

DATE: July 11, 2023

TO: Dean Robert N. Golden, MD, UW-SMPH – Dr. Jon Audhya, Designated Representative
Kirsten Johnson, Secretary-designee, DHS – Dr. Mark Werner, Designated Representative
Adam Payne, Secretary-designee, DNR – Greg Pils, Designated Representative
Randy Romanski, Secretary, DATCP – Gilbert (Gil) Kelley, Designated Representative
Dr. Robert Corliss, Chair
Greg Pils, Vice Chair
Dr. Jon Audhya, Member
Dr. Mark Werner, Member
Dr. Christopher Strang, Member
Jennifer Buchholz, Member
Jessica Blahnik, Member
Gina Green-Harris, Member
Gilbert (Gil) Kelley, Member
Jeffrey Kindrai, Member
Anna Benton, DHS Alternate
Steve Geis, DNR Alternate
Zana Sijan, DNR Alternate
Paula Tran, DHS Alternate

FROM: Dr. James Schauer, Secretary
Director, Wisconsin State Laboratory of Hygiene

RE: Wisconsin State Laboratory of Hygiene Board of Directors Meeting
Wisconsin State Laboratory of Hygiene
In-Person/Online Meeting
July 18, 2023, 1:00 PM. – 4:00 PM

CC: Kevin Karbowski
Jan Klawitter
Nancy McLean
Dr. Errin Rider
Steve Strebel
Dr. Al Bateman
Mark Conklin
Tip Vandall
Josh Faulkes
Keith Poulsen

WISCONSIN STATE LABORATORY OF HYGIENE BOARD OF DIRECTORS

MEETING NOTICE
for
Tuesday, July 18, 2023
1:00 PM – 4:00 PM

MEETING LOCATION
2601 Agriculture Drive, Madison, WI 53718

Notice is hereby given that the Wisconsin State Laboratory of Hygiene Board of Directors will convene in person and via teleconference at 1:00 pm on Tuesday, July 18, 2023.

Notice is further given that matters concerning Wisconsin State Laboratory of Hygiene issues, program responsibilities, or operations specified in the Wisconsin Statutes, which arise after publication of this notice may be added to the agenda and publicly noticed no less than two hours before the scheduled board meeting if the board Chair determines the matter is urgent.

Notice is further given that this meeting may be conducted partly or entirely by teleconference or videoconference.

Notice is further given that questions related to this notice, requests for special accommodations, or requests for a public appearance are addressed by the Wisconsin State Laboratory of Hygiene Administrative Offices by phone at (608) 890-0288 or in writing to the Wisconsin State Laboratory of Hygiene, 2601 Agriculture Drive, Madison, WI 53718.

ORDER OF BUSINESS: See agenda.

Respectfully submitted,



James J. Schauer, PhD, P.E., M.B.A.
Secretary, Wisconsin State Laboratory of Hygiene Board of Directors
Director, Wisconsin State Laboratory of Hygiene

Wisconsin State Laboratory of Hygiene
2601 Agriculture Drive, Madison, WI 53718

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

AGENDA

PROCEDURAL ITEMS

- Item 1. [ROLL CALL](#)
- Item 2. [APPROVAL OF MINUTES](#)
- Item 3. [REORGANIZATION OF AGENDA](#)
- Item 4. [PUBLIC APPEARANCES](#)
- Item 5. [BOARD MEMBERS' MATTERS](#)

BUSINESS ITEMS

- Item 6. [SCHOOL OF CYTOTECHNOLOGY](#)
 - Dr. Kaitlin Sundling
- Item 7. [FINANCIAL REPORT](#)
 - Mr. Kevin Karbowski
- Item 8. [APPROVAL OF FY24 BUDGET](#)
 - Mr. Kevin Karbowski
- Item 9. [CONTRACTS REPORT](#)
 - Ms. Tip Vandall
- Item 10. [DIRECTOR'S REPORT](#)
 - Data and Informatics Modernization Strategic Initiative
 - Dr. Kelsey Florek
 - DEI Activities
 - Dr. Errin Rider
 - Water Boil Notice Report
 - Ms. Camille Danielson
 - Public Relations Report
 - Ms. Jan Klawitter

