

Approve Agenda - Chair

The following contains the agenda for the board meeting held on March 20, 2014.

Title	Report	Recommendations
1. Call to Order A. Call Roll B. Introduce Guests	-- Chair Casey Peterson	<i>Informational</i>
2. Approve Agenda	-- Chair Casey Peterson	<i>Motion to approve agenda</i>
3. Approve Minutes	-- Chair Casey Peterson	<i>Motion to approve December 12, 2013 minutes</i>
4. Audit Committee Report	-- Ms. Pat Lebrun	<i>Informational – audit closeout</i>
5. Financial Report A. Review Financial Summaries	-- Mr. Mike Headley -- Ms. Nancy Geary	<i>Motion to accept financial report</i>
6. Report from Executive Director A. Report from Lab Director B. Update on Sanford Lab Homestake Visitor Center Plans C. Visitor Center Exhibit Plans D. Update on Jonas Hall Design Plans	-- Mr. Mike Headley -- Mr. Mike Headley -- Mr. Josh Willhite -- Dr. Rachel Headley -- Dr. Rod Custer	<i>Motion to accept executive director's report</i>
7. 2014 Legislative Update	-- Mr. Tim Engel	<i>Informational</i>
8. Select Nominating Committee	-- Chair Casey Peterson	
9. Executive Session to discuss personnel matters and to consult with legal counsel concerning contractual matters <i>Recess for Lunch</i>	-- Chair Casey Peterson	
10. Report from Executive Session	-- Chair Casey Peterson	<i>Motion to accept executive session report</i>
11. Update on Particle Physics Project Prioritization Panel (P5)	-- Dr. Kevin Lesko(<i>by telephone</i>)	<i>Informational</i>
12. Update on Education and Outreach	-- Dr. Ben Saylor	<i>Informational</i>
13. Visitor Center MOU Update	-- Mr. Mike Headley	<i>No recommendation</i>
14. Discuss Capex Budget Update	-- Mr. Mike Headley	<i>Motion to approve updated capex budget</i>
15. Review of Updated Policies	-- Mr. Mike Headley	<i>Motion to accept the following policies: 4.5.1 At-Will Employees and 4.12 Progressive Discipline Termination</i>
16. Confirm next meeting	-- Chair Casey Peterson	<i>June 19, 2014 at 9:00AM (Mountain Time) (Annual meeting)</i>
17. Board Comments		
18. Adjourn	-- Chair Casey Peterson	<i>Motion to adjourn</i>

Recommended Action:

Motion to approve agenda as presented.

AGENDA
South Dakota Science and Technology Authority
Meeting of the Board of Directors
630 East Summit Street, Lead, South Dakota
Thursday, March 20, 2014 at 10:00 AM (MT)

Title	Report	Recommendations
1. Call to Order A. Call Roll B. Introduce Guests	-- Chair Casey Peterson	<i>Informational</i>
2. Approve Agenda	-- Chair Casey Peterson	<i>Motion to approve agenda</i>
3. Approve Minutes	-- Chair Casey Peterson	<i>Motion to approve December 12, 2013 minutes</i>
4. Audit Committee Report	-- Ms. Pat Lebrun	<i>Informational – audit closeout</i>
5. Financial Report A. Review Financial Summaries	-- Mr. Mike Headley -- Ms. Nancy Geary	<i>Motion to accept financial report</i>
6. Report from Executive Director A. Report from Lab Director B. Update on Sanford Lab Homestake Visitor Center Plans C. Visitor Center Exhibit Plans D. Update on Jonas Hall Design Plans	-- Mr. Mike Headley -- Mr. Mike Headley -- Mr. Josh Willhite -- Dr. Rachel Headley -- Dr. Rod Custer	<i>Motion to accept executive director's report</i>
7. 2014 Legislative Update	-- Mr. Tim Engel	<i>Informational</i>
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11. Update on Particle Physics Project Prioritization Panel (P5)	-- Dr. Kevin Lesko (by telephone)	<i>Informational</i>
12. Update on Education and Outreach	-- Dr. Ben Sayler	<i>Informational</i>
13. Visitor Center MOU Update	-- Mr. Mike Headley	<i>No recommendation</i>
14. Discuss Capex Budget Update	-- Mr. Mike Headley	<i>Motion to approve updated capex budget</i>
15. Review of Updated Policies	-- Mr. Mike Headley	<i>Motion to accept the following policies: 4.5.1 At-Will Employees and 4.12 Progressive Discipline Termination</i>
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17. Board Comments		
18. Adjourn	-- Chair Casey Peterson	<i>Motion to adjourn</i>

Approve Minutes - Chair

The following contains the minutes from the board meeting held on December 12, 2013.

Recommended Action:

Motion to approve minutes as presented.

South Dakota Science and Technology Authority Board of Directors
Meeting Minutes
Thursday, December 12, 2013
Lead, South Dakota

The Board of Directors of the South Dakota Science and Technology Authority (SDSTA) convened at 10:01 AM Mountain Time (MT) on Thursday, December 12, 2013 in the 2nd Floor Vault Conference Room at the South Dakota Science and Technology Authority, 630 East Summit Street, Lead, South Dakota.

