board's perceptions of the candidates after they have had the opportunity to meet with both of them. The Board agreed to schedule a second interview with Dr. Schauer on March 30th following the interview with Dr. Wichman. An announcement will be made by the Board Secretary, pending Dr. Schauer's availability, of the additional interview with Dr. Schauer. The Board discussed the approval process for actions made in closed session. The Board agreed to approve the actions of the closed session interview at the next closed session meeting of the Board.

Item 11. BOARD GOVERNANCE

Chuck Warzecha addressed this topic to the Board with the goal of ensuring the Board has a role in guiding the WSLH, especially in regards to the strategic plan that is underway. The Board would also like to have an orientation available, especially for new Board members. Dr. Richard Moss suggested having this orientation as an ongoing process. Jeffery Kindrai noted that he thought having an orientation would be very useful. Jan Klawitter, WSLH Public Affairs Manager, asked the Board for more specifics on what the Board would be looking for in an orientation. A Board orientation was performed in the later 1990s, but it was specific to the issues at the time. Chuck Warzecha responded by saying that having a clarification of roles, including bylaws and the limits of its advisory capabilities. Dr. Moss mentioned that confidentiality is an essential principle that needs to be followed. Chuck Warzecha proposed having a form of an orientation for the June Board meeting. The Board noted that there is an orientation packet distributed to Board members, but this is also limiting. The Board also discussed the rotation of public and private members of the Board Chairmanship. Pete Shult noted that this will be addressed as an agenda item for the June Board meeting. Pete asked the Board for more specific guidance on what to present at the June meeting. Chuck Warzecha noted that we are looking for a rhythm with the Board schedule, perhaps with an updated calendar so we can anticipate future activities. Dr. Moss noted that the statutes are thin when it comes to leadership and operations provided by the Board. The Board discussed updating the Policies & Procedures of the WSLH Board for the June Meeting.

Item 12. MOTION TO SUPPORT WSLH NEWBORN SCREENING

The Board discussed formalizing their support for WSLH Newborn Screening. The intent of the motion is to inform Newborn Screening of the Board's support of the mission and value of the Newborn Screening program. **Charles Warzecha** brought forward the motion of support, seconded by **James Wenzler**. The motion passed unanimously.

Item 13. MOTION TO SUPPLY HUMAN RESOURCES DATA TO BOARD

James Wenzler noted that he made a request to the Human Resources office and Interim Director Pete Shult on the formulation of the strategic plan and requested a general human resources update with the inclusion of statistical data for disciplinary actions and turn-overs in departments. Ultimately, Mr. Wenzler inquired as to how the Board can support Human Resources. Jeffery Kindrai noted that in the past vacancy rates and recruitments were presented to the Board. Charles Warzecha noted the importance of knowing, overall, if the lab has issues with vacancies and retention. We would be looking for high-level data. Dr. Richard Moss mentioned that he is comfortable with this higher threshold of information. Pete Shult mentioned that this baseline request is useful for us to formulate something for presentation at the June meeting. Charles

Warzecha reiterated that having the WSLH provide a general update at the June meeting, and then requesting additional information as needed. Pete Shult noted that this information will be discussed with the WSLH Strategic Leadership Team and we will develop a plan going forward.

The Board discussed postponing the motion until the human resources data is finalized. As a result, the Board decided that there would be no formal motion at this meeting.

Item 14. BOARD ELECTIONS

Chair Jeffery Kindrai nominated **Dr. Richard Moss** as Vice-Chair for the next Board term. Dr. Moss accepted the nomination. **Chair Kindrai** entertained a motion, seconded by **Charles Warzecha**. The motion passed unanimously.

Chair Jeffery Kindrai nominated **James Morrison** as Chair for the next Board term. James Morrison accepted the nomination. **Chair Kindrai** entertained a motion, seconded by **James Wenzler**. The motion passed unanimously.

Chair Jeffery Kindrai nominated **Pete Shult** as Secretary for the next Board term. Pete Shult accepted the nomination. **Chair Kindrai** entertained a motion, seconded by **James Wenzler**. The motion passed unanimously.

Chair James Morrison made a motion to adjourn the meeting at 3:30 P.M. **Charles Warzecha** seconded the motion. The meeting was adjourned.

Respectfully submitted by:

A handwritten signature in cursive script, appearing to read "Peter A. Shult".

Peter A. Shult, PhD
Interim Secretary, Wisconsin State Laboratory of Hygiene Board of Directors