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

July 18, 2023

PROCEDURAL ITEMS

Item 1. ROLL CALL

Description of Item:

Roll call of attendance at Board Meeting led by Board Chair

Suggested Board Action:

Submit roll call

Staff Recommendation and Comments:

Board Secretary will record the roll call

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

PROCEDURAL ITEMS

Item 2. APPROVAL OF MINUTES

Description of Item:

The draft minutes of the March 20, 2023, board meeting are submitted for approval

Suggested Board Action:

Motion: Approve the draft minutes of the March 20, 2023, board meeting as submitted

Staff Recommendation and Comments:

Approve draft minutes

Once approved, minutes become part of the public record and are posted on the WSLH website:

<http://www.slh.wisc.edu/about/board/board-meetings-agendas-and-minutes/>.

APPROVED MINUTES
Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
March 21, 2023
1:00 p.m. – 4:00 p.m.

MEMBERS PRESENT: Chair Greg Pils, Vice Chair Dr. Robert Corliss, Secretary Dr. James Schauer, Dr. Christopher Strang, Dr. Jon Audhya, Dr. Mark Werner, Mr. Gil Kelley, Mr. Jeffery Kindrai, Ms. Jennifer Buchholz, Ms. Jessica Blahnik

WSLH STAFF PRESENT: Dr. Errin Rider, Dr. Al Bateman, Ms. Jan Klawitter, Mr. Kevin Karbowski, Mr. Mark Conklin, Ms. Tip Vandall, Mr. Jim Sterk, Mr. Steve Strebel, Ms. Amy Miles, Ms. Camille Danielson, Nancy McLean, Noel Stanton, Jim Sterk, Kaitlin Sundling, Al Bateman,

DNR STAFF PRESENT: Alternate Members Zana Sijan

GUESTS PRESENT: Nathan Kloczko and Sean Strom, Presenters

PROCEDURAL ITEMS

Item 1. ROLL CALL

Chairman Pils called the meeting to order at 1:00 PM.

At 1:00 PM, Chairman Pils initiated and conducted the roll call of the Board members. All Board member seats or their designated representatives were present except for excused members Gina Green-Harris and alternates Steven Geis, Paula Tran, and Anna Benton.

Mark Werner was initially absent, so his introduction would be made later in the meeting.

Item 2. APPROVAL OF MINUTES

At 1:03 PM, Jeff Kindrai motioned to approve the December 13, 2022, minutes as submitted. The voice vote to approve the minutes was unanimous, and the motion carried.

Item 3. REORGANIZATION OF AGENDA

There was no request to reorganize the agenda.

Item 4. PUBLIC APPEARANCES

None

Item 5. BOARD MEMBERS' MATTERS

A week ago, confirmation hearings began for Adam Payne, who is poised to become the new DNR Secretary; interestingly, the hearing was heavy with questions on PFAS.

Secretary Payne will visit WSLH on June 6, 2023.

BUSINESS ITEMS:

Item 6. PFAS AND FISH CONSUMPTION ADVISORIES

- Nathan Kloczko, Wisconsin Department of Health Services
- Sean Strom, Wisconsin Department of Natural Resources

PFAS is a large family of persistent contaminants that bioaccumulate through the food chain. PFOS, in particular, accumulates in fish. As such, PFAS is now included in regular fish contaminant monitoring alongside PCBs and Mercury. DNR and DHS work together to issue new advisories as needed. DNR has expanded routine sampling into areas with known PFAS contamination, such as along the Wisconsin River. The science on PFAS is still emerging, and Wisconsin remains in conversation with the Great Lakes Consortium to interpret the human health impacts of PFAS accumulation in fish.

Item 7. FINANCIAL REPORT

- Kevin Karbowski, WSLH Chief Financial Officer

Income statement for seven months ending January 31, 2023 – Actual performance lost \$1.5M – The biggest issue is the continued underpricing of newborn screening activities. Inflation continues to raise costs. For example, NBS courier service expenses have doubled. WDHS sets the newborn screening price and has not increased the price in more than ten years.