MEMBERS OF THE BOARD IN ATTENDANCE

Mr. Thomas Adam
Mr. Paul Christen
Mr. Dana Dykhouse
Ms. Pat Lebrun
Chairman Casey Peterson
Mr. Ron Wheeler

MEMBERS OF THE BOARD IN ATTENDANCE VIA TELEPHONE

Dr. Ani Aprahamian

SDSTA STAFF

Ms. Michelle Andresen, Administrative Assistant
Mr. Tim Engel, Legal Counsel
Ms. Nancy Geary, Chief Financial Officer
Mr. Mike Headley, Executive Director
Ms. Sharon Hemmingson, Business Services and Contracts Manager
Ms. Mandy Knight, User Support Office Manager
Mr. Daryl (KC) Russell, Cultural Diversity Coordinator
Mr. David Vardiman, Geotechnical Design and Excavation Project Engineer
Ms. Constance Walter, Communications Director
Mr. Joshua Willhite, Engineering Director

MEDIA REPRESENTATIVES PRESENT DURING ALL OR PART OF THE MEETING

None

ALSO PRESENT DURING ALL OR PART OF THE MEETING

Mr. Syd DeVries, Project Engineer for Underground Infrastructure Design and Construction
Dr. Peggy Norris, Education and Outreach (E&O) Deputy Director (BHSU/Sanford Laboratory)
Dr. Ben Sayler, E&O Director (BHSU/Sanford Laboratory) (via telephone)
Mr. Tony Venhuizen, SD Office of the Governor
Mr. Patrick Weber, SD Office of the Governor

ITEM 1. – CALL TO ORDER

Chairman Peterson called the meeting to order at 10:01 AM (MT). Roll call was held. All members were present in person or by telephone. Chairman Peterson asked audience members to stand and introduce themselves.

ITEM 2. – APPROVE AGENDA

Chairman Peterson requested a motion to approve the agenda.

Motion by Mr. Adam and second by Mr. Dykhouse to approve the agenda. Motion passed unanimously.

ITEM 3. – APPROVE MINUTES

Chairman Peterson requested a motion to approve the minutes of the September 19, 2013 meeting.

Motion by Mr. Adam and second by Mr. Christen to approve the Minutes of the September 19, 2013, meeting. Motion passed unanimously.

ITEM 4. – DISCUSS RON WHEELER CONFLICT OF INTEREST AND PROPOSED CONSULTING CONTRACT

SDSTA Governmental and External Affairs Director and member of the Board of Directors Mr. Ron Wheeler advised that he is an "Interested Person" due to a compensation arrangement with the SDSTA and therefore has a conflict of interest as defined in SDSTA's conflict of interest policy. He also said he plans to retire from his current full-time employment with the SDSTA at the end of December 2013. The proposal is that he enter into a two-year consulting contract to continue to provide similar services to SDSTA, but on a consulting contract basis. Chairman Peterson asked if there were any questions from the board. Executive Director Mr. Mike Headley advised that the draft contract is in progress and the terms are standard. The board was provided a copy of the draft contract. He also stated that Mr. Wheeler will report directly to him. He said Mr. Wheeler will not participate in any board votes that may affect his consulting contract or compensation. Mr. Dykhouse asked for clarification that monthly activity reports submitted from Mr. Wheeler to Mr. Headley will be available to the board. Mr. Headley confirmed.

Motion by Mr. Christen and second by Mr. Adam to make a finding that a conflict of interest does exist. By roll call vote, the motion passed unanimously.

Mr. Wheeler left the meeting at 10:13 AM.

SDSTA Legal Counsel Mr. Tim Engel asked the board to determine if it would be more advantageous to obtain consulting services elsewhere. Chairman Peterson pointed out that Mr. Wheeler is qualified in this job role because he has firsthand experience and numerous South Dakota contacts with appropriate affiliations. Mr. Christen commented on Mr. Wheeler's fundraising experience, which adds to his qualifications. Ms. Lebrun also said there is a time issue involved for fundraising to be successful, and Mr. Adam said he believed no one else is qualified in the local area.

Motion by Mr. Adam and second by Ms. Lebrun as follows: Having discussed the facts and circumstances and possible alternative arrangements, the board finds that a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, and that the engagement of Ron Wheeler as director of governmental and external affairs on a consulting contract basis is in the SDSTA's best interest, for the SDSTA's benefit, and is fair and reasonable. The board hereby authorizes the engagement of Ron Wheeler as director of governmental and external affairs on a consulting contract basis as proposed by the Executive Director. By roll call vote, the motion passed unanimously.

Mr. Wheeler then re-joined the meeting at 10:19 AM.

ITEM 5. – AUDIT COMMITTEE REPORT

Ms. Lebrun advised the board that the audit is currently being conducted onsite. She said SD Legislative Auditor Mr. Al Schaefer is expected to complete the audit before January. An engagement letter was signed by Audit Committee members Ms. Lebrun and Mr. Dana Dykhouse. Ms. Lebrun referred to the audit committee meeting minutes included in the board packet. Ms. Lebrun concluded that the audit report submission is due by the end of December and will be provided at the March 2014 board meeting for approval.

