

MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE SOUTH DAKOTA DEPARTMENT OF LABOR AND REGULATION  
AND  
THE SOUTH DAKOTA FUSION CENTER

1. PURPOSE

This Memorandum of Understanding (MOU) is undertaken by and between the South Dakota Department of Labor and Regulation (Department) and the South Dakota Fusion Center (SDFC). It is intended to facilitate the sharing of confidential information for authorized law enforcement purposes.

2. ACCESS TO INFORMATION

Pursuant to 20 CFR § 603.5(e) and this MOU, the Department shall allow SDFC access to unemployment compensation (UC) information, specifically wages and employer information, contained in records maintained by the Department in the State Mainframe, as well as participant contact information and employer information contained in SDWorks, for authorized law enforcement purposes only.

The Department shall provide an enabled log-in to the referenced records maintained by the Department for use only by authorized analysts assigned to the SDFC.

3. USE OF INFORMATION

The SDFC hereby warrants that the log-in information provided by the Department shall be utilized only by authorized analysts assigned to the SDFC. Further, Department records will only be accessed in the course of an authorized law enforcement investigation.

The SDFC agrees to comply with all applicable state and federal laws concerning the use of any information obtained from the Department.

The SDFC will provide the Department a list of authorized analysts and will update said list as needed to reflect staffing changes so that proper access may be granted.

4. SECURITY REQUIREMENTS

SDFC understands that the information accessed and which is maintained by the Department is confidential. SDFC shall ensure that the information accessed is subject to management, operational and technical requirements designed to safeguard the information and restrict its use to authorized analysts for authorized purposes.

The security requirements shall apply to all information accessed by the SDFC, as well as all information transmitted to the SDFC by the Department, including any copies of the information, export files and file backups containing such information, if such is provided.

In the case of any actual or suspected breach of the security of the information accessed by the SDFC, the SDFC shall immediately notify the Department contact person, as designated in Section 8 of this MOU.

In accordance with federal regulation, the confidential information accessed and received by the SDFC shall be subject to the safeguard provisions contained in 20 CFR § 603.9(b), which requires the SDFC to:

- Use the confidential information only for authorized law enforcement purposes;
- Store the confidential information in a place physically secure from access by unauthorized persons;
- Store and process the confidential information maintained in electronic format, such as magnetic tapes or discs, in such a way that unauthorized persons cannot obtain the information by any means;
- Undertake precautions to ensure that only authorized analysts are given access to the confidential information stored in computer systems;
- Instruct authorized analysts having access to the confidential information about the requirements as set out in this MOU, including that any actual or suspected breach of the security of the information accessed shall be reported immediately to the Department, and that the penalties for unauthorized use, disclosure, or destruction may include disciplinary action and/or criminal or civil action, if applicable;
- Dispose of confidential information and any copies thereof made authorized analysts of SDFC when the purpose for which the confidential information is disclosed has been served except for information possessed by any court. Disposal shall be carried out by an approved method of destruction, which includes: shredding, burning, or certified or witnessed destruction. Confidential information shall never be disposed of by placing information in wastebaskets or recycle bins;
- Maintain a system sufficient to allow an audit of compliance with the security requirements;
- Agree that the confidential information shall not be redisclosed to any person, other than law enforcement, without permission from the Department.

5. REIMBURSEMENT

Federal law provides that the costs incurred by Department in providing UC information shall be reimbursed by the SDFC in an amount calculated in accordance with 29 CFR part 97 and OMB Circular No. A-87 (Revised). 20 CFR § 603.8.

Given the nominal costs incurred by the Department, SDFC and the Department agree that such costs will not be reimbursed by the SDFC.

6. EFFECTIVE PERIOD, MODIFICATION, AND TERMINATION OF MOU

**A. Effective Period of MOU**

This MOU shall become effective upon signature by the authorized officials of the Department and the SDFC. This MOU shall remain in effect for a period of five years from the effective date of this MOU unless any party or all parties opt to terminate the MOU prior to the expiration of its effective period.

**B. Modification of MOU**

This MOU may be modified at any time by a written modification, which is approved and signed by the authorized officials of each agency. If there are no substantive changes in the interim, the MOU will remain in effect for the specified period.

**C. Termination of MOU**

Either party may terminate this MOU upon written notice to the other party which is approved and signed by both parties. The termination shall be effective 30 calendar days from the date of such notice, or at a later date specified in the notice, so long as such date does not exceed the date of termination of this MOU. Notices shall be given to the contact persons, as designated in Section 8 of this MOU.

This MOU is terminable by the Department if the Department determines that the security requirements, as set out in Section 4 above, have not been adhered to by the SDFC. 20 CFR § 603.10(a).


7. ON-SITE INSPECTION

The Department reserves the right to conduct an on-site inspection of the SDFC to assure that the requirements of law and this MOU are being met.


8. PERSONS TO CONTACT

For the Department: Todd Kolden  
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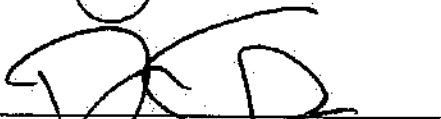
For SDFC: James Legg  
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PAMELA S. ROBERTS  
SECRETARY, Department of Labor and Regulation


1-29-13  
Date

  
TREVOR JONES  
SECRETARY, Department of Public Safety

1-12-2013  
Date

  
BRYAN GORTMAKER  
DIRECTOR, Division of Criminal Investigation

1-15-13  
Date

  
DAVID ZOLNOWSKI  
COMMISSIONER, Bureau of Information and Telecommunications

01/22/2013  
Date