To keep the board updated on the FY24 budget, Mr. Karbowski presented a preliminary FY24 Budget Income Statement. If WSLH received 75% of the WSLH biennium budget requests, the budget would be positive at \$660,000 with a break-even cash flow. There is additional work to do on the FY24 Budget.

Item 8. CONTRACTS REPORT

- Tip Vandall, WSLH Revenue Manager

Ms. Vandall presented the contracts that WSLH has signed since the December 2022 Board Meeting. Since that time, WSLH has signed contracts to provide \$9,600,000 in services.

Item 9. DIRECTOR'S REPORT

- Dr James Schauer, Director, WSLH
 - ❖ Newborn Screening Blood Spot Usage
 - ❖ Water Boil Notice Report
 - ❖ Public Relations Report

Newborn Screening Blood Spot Usage

- Errin Rider

The WSLH is collaborating with DHS. This is a clinical program, and WSLH is in contact with UW Legal. They will inform the board of any further developments.

Water Boil Notice Report

- Camille Danielson

Ms. Danielson advised that one county received a boil water notice from December 1, 2022, to March 1, 2023. Two of the 16 systems tested were unsafe, and 3 Boil Water notices were issued.

COUNTY_NAME	PWS_TYPE	NUMBER_OF_SYSTEMS	NUMBER_OF_UNSAFE	NUMBER_OF_BWO	DATE_RANGE_START	DATE_RANGE_END
Dane	OC	16	2	3	12/1/2022	3/1/2023

Public Relations Report

- Jan Klawitter

Ms. Klawitter updated Board Members on some of the highlights and referred them to the packet, which provides details and further information about WSLH employee activities and accomplishments, including:

- EPA Radiological Exercise
- WI Virology Network meeting
- WSLH Quality & Safety Awards
- Assorted journal publications – CDD, EHD, Forensic Toxicology
- ICTR Award
- Cytotechnology Certificate Program Graduation

Item 10. ELECTION OF OFFICERS FOR 2023

Description of the Item:

Since Dr. Robert Corliss (a Non-Government Member) will become Board Chair at the March 2021 meeting, the Government Board members will need to select a Vice Chair who will then become Chair in 2024.

§2.07 “Government Board Members” are defined as: the Secretary of Health Services, the Secretary of Natural Resources and the Secretary of Agriculture, Trade and Consumer Protection, the Chancellor of the University of Wisconsin-Madison, or their designees, the medical examiner or coroner representative and the local health department representative.

§2.08 “Non-Government Board Members” are defined as a physician representing clinical laboratories, a member representing private environmental testing laboratories, and a member representing occupational health laboratories and two additional members.

§5.05 Intent.

- It is declared to be the intent of the Board that the position of Chairperson be rotated annually among the voting members of the Board and that each successive Vice Chairperson is also, in effect, the Chairperson-elect.*
- It is the declared intent of the Board that the positions of Chairperson and Vice Chairperson be elected, in alternate years, from the "government" and the "non-government" members of the board as defined in 2.07 and 2.08 such that in any given year one position is held by a government member and the other is held by a non-government member.*
- The Secretary shall prepare a ballot for the offices of Chairperson, Vice Chairperson and Secretary in accord with these policies and procedures.*
- The Director shall advise the board members of the historical rotation of the offices of Chairperson, Vice Chairperson and Secretary prior to the annual meeting.*

Suggested Board Action:

The Board will nominate a member to serve as Vice-Chair/Chair Elect for the 2023 term (March 2023 – March 2024).

Draft Motion: To be considered March 21, 2023

Move the nomination of the following for officers of the WSLH Board of Directors: Dr. Rob Corliss for the position of Chair, Greg Pils for the position of Vice-Chair/Chair-Elect, and James Schauer for the position of Secretary for the year 2023 term.

At 2:13 pm, Jeff Kindrai moved for Greg Pils for vice president, and Chris Strang seconded. With a unanimous “aye” voice vote, the motion passed.