ITEM 6. – FINANCIAL REPORT

Mr. Headley introduced SDSTA Chief Financial Officer Ms. Nancy Geary who provided an overview of the financial statements. She advised the board that the past month was slightly over budget due to unusual expenses, including a three pay-period month. She said the Lawrence Berkeley National Laboratory (LBNL) operations contract was over budget due to a repair of the Yates ore hoist motor. Mr. Adam asked how many employees are currently on the payroll. Ms. Geary advised there are 125 full-time employees. Mr. Dykhouse asked if there were any water pumping issues. Mr. Headley said that the pumps are operating efficiently, but the #6 Winze pump requires repair, which is scheduled in the next two to four weeks.

Motion by Mr. Wheeler and second by Mr. Christen to accept the financial report as presented. By roll call vote, the motion passed unanimously.

Mr. Headley directed the board members to the highlighted additional CAPEX budget items and discussed the following: 1) The Water/Hazard Mitigation Fuse Pipe project to install 2,000 feet of pipe to improve underground water inflow controls and the Ross Shaft steel purchase to lock in prices for the raw material for the rehabilitation. He said two payments of \$1.75M will be paid in March 2014 and June 2015. Payments for fabrication of each steel set will be paid when each set is delivered through mid-2017. Mr. Christen asked if onsite inspections will be performed by SDSTA staff at the manufacturer's Rapid City location. It was confirmed by Mr. Headley and Project Engineer Mr. Syd DeVries that periodic onsite inspections are conducted.

2) The Dual Ion Accelerators for Nuclear Astrophysics (DIANA) / Compact Accelerator System for Performing Astrophysical Research (CASPAR) experiment development. Mr. Headley said CASPAR is the near-term phase of DIANA, which is the future full-phase experiment. He said the SDSTA has committed to the South Dakota School of Mines and Technology (SDSM&T) and University of Notre Dame to fund \$1M of the experiment development activities cost of which \$0.5M has been paid. The SDSTA will provide the remaining \$0.5M payment in January 2014.

3) Augmenting HVAC system in the Davis Campus. Mr. Headley said the clean space area of the MAJORANA (MJD) experiment is experiencing high humidity, which is causing equipment corrosion. A pre-conditioner is needed to cool the air into the existing system. Chairman Peterson asked why this was not determined in the initial plans. Mr. Headley advised that the humidity estimates were lower during the initial planning. He said factors such as additional water usage in the shaft and heavy rain events earlier in the year has contributed to increased humidity. The new system will be installed by April 2014.

4) The Yates and Ross Crusher Room roofs. Mr. Headley said the roofs need to be strengthened, as they do not meet code requirements for snow loading. Additional welding and reinforcement will be done at both buildings.

5) The CASPAR facility design development process at the 4850L. Mr. Headley said an installation of rock bolts and mesh for the initial rehabilitation process is the next step. A telephonic board meeting may be needed in January for further board approval on its progress.

6) A waste rock conveyer system design between the laboratory and the Open Cut. Mr. Headley said this would be an automated train rail conveyer system and that the preliminary design cost will be co-funded by the SDSTA and the Long-Baseline Neutrino Experiment (LBNE) Project. He said the LBNE will provide for the construction and operation cost of the conveyer. The conveyer will be utilized for all future rock removal from the 4850L.

Mr. Dykhouse asked for clarification on the possibility of capitalizing any of the discussed expenses and where the deductions are coming from on the balance sheet. Ms. Geary advised of the designated locations of the expenses in question.

Motion by Mr. Wheeler and second by Mr. Christen to approve the updated CAPEX budget. By roll call vote, the motion passed unanimously.

ITEM 7. – REPORT FROM EXECUTIVE DIRECTOR

Mr. Headley began his report by discussing the Large Underground Xenon (LUX) experiment's first results announcement in October and its success. He said there was tremendous press coverage as a result of the announcement. The MJD experiment continues to move forward and will host an annual review with the Department of Energy (DOE) in January 2014 at Sanford Laboratory. Mr. Headley reiterated the CASPAR progress on the 4850L facility design space and said that LBNE continues to move forward planning its detector experiment underground, rather than the surface, as directed by the DOE.

The LUX-ZEPLIN (LZ) submitted a proposal for funding to the DOE and National Science Foundation (NSF). Mr. Headley said funding results are expected in February or March 2014.

The shaft work of replacing steel continues and has crossed the 1300-foot mark. Under the current schedule, work is expected to reach the 1250L by the end of the year. Mr. Headley commented that a pump replacement will occur in the next few days, which will slow down shaft progress.

Mr. Headley said the fiscal budget has not been passed by Congress at this time. He said guidance has been received by the DOE for a \$14M budget in general, which is \$450,000 short of the previous year's budget. Mr. Headley advised that the DOE cost review results, which had been a follow-up to the August 2012 review, confirmed that the SDSTA is operating as lean as can be and recommended that the agencies fund the SDSTA to the level necessary. Mr. Headley explained that the \$14M contract with the DOE was approved and is being utilized.

Mr. Headley introduced SDSTA Geotechnical Design and Excavation Project Engineer Mr. David Vardiman, who provided a presentation on the CASPAR facility plans. He said the proposed location would be in the Ross Campus area and begin moving forward in early 2014 pending Board approval. Mr. Vardiman advised the Board that the proposed occupancy date is January 2015. Chairman Peterson asked what the accelerator entailed. Mr. Vardiman said that it is an ionic particle accelerator, which is a radiation generator. He concluded by stating that CASPAR is a new experiment and unrelated to any of the current experiments at the 4850L.

Mr. Headley introduced SDSTA Engineering Director Mr. Joshua Willhite, who provided a presentation on the Sanford Laboratory Homestake Visitor Center design proposal. He said the mission is to provide a past, present and future overview of science and local area history of the Homestake Mine. Once the Memorandum of Understanding (MOU) between SDSTA and Lead Chamber of Commerce/Homestake Visitor Center is finalized, construction is planned to commence in early spring 2014. He said a section of the original tank from the Ray Davis experiment will be an outside memorial feature. Dr. Aprahamian asked what the proposed classroom occupancy limit would be and Mr. Willhite responded the limit is approximately 50 people. He said the proposed opening day is June 1, 2015. Mr. Dykhouse commented on the Ray Davis Memorial as a starting point for the visitor center tour. He also suggested mounting live cameras throughout the underground lab for an interactive experience for visitors at the center.

Motion by Mr. Wheeler and second by Mr. Christen to accept the Executive Director's report. By roll call vote, the motion passed unanimously.

ITEM 8 - EXECUTIVE SESSION

Motion by Mr. Dykhouse and second by Mr. Adam to enter into executive session to discuss personnel matters and to consult with legal counsel concerning contractual and legal matters. Motion passed unanimously.

The board recessed at 11:36 AM for lunch and Executive Session and reconvened at 12:48 PM.

ITEM 9. – REPORT FROM EXECUTIVE SESSION

Chairman Peterson reported that the board discussed personnel matters and consulted with legal counsel concerning contractual and legal matters. No action was taken.

Motion by Mr. Adam and second by Mr. Wheeler to accept the executive session report. Motion passed unanimously.

ITEM 10. – REPORT FROM SD REACH COMMITTEE

Ms. Lebrun advised that the SD Research Excellence: A Critical Hallmark (REACH) Committee met recently. She said the NSF requires establishment of a Science and Technology plan. This plan would strengthen research and education in Science, Technology, Engineering and Math (STEM) across South Dakota. The goal is to increase science literacy among students and create a competent workforce in the future. Ms. Lebrun thanked Mr. Headley and SDSTA staff for helping to compile information for the committee meeting. Ms. Lebrun closed her report by stating that the next REACH meeting will be held at Sanford Laboratory in June 2014.

ITEM 11. – UPDATE ON EDUCATION AND OUTREACH INCLUDING THE JONAS HALL SCIENCE PLANS

Dr. Ben Sayler provided his presentation by telephone on the Science Education Center at Black Hills State University (BHSU) and referred to a planning document draft distributed to the board members. He said the mission had been recently revised with a major shift to incorporate the idea and vision of the strategic planning process. Three inter-related groups are currently working together on the building design. He said the Jonas Hall plans will include offices for Math, Science and University activities. The renovations will begin in either late spring or early summer of 2014. Dr. Sayler also gave a brief overview of student summer internships and scholarships as well as the teacher preparation program. Mr. Dykhouse inquired as to how many applications are being received for the programs. Education and Outreach Deputy Director Dr. Peggy Norris advised that the Sanford Laboratory receives numerous applications for these opportunities.

ITEM 12. – DISCUSS MEMORANDUM OF UNDERSTANDING (MOU) FOR SANFORD LAB AND HOMESTAKE VISITOR CENTER

Mr. Headley advised the board that the SDSTA is working with the Homestake Visitor Center and Lead Chamber of Commerce to execute an MOU for construction of a new visitor center facility.

Motion by Mr. Adam and second by Mr. Christen to approve the Memorandum of Understanding between SDSTA and Homestake Visitor Center/Lead Chamber of Commerce to authorize the chairman and executive director, in consultation with legal counsel, to negotiate the final terms and conditions, and to authorize the executive director to sign. Motion passed unanimously.

Chairman Peterson noted that the board has seen the most current draft of the MOU and agrees with the terms of the principles put forth.

ITEM 13. – NEW AND UPDATED POLICIES

Mr. Headley briefly discussed the list of new and updated policies listed below and said Mr. Engel had reviewed the policies. He asked if there were any questions or comments. There were none.