Mark Werner was also welcomed as the new representative from DHS, replacing Jon Meiman.

CONCLUSION

At 2:15 PM, Jeff Kindrai moved to adjourn. All agreed, and the meeting was concluded.

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

PROCEDURAL ITEMS

Item 3. REORGANIZATION OF AGENDA

Description of Item:

Board members may suggest changes in the order in which agenda items are discussed

Suggested Board Action:

None

Staff Recommendation and Comments:

Reorganize the agenda if requested by the Board

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

PROCEDURAL ITEMS

Item 4. PUBLIC APPEARANCES

Description of Item:

Under the board's *Policies and Procedures*, non-members are invited to make presentations

Suggested Board Action:

Follow WSLH *Policies and Procedures*:

Staff Recommendation and Comments:

Follow WSLH *Policies and Procedures*

Per Policies and Procedures of the Wisconsin State Laboratory of Hygiene Board of Directors:

§6.12 *Speaking privileges.* When the board is in session, no persons other than laboratory staff designated by the director shall be permitted to address the board except as hereinafter provided:

- (a) A committee report may be presented by a committee member who is not a member of the board.
- (b) A board or committee member in the course of presenting a matter to the board may request staff to assist in such a presentation.
- (c) If a board member directs a technical question for clarification of a specific issue to a person not authorized in this section, the Chair may permit such a person to respond.
- (d) The board may by majority vote or by decision of the Chair allow persons not otherwise authorized in this section to address the board if the situation warrants or the following criteria is followed:
 - (1) Written requests for public appearances on specific current agenda items shall be made to the Board Secretary no later than two working days prior to the meetings. The request shall outline the reasons for the request including the subject matter to be discussed in as much detail as is feasible prior to the meeting of the board. Those requesting an appearance may, at or prior to the board meeting, provide board members copies of any written materials to be presented or a written statement of a position.
 - (2) Individual presentations will be limited to five minutes, unless otherwise authorized by the Chair.
 - (3) To schedule an appearance before the Wisconsin State Laboratory of Hygiene Board of Directors, contact the Board Secretary, c/o Director, Wisconsin State Laboratory of Hygiene, 465 Henry Mall, Madison, Wisconsin 53706. Telephone (608) 890-0288. The subject or subjects to be discussed must be identified.
 - (4) The Wisconsin State Laboratory of Hygiene "Guidelines for Citizen Participation in WSLH Board Meetings" are published on its website: [http:// www.slh.wisc.edu/index.shtml](http://www.slh.wisc.edu/index.shtml), and printed copies are available on request. (See Appendix 5) [Section §6.12 approved 5/27/03 board meeting.]

Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm

Appendix 5

Guidelines for Citizen Participation at WSLH Board Meetings

The Wisconsin State Laboratory of Hygiene board provides opportunities for citizens to appear before the board to provide information to the board on items listed on the agenda. Such appearances shall be brief and concise. In order to accommodate this participation in the allotted time, the guidelines are as follows:

- A. Items to be brought before the board:
 - 1. The board Secretary and Chair will assign a specific time on the agenda to hear public comment when a request to speak has been received from a member of the public.
 - 2. Individuals or organizations will be limited to a total of five (5) minutes to make a presentation to the board. Following the presentation board members may ask clarifying questions.
 - 3. An organization is limited to one (1) spokesperson on an issue.
 - 4. On complex issues, individuals wishing to appear before the board are encouraged to submit written materials to the Board Secretary in advance of the meeting so the board may be better informed on the subject in question. Such information should be submitted to the board Secretary for distribution to all board members no later than seven (7) working days before the board meeting.
 - 5. No matters that are in current litigation may be brought before the board.
- B. The board encourages individuals to confine their remarks to broad general policy issues rather than the day-to-day operations of the Wisconsin State Laboratory of Hygiene.
- C. Citizens who have questions for board members should ask these questions prior to the board meeting, during any recess during the board proceedings, or after board adjournment.
- D. Written requests to appear before the WSLH Board of Directors should be submitted no later than two (2) working days prior to a scheduled board meeting.
- E. Submit written requests to:
Secretary, Wisconsin State Laboratory of Hygiene Board of Directors