Policy 3.11: Time Sheet Hourly (updated)

Policy 3.28: Delegation of Authority (updated)

Policy 5.1: Procurement

Policy 5.2: Code of Business Ethics and Conduct

Policy 5.3 Sole Source (Noncompetitive) Procurements

Policy 5.4: Emergency Procurement

Policy 5.5: Utilization of Small Business Concerns

Policy 5.6: Separation of Duties

Mr. Engel reminded the board that the SDSTA is exempt from the state procurement laws, but it is still a good business practice to utilize competitive procurement processes, and those processes are a requirement of the federal funding agencies.

Motion by Mr. Adam and second by Mr. Dykhouse to approve the above listed policies. Motion passed unanimously.

ITEM 14. – LOBBYIST REGISTRATION

Mr. Engel advised the board to designate the 2014 legislation session lobbyists and register with the State. He said one action item this year is the governor's bill to appoint a non-voting board member to the board, which the SDSTA supports.

Motion by Mr. Adam and second by Ms. Lebrun to approve authorizing Mr. Mike Headley, Mr. Ron Wheeler and Mr. Tim Engel as lobbyists for the SDSTA. Motion passed unanimously.

ITEM 15. – CONFIRM DATE AND TIME FOR 2014 BOARD MEETINGS

Chairman Peterson asked if there were any concerns with the proposed 2014 dates and times. There were none.

Motion by Ms. Lebrun and second by Mr. Wheeler to approve the suggested dates of March 20, June 19, September 18 and December 18, 2014. Motion passed unanimously

ITEM 15. – BOARD COMMENTS

Mr. Adam said he enjoyed the meeting.

Ms. Lebrun seconded Mr. Adam's comments and said she appreciates the timely staff reports. She wished everyone a nice holiday.

Mr. Wheeler complimented Mr. Headley and the staff for their hard work and wished Happy Holidays to all.

Mr. Christen thanked Mr. Headley for a good meeting and receiving timely information.

Mr. Dykhouse thanked Ms. Lebrun for her involvement in the REACH committee and encouraged the board members to spread the word about Sanford Laboratory at any opportunity.

Mr. Headley introduced the new Communications Director, Constance "Connie" Walter. Mr. Headley then advised the board of a seismic event that occurred the same morning. He said the underground had been evacuated and level inspections are currently being conducted. He also thanked the board for their support and said there are numerous opportunities on the horizon for the Sanford Laboratory. He also thanked the Governor's office for their support.

Dr. Aprahamian wished the board a good Christmas and good luck.

Chairman Petersen thanked Mr. Headley and the SDSTA team for their hard work. He thanked Mr. Wheeler and said he appreciated his presence at Sanford Laboratory. Chairman Peterson extended his thanks to the Governor's office for their funding support. He wished everyone a Merry Christmas and appreciated the Sanford Laboratory's accomplishments.

Mr. Headley added that he would like thank User Support Office Manager Ms. Mandy Knight and Administrative Assistant Michelle Andresen for all their board meeting support.

ITEM 16. – ADJOURN

Chairman Peterson asked if anyone had any other questions or comments and then called for a motion to adjourn.

Motion by Mr. Wheeler and second by Mr. Adam to adjourn. Motion passed unanimously.

Meeting adjourned at 1:20 PM.

Report from Audit Committee – Ms. Pat Lebrun

Audit Committee Report

SDSTA Audit Committee minutes of the close out teleconference call on December 23, 2013

Recommended Action:
Informational – audit closeout



SDSTA Audit Committee Meeting

December 23, 2013, 2:00 PM (MT)

Participants:

Ms. Pat Lebrun, SDSTA Board of Director and Audit Committee Chair

Mr. Dana Dykhouse, SDSTA Board of Director

Mr. Al Schaefer, SD Department of Legislative Audit, Auditor III

Ms. Nancy Geary, SDSTA Chief Financial Officer

An audit close out teleconference was held today and we discussed the following:

1. Al Schaefer verified with Pat and Dana that they had received the Management Letter from his office. They confirmed that it was received.
2. Al mentioned that there were no written comments, but a few oral comments. The oral comments were in reference to the capital lease for the deep pump from Hydro Resources. Nancy had listed this as a separate item on the Management's Discussion and Analysis report, but this should be included in the cost of equipment listed on this report. In the Notes, this was shown separately in case LBNL (Lawrence Berkeley National Laboratory) wanted to see its value. This adjustment was made on the State Audit report. Other smaller potential adjustments for this lease would show on the cash flow, but were not necessary. The indirect cost rate was not affected by this change.
3. Pat asked if there were any issues with the new accounting system for the audit. Al replied that the new system definitely was something to get used to. There were some better reports in the old system (Quickbooks), but once he got used to the trial balance and the coding that is used, the audit went better. There was an added step in testing payroll, but this did not add a lot of time.
4. Al discussed the supplemental informational report (Schedule of Operating Expenses), in that its history relates back to when Dave Snyder was Executive Director. Al mentioned that this report is not a required element, and that it did add approximately 10 hours to the audit this year, as tying it back to the general ledger was more time consuming with the new accounting system. Furthermore, he said that it was up to the Board on whether they wanted it included in the future. Pat could recall that this report was added a long time ago, as there was less confidence for our financial position in the reporting structure at that time. This report was added for clarity. In her opinion it is better to have more information rather than less information. Nancy added that for the next audit, with a few changes and improvements to the detail behind this report, this will be clearer and easier to test.
5. Al mentioned that he thought the report was completed at his office and that it might be sent to Nancy by the end of this week. This will allow time to forward to LBNL for that deadline (Dec. 31, 2013) and also to be presented to the Board. His office will send enough copies for the entire

Board. The clerk that typed the report had a little trouble with the “linked” files. Nancy will send out the instructions for this linking plus the excel files so this hopefully won’t be an issue again and will be easier to type.