C/O WSLH Director
465 Henry Mall
Madison, WI 53706
Telephone: (608) 890-0288
Email: susan.buechner@slh.wisc.edu

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

BUSINESS ITEMS

Item 5. BOARD MEMBERS' MATTERS

Description of the Item:

Board Members' Matters will present board members with the opportunity to ask questions and/or discuss issues related to the Wisconsin Laboratory of Hygiene

Suggested Board Action:

Receive for information

Staff Recommendations and Comments:

Receive for information.

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

BUSINESS ITEMS

Item 6. SCHOOL OF CYTOTECHNOLOGY

Description of the Item:

Kaitlin Sundling, Director, will provide information on the School of Cytotechnology to the Board.

Suggested Board Action:

Review and provide input.

Staff Recommendations and Comments:

Receive for information.

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

BUSINESS ITEMS

Item 7. FINANCIAL REPORT

Description of the Item:

Kevin Karbowski, WSLH Chief Financial Officer, will provide an update on the Financial Report to the Board.

Suggested Board Action:

Review and provide input.

Staff Recommendations and Comments:

Receive for information.

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

WISCONSIN STATE LABORATORY OF HYGIENE

FINANCIAL REPORT

FISCAL YEAR 2023

April 30, 2023

Contents

FINANCIAL STATEMENTS

Statement of income

Comparative income statement

Comparative balance sheet

Statement of cash flows

Notes to the financial statements

Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm

WISCONSIN STATE LABORATORY OF HYGIENE
STATEMENT OF INCOME
For the period July 1, 2022 through April 30, 2023

	Year to Date Actual	Year to Date Budget	Variance Over/(Under)	Variance % of Budget	Fiscal Year 2023 Annual Budget
SUPPORT AND REVENUE					
Clinical	\$15,210,157	\$15,548,135	(\$337,979)	-2.2%	\$18,737,386
Neonatal Surcharge	3,770,925	3,481,000	289,925	8.3%	4,150,000
Driver Improvement Surcharge	1,352,357	1,352,979	(622)	0.0%	1,619,200
Environmental	6,726,515	5,855,252	871,263	14.9%	7,570,571
National Atmospheric Deposition Program	1,311,085	1,309,618	1,467	0.1%	1,657,337
Proficiency	3,071,181	3,197,617	(126,436)	-4.0%	4,155,130
Occupational Health	1,674,801	1,809,478	(134,676)	-7.4%	2,156,557
Laboratory Services	33,117,021	32,554,079	562,942	1.7%	40,046,181
Fund 150 Support	710,000	710,000	0	0.0%	852,000
WI DHS Employee Contracts	655,044	718,973	(63,928)	-8.9%	862,767
Other	128,064	0	128,064		0
Earnings - Investment Income	88,257	5,000	83,257	1665.1%	6,000
Other Revenue	1,581,365	1,433,973	147,393	10.3%	1,720,767
Grants	5,265,224	4,629,008	636,215	13.7%	5,567,503
Program Revenue	39,963,610	38,617,060	1,346,551	3.5%	47,334,451
State General Program Revenue (GPR)	10,066,352	9,854,000	212,352	2.2%	12,142,000
TOTAL SUPPORT AND REVENUE	50,029,962	48,471,060	1,558,903	3.2%	59,476,451
EXPENSES					
Salaries	20,206,504	19,133,696	1,072,807	5.6%	23,744,222
Fringe Benefits	7,690,813	7,596,696	94,117	1.2%	8,888,568
Supplies & Services	17,775,349	16,988,251	787,098	4.6%	21,544,614
Building Rent	2,618,015	2,597,211	20,804	0.8%	3,207,003
Transfer Overhead to UW	751,452	753,851	(2,400)	-0.3%	921,135
Depreciation	2,035,947	2,117,824	(81,876)	-3.9%	2,551,635
Bad Debt Expense	129	3,000	(2,871)	-95.7%	3,600
Interest Expense	24,010	3,000	21,010	700.3%	3,600
TOTAL EXPENSES	51,102,219	49,193,529	1,908,690	3.9%	60,864,375
NET OPERATING INCOME (LOSS)	(\$1,072,256)	(\$722,469)	(\$349,787)	48.4%	(\$1,387,924)

Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm

WISCONSIN STATE LABORATORY OF HYGIENE
COMPARATIVE BALANCE SHEET
As of April 30, 2023 and June 30, 2022

ASSETS

	<u>April 30, 2023</u>	<u>June 30, 2022</u>
CURRENT ASSETS		
Cash	\$571,575	\$3,443,345
Cash-restricted	2,994,721	1,454,078
Net accounts receivables (Note 1)	7,904,340	6,284,071
Other receivables	710,000	855,000
Inventories	29,079	67,988
Prepaid expenses	0	258,864
Total current assets	<u>12,209,716</u>	<u>12,363,345</u>
EQUIPMENT AND BUILDING IMPROVEMENTS		
Equipment	38,534,259	35,902,560
Building improvements	6,878,228	6,878,228
	<u>45,412,487</u>	<u>42,780,788</u>
Less accumulated depreciation	<u>(32,403,706)</u>	<u>(30,367,758)</u>
Total net fixed assets	<u>13,008,781</u>	<u>12,413,030</u>
Total Assets	<u><u>\$25,218,497</u></u>	<u><u>\$24,776,376</u></u>

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts payable	\$1,033,614	\$1,106,331
Neonatal surcharge payable	786,478	499,496
Proficiency testing deferred revenue	2,208,243	954,583
Newborn screening deferred revenue	2,342,272	2,342,272
Compensated absences (Note 2)	1,093,215	1,212,314
Total current liabilities	<u>7,463,821</u>	<u>6,114,994</u>

LONG TERM DEBT

Compensated Absences (Note 3)	<u>1,827,012</u>	<u>1,661,462</u>
Total long term debt	<u>1,827,012</u>	<u>1,661,462</u>
Total Liabilities	<u><u>\$9,290,833</u></u>	<u><u>\$7,776,456</u></u>

EQUITY

Net Operating Income (Loss)	<u>(1,072,256)</u>	<u>(1,438,752)</u>
Retained earnings	11,365,404	12,804,156
Contributed capital	5,634,516	5,634,516
Total retained earnings	<u>15,927,664</u>	<u>16,999,920</u>
Total Equity	<u>15,927,664</u>	<u>16,999,920</u>
Total Liabilities and Equity	<u><u>\$25,218,497</u></u>	<u><u>\$24,776,376</u></u>

Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm

WISCONSIN STATE LABORATORY OF HYGIENE		
STATEMENT OF CASH FLOWS		
For the 9 months ended April 30, 2023 and 12 months ended June 30, 2022		
	Year to Date	Prior Year
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	(\$1,072,256)	(\$1,438,752)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	2,035,947	2,442,430
Changes in working capital components:		
Decrease/(Increase) in net accounts receivables	(1,620,269)	(587,310)
Decrease/(Increase) in other receivables	145,000	57,602
Decrease/(Increase) in inventories	38,908	(28,881)
Decrease/(Increase) in prepaid expenses	258,864	6,032
(Decrease)/Increase in salaries payable	0	0
(Decrease)/Increase in accounts payable	(72,717)	261,223
(Decrease)/Increase in accrued expenses	0	0
(Decrease)/Increase in deferred revenue	0	(252,619)
(Decrease)/Increase in neonatal surcharge payable	286,983	(197,434)
(Decrease)/Increase in proficiency testing deferred revenue	1,253,660	(69,784)
(Decrease)/Increase in newborn screen deferred revenue	0	32,152
(Decrease)/Increase in	46,451	218,148
Net cash provided (used) in operating activities	1,300,571	442,807
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment and physical plant improvements	(2,631,698)	(2,779,300)
Net cash provided (used) in investing activities	(2,631,698)	(2,779,300)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payment on Capital Lease	-	-
Net cash provided (used) in financing activities	-	-
Net increase (decrease) in cash	(1,331,127)	(2,336,493)
Cash:		
Beginning	4,897,423	7,233,916
Ending	\$3,566,296	\$4,897,423