6. Al pointed out that an unqualified opinion will be issued on the financial statements as in years past. He also pointed out that there will be a change in terminology when comparing the report that Nancy sent to the Board for FY2013 compared to the final report from the State. This difference is reflected in terminology in the Equity Section of the report. Any items previously listed as “Net Assets” will now be referred to as “Net Position”.
7. Al asked if there were any questions. There were none.
8. Pat thanked both Al and Nancy for their work on the audit. Al thanked Nancy and her staff for making the information requested available in a timely fashion.
9. For next year’s audit, it will be scheduled approximately at the same time as this year. This will be sometime in November; in time to finish the audit by the Dec. 31, deadline. Next year’s audit will not be an A-133 audit, but will be like the audit we finished this year. We are on the schedule of every 3rd year receiving an A-133 audit, which will occur in the following year. Even though, some of the testing this year including tracing some direct and indirect expenses from the various contracts.
10. Al further discussed that we would set up a time in January (upon Mike Headley’s return after the holidays) to hold an informal closing with him as well. The “Representation Letter” that Nancy signed would also be signed by Mike at that time. This will not be an issue and will not hold up the submission of the report from his office.

Financial Report – Mr. Mike Headley

The Financial Report includes the following:

- A. Review Financial Summaries

Recommended Action:

Motion to approve financial report.

DIVISION: ALL

BALANCE SHEET

ASSETS

AS OF
02/28/14

CURRENT ASSETS

First Interstate Checking	\$	817,833.97
First Interstate Other		56,580.80

Total in Local Checking		874,414.77
SD Treas: Indemnification		10,000,000.00
SD Treas: Mine Closure		1,349,275.35
SD Treas: Operating		225,609.00
SD Treas: Sanford		3,457,007.40
SD Treas: Sanford Gift #2		18,177,755.00

Total with SD Treasurer		33,209,646.75
Billed A/R		1,142,222.42
Unbilled A/R		355,984.95
Other A/R		248,542.47
Inventory - Supplies		2,702,464.79
Inventory - Warehouse		376,199.23
Other Current Assets		281,672.19

Total Current Assets		39,191,147.57

FIXED ASSETS

Land, Underground & Other		12,353,375.03
Bldgs & Infrastructure		8,881,327.62
Improvements		43,964,388.80
Computer Equipment		357,294.53
Equipment & Fixtures		8,114,667.49
Accum Depr & Amort		(6,752,916.70)

Total Fixed Assets		66,918,136.77

OTHER ASSETS

Work in Process		2,213,013.02
Equipment - Capital Lease		691,945.36

Total Other Assets		2,904,958.38

TOTAL ASSETS

\$ 109,014,242.72

DIVISION: ALL

BALANCE SHEET

LIABILITIES & EQUITY

		AS OF 02/28/14

CURRENT LIABILITIES		
Accounts Payable	\$	876,253.88
Other Payables		7,292.61

Total Accounts Payable		883,546.49
Accrued Payroll Liab		932,448.94

Total Current Liabilities		1,815,995.43
OTHER LIABILITIES		
LT Accrued EB/Lease		691,945.36

Total Other Liabilities		691,945.36

TOTAL LIABILITIES		2,507,940.79
STOCKHOLDER'S EQUITY		
Restricted: Indemnificati		10,000,000.00
Restricted: Sanford		3,457,007.40
Restricted: Lab		225,609.00
Restricted: Mine Closure		1,349,275.35
Restricted: Sanford Gift2		18,177,755.00

Total Restricted Funds		33,209,646.75
Investment in Gen FA		66,918,136.77
Unrestricted Funds		6,378,518.41

Total Equity		106,506,301.93
TOTAL LIABILITIES & EQUITY	\$	=====
		109,014,242.72
		=====

ALL STATEMENT OF INCOME
FOR THE PERIOD ENDING 02/28/14

	YR-TO-DATE
REVENUE	
DOE Subcontracts	\$ 9,754,547.23
NSF Subcontracts	167,865.48
State Revenue	2,002,572.13
Contributions & Donations	30,000.00
Checking Interest	37.89
Interest Income	175,877.80

	12,130,900.53
DIRECT COSTS	
Direct Labor	4,788,615.64
ERT Labor	18,187.50
Board of Directors	4,841.51
Capital Outlay >\$5K	384,828.95
Contractual Svcs	1,066,711.58
Emergency Resp	28,650.79
Inventory	227,032.69
Supplies	620,676.18
Travel - Domestic	39,100.82
Travel - Foreign	10,659.91
Utilities	1,107,598.90
Other Direct Costs	153,571.05
Unallow/Unbill Costs	205,255.47

	8,655,730.99
INDIRECT COSTS	
Fringe Benefits	2,152,304.23
Overhead	2,301,634.15

	4,453,938.38
GROSS PROFIT FROM OPERATIONS	-----
	-978,768.84
OTHER INCOME	
Water Treatment	90,543.17
Miscellaneous Income	86,880.46

	177,423.63
OTHER EXPENSES	
Loss(Gain) on Sale of FA	3,989.67
Reclass Incr Net Assets	-1,076,821.81

	-1,072,832.14
NET INCOME	=====
	271,486.93
	=====

DIVISION: ALL COMPARATIVE BALANCE SHEET

ASSETS

	AS OF 02/28/14	AS OF 02/28/13	\$ CHANGE	% CHANGE
CURRENT ASSETS				
First Interstate Checking	\$ 817,833.97	\$ 555,921.46	\$ 261,912.51	\$ 47.11%
First Interstate Other	56,580.80	25,000.00	31,580.80	126.32%
	-----	-----	-----	-----
Total in Local Checking	874,414.77	580,921.46	293,493.31	50.52%
SD Treas: Indemnification	10,000,000.00	10,000,000.00	-	0.00%
SD Treas: Mine Closure	1,349,275.35	1,329,564.20	19,711.15	1.48%
SD Treas: Operating	225,609.00	-	225,609.00	100.00%
SD Treas: Sanford	3,457,007.40	6,391,300.33	(2,934,292.93)	-45.91%
SD Treas: Sanford Gift #2	18,177,755.00	20,000,000.00	(1,822,245.00)	-9.11%
	-----	-----	-----	-----
Total with SD Treasurer	33,209,646.75	37,720,864.53	(4,511,217.78)	-11.96%
Billed A/R	1,142,222.42	826,259.96	315,962.46	38.24%
Unbilled A/R	355,984.95	1,591.45	354,393.50	22268.59%
Other A/R	248,542.47	731,379.47	(482,837.00)	-66.02%
Inventory - Supplies	2,702,464.79	2,936,975.92	(234,511.13)	-7.98%
Inventory - Warehouse	376,199.23	62,432.21	313,767.02	502.57%
Other Current Assets	281,672.19	352,866.99	(71,194.80)	-20.18%
	-----	-----	-----	-----
Total Current Assets	39,191,147.57	43,213,291.99	(4,022,144.42)	-9.31%
FIXED ASSETS				
Land, Underground & Other	12,353,375.03	12,353,375.03	-	0.00%
Bldgs & Infrastructure	8,881,327.62	8,881,327.62	-	0.00%
Improvements	43,964,388.80	40,515,305.54	3,449,083.26	8.51%
Computer Equipment	357,294.53	357,294.53	-	0.00%
Equipment & Fixtures	8,114,667.49	7,980,192.98	134,474.51	1.69%
Accum Depr & Amort	(6,752,916.70)	(5,086,247.35)	(1,666,669.35)	32.77%
	-----	-----	-----	-----
Total Fixed Assets	66,918,136.77	65,001,248.35	1,916,888.42	2.95%
OTHER ASSETS				
Work in Process	2,213,013.02	1,596,178.91	616,834.11	38.64%
Equipment - Capital Lease	691,945.36	-	691,945.36	100.00%
	-----	-----	-----	-----
Total Other Assets	2,904,958.38	1,596,178.91	1,308,779.47	81.99%
	=====	=====	=====	=====
TOTAL ASSETS	\$ 109,014,242.72	\$ 109,810,719.25	(796,476.53)	-0.73%
	=====	=====	=====	=====

DIVISION: ALL

COMPARATIVE BALANCE SHEET

LIABILITIES & EQUITY

	AS OF 02/28/14	AS OF 02/28/13	\$ CHANGE	% CHANGE
CURRENT LIABILITIES				
Accounts Payable	\$ 876,253.88	\$ 631,144.94	245,108.94	38.84%
Other Payables	7,292.61	6,222.20	1,070.41	17.20%
	-----	-----	-----	-----
Total Accounts Payable	883,546.49	637,367.14	246,179.35	38.62%
Accrued Payroll Liab	932,448.94	640,248.65	292,200.29	45.64%
	-----	-----	-----	-----
Total Current Liabilities	1,815,995.43	1,277,615.79	538,379.64	42.14%
OTHER LIABILITIES				
LT Accrued EB/Lease	691,945.36	-	691,945.36	100.00%
	-----	-----	-----	-----
Total Other Liabilities	691,945.36	-	691,945.36	100.00%
	-----	-----	-----	-----
TOTAL LIABILITIES	2,507,940.79	1,277,615.79	1,230,325.00	96.30%
STOCKHOLDER'S EQUITY				
Restricted: Indemnificati	10,000,000.00	10,000,000.00	-	0.00%
Restricted: Sanford	3,457,007.40	6,391,300.33	(2,934,292.93)	-45.91%
Restricted: Lab	225,609.00	-	225,609.00	100.00%
Restricted: Mine Closure	1,349,275.35	1,329,564.20	19,711.15	1.48%
Restricted: Sanford Gift2	18,177,755.00	20,000,000.00	(1,822,245.00)	-9.11%
	-----	-----	-----	-----
Total Restricted Funds	33,209,646.75	37,720,864.53	(4,511,217.78)	-11.96%
Investment in Gen FA	66,918,136.77	65,001,248.35	1,916,888.42	2.95%
Unrestricted Funds	6,378,518.41	5,810,990.58	567,527.83	9.77%
	-----	-----	-----	-----
TOTAL EQUITY	106,506,301.93	108,533,103.46	(2,026,801.53)	-1.87%
	=====	=====	=====	=====
TOTAL LIABILITIES & EQUITY	\$ 109,014,242.72	\$ 109,810,719.25	(796,476.53)	-0.73%
	=====	=====	=====	=====