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

**WISCONSIN STATE LABORATORY OF HYGIENE
NOTES TO THE FINANCIAL STATEMENTS
For the period July 1, 2022 through April 30, 2023**

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Business:

- The Wisconsin State Laboratory of Hygiene (WSLH) is a governmental institution which provides medical, industrial and environmental laboratory testing and related services to individuals, private and public agencies, including the Department of Natural Resources (DNR) and the Department of Health Services (DHS). Approximately 80% of the WSLH operating revenues are program revenues, including contracts, grants, and fee-for-service billing. The remainder are general purpose revenues (GPR), which are Wisconsin state general fund dollars.

Budgetary Data:

- Fiscal Year 2022-2023 operating budget amounts were approved by the WSLH Board on June 21, 2022.

Basis of Presentation:

- The financial statements have been prepared on a modified accrual basis following Generally Accepted Accounting Principles.

Basis of Accounting:

- Revenues are recognized at the completion of the revenue generating processes. Fee-for-service revenues are generally recognized in the period services are completed.
- Revenues from GPR, OWI, Grants, and expense reimbursement contracts for salaries, fringe benefits, capital, and supplies are recognized as expended.
- Expenses are recognized and accrued when the liability is incurred.

Estimates and assumptions:

- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying footnotes. Actual results could differ from those estimates.

Assets

- As of April 30, 2023 cash is restricted to the newborn screening surcharge payable and the proficiency testing deferred revenue.
- Accounts receivable are reported at net realizable value. Net realizable value is equal to the gross amount of receivables less an estimated allowance for uncollectible amounts.
- Inventory is stated at cost (first in, first-out method).
- Equipment and building improvements are carried at cost. Expenditures for assets in excess of \$5,000 are capitalized. Depreciation is computed by the straight-line method.

Liabilities

- A liability for unearned revenue is recognized for the proficiency testing programs and for the newborn screening program.

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
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1:00 pm – 4:00 pm**

NOTE 1 - ACCOUNTS RECEIVABLE

- Accounts receivable and allowance for uncollectible account balances as of June 30, 2022 and April 30, 2023 are as follows:

	<u>April 30, 2023</u>	<u>June 30, 2022</u>
Accounts Receivable Total	\$7,990,667	\$6,370,442
Allowance for bad debt	<u>(86,363)</u>	<u>(86,341)</u>
Net Receivables	\$7,904,304	\$6,284,071

NOTE 2 - COMPENSATED ABSENCES

- GASB Statement No. 16, "Accounting for Compensated Absences," establishes standards of accounting and reporting for compensated absences by state and local governmental entities for which employees will be paid such as vacation, sick leave, and sabbatical leave. Using the criteria in Statement 16, a liability for compensated absences that is attributable to services already rendered and that is not contingent on a specific event that is outside the control of the State and its employees has been accrued. The table below details the liability by benefit category:

	<u>Total</u>	<u>Vacation</u>	<u>Pers Hol</u>	<u>Legal Hol</u>	<u>Sabbatical</u>
Current	\$1,093,215	\$857,205	\$45,190	\$41,863	\$148,957
Long Term	<u>1,827,011</u>				<u>1,827,011</u>
	\$2,920,226	\$857,205	\$45,190	\$41,863	\$1,975,968

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

BUSINESS ITEMS

Item 8. APPROVAL OF FY24 BUDGET

Description of the Item:

Kevin Karbowski, WSLH Chief Financial Officer, will present the FY24 Budget approval to the Board

Suggested Board Action:

Review and provide input.

Staff Recommendations and Comments:

Receive for information.

Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm

Fiscal Year 2024 Budget		
Income Statement		
State Laboratory of Hygiene		
Twelve Months ending June 30, 2024		
	Fiscal Year 2024 Budget Modified Accrual	Fiscal Year 2024 Budget Modified Cash
Support and Revenue		
State General Program Revenue	\$12,720,000	\$12,720,000
WI Driver Improvement Surcharge	2,494,200	2,494,200
Clinical	18,166,016	18,166,016
Neonatal Surcharge	6,671,895	6,671,895
Environmental	9,568,054	9,568,054
Proficiency Testing	4,398,055	4,398,055
Occupational Health	2,014,342	2,014,342
Cytotechnology Program	250,000	250,000
WI DHS Employee Contracts	862,767	862,767
Earning-Investment Income	98,000	98,000
Grants	5,598,880	5,598,880
Federal Indirect Cost Reimbursement	855,000	855,000
Total Support and Revenue	63,697,209	63,697,209
Expenses		
Salaries	26,643,458	26,643,458
Fringe Benefits	9,857,670	9,857,670
Supplies and Services	20,848,310	20,848,310
Transfer-Overhead Allow-133&144	943,805	943,805
Building Rent	3,295,060	3,295,060
Depreciation	2,598,463	0
Capital	0	2,008,000
Bad Debt Expense	3,600	3,600
Interest Expense	0	0
Total Expenses	64,190,366	63,599,903
Net Operating Income/(Loss)	(\$493,157)	\$97,306

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

BUSINESS ITEMS

Item 9. CONTRACTS REPORT

Description of the Item:

Tip Vandall, WSLH Accounts Receivable Financial Manager, will provide a brief update on Contracts to the Board.

Suggested Board Action:

Review and provide input.

Staff Recommendations and Comments:

Receive for information.

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

BUSINESS ITEMS

Item 10. DIRECTOR'S REPORT

Dr James Schauer, Director, WSLH

- ❖ **Data and Informatics Modernization Strategic Initiative**
 - Dr. Kelsey Florek, Senior Genomics and Data Scientist, Wisconsin State Laboratory of Hygiene

- ❖ **DEI Strategic Initiative**
 - Dr. Errin Rider, Associate Director of Clinical Testing, Wisconsin State Laboratory of Hygiene

- ❖ **Water Boil Notice Report**
 - Camille Danielson

- ❖ **Public Relations Report**
 - Jan Klawitter, Communications Manager
Wisconsin State Laboratory of Hygiene

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

**Report to the Wisconsin State Laboratory of Hygiene Board
Water Systems Tests by the WSLH
March 1, 2023 – June 1, 2023**

COUNTY NAME	PWS TYPE	NUMBER OF SYSTEMS	NUMBER OF UNSAFE	NUMBER OF BWO	DATE RANGE START	DATE RANGE END
Calumet	TN	13	2	1	3/1/2023	6/1/2023

**Wisconsin State Laboratory of Hygiene
Board of Directors Meeting
July 18, 2023
1:00 pm – 4:00 pm**

Report to the Wisconsin State Laboratory of Hygiene Board

Representative Public or Environmental Health Incidents of Educational Interest

Wisconsin named National Center of Excellence for wastewater surveillance

The Centers for Disease Control and Prevention (CDC) has named the Wisconsin Wastewater Surveillance Program a National Center of Excellence for wastewater surveillance within the National Wastewater Surveillance System (NWSS). Wisconsin joins just three other CDC NWSS Centers of Excellence in the country.

The Wisconsin Wastewater Surveillance Program is a partnership between the Wisconsin Department of Health Services, the Wisconsin State Laboratory of Hygiene at the University of Wisconsin–Madison, and the University of Wisconsin-Milwaukee School of Freshwater Sciences. The Wisconsin Wastewater Surveillance Program was an early pioneer during the COVID-19 pandemic in developing and applying wastewater-based surveillance for SARS-CoV-2 and is recognized as a national leader in wastewater-based monitoring of human pathogens.

WSLH Annual Report Coming Soon

The 2022-2023 WSLH Annual report is undergoing its final finishing touches and will be sent to the printer soon. You should receive a copy before the September 2023 Board meeting.