DIVISION: ALL

COMPARATIVE STATEMENT OF INCOME

FOR THE PERIOD ENDING 02/28/14

	YEAR TO DATE	PRIOR YEAR TO DATE	\$ CHANGE	% CHANGE
REVENUE				
DOE Subcontracts	\$ 9,754,547.23	\$ 9,255,630.80	\$ 498,916.43	5.39%
NSF Subcontracts	167,865.48	419,425.77	(251,560.29)	-59.98%
State Revenue	2,002,572.13	252,819.78	1,749,752.35	692.09%
Contributions & Donations	30,000.00	15,000,000.00	(14,970,000.00)	-99.80%
Checking Interest	37.89	208.19	(170.30)	-81.80%
Interest Income	175,877.80	477,563.00	(301,685.20)	-63.17%
TOTAL REVENUE	12,130,900.53	25,405,647.54	(13,274,747.01)	-52.25%
DIRECT COSTS				
Direct Labor	4,788,615.64	4,294,275.19	494,340.45	11.51%
ERT Labor	18,187.50	18,187.50	-	0.00%
Board of Directors	4,841.51	3,492.01	1,349.50	38.65%
Capital Outlay >\$5K	384,828.95	-	384,828.95	100.00%
Contractual Svcs	1,066,711.58	731,945.54	334,766.04	45.74%
Emergency Resp	28,650.79	21,991.67	6,659.12	30.28%
Inventory	227,032.69	208,708.06	18,324.63	8.78%
Supplies	620,676.18	894,873.57	(274,197.39)	-30.64%
Travel - Domestic	39,100.82	77,018.87	(37,918.05)	-49.23%
Travel - Foreign	10,659.91	7,098.58	3,561.33	50.17%
Utilities	1,107,598.90	949,341.59	158,257.31	16.67%
Other Direct Costs	153,571.05	47,945.26	105,625.79	220.30%
Unallow/Unbill Costs	205,255.47	176,623.82	28,631.65	16.21%
TOTAL DIRECT COSTS	8,655,730.99	7,431,501.66	1,224,229.33	16.47%
INDIRECT COSTS				
Fringe Benefits	2,152,304.23	2,116,149.46	36,154.77	1.71%
Overhead	2,301,634.15	1,926,826.57	374,807.58	19.45%
TOTAL INDIRECT COSTS	4,453,938.38	4,042,976.03	410,962.35	10.16%
GROSS PROFIT	(978,768.84)	13,931,169.85	(14,909,938.69)	-107.03%
OTHER INCOME				
Water Treatment	90,543.17	141,408.89	(50,865.72)	-35.97%
Miscellaneous Income	86,880.46	61,203.96	25,676.50	41.95%
Other Operating Income	-	5,483.42	(5,483.42)	-100.00%
TOTAL OTHER INCOME	177,423.63	208,096.27	(30,672.64)	-14.74%
OTHER EXPENSES				
Loss(Gain) on Sale of FA	3,989.67	-	3,989.67	100.00%
Reclass Incr Net Assets	(1,076,821.81)	(162,166.57)	(914,655.24)	564.02%
TOTAL OTHER EXPENSES	(1,072,832.14)	(162,166.57)	(910,665.57)	561.56%
NET INCOME	\$ 271,486.93	\$ 14,301,432.69	\$ (14,029,945.76)	\$ -98.10%

South Dakota Science & Technology Authority
Available Cash
2/28/2014

Cash Total Checking/Savings	\$ 874,415.00
Cash With State Treasurer	<u>\$ 33,209,647.00</u>
Total Cash	\$ 34,084,062.00
Less: Restricted Funds	
Indemnification & Mine Closure	<u>\$ (11,349,275.00)</u>
Total Cash (Not Restricted)	\$ 22,734,787.00
Less: Total Liabilities	<u>\$ (2,507,941.00)</u>
Available Cash	<u><u>\$ 20,226,846.00</u></u>

SDS&TA Operating Budget Summary FY13/14
Actual vs Budget
Feb. 2014 & YTD

	\$ Over/Under				\$ Over/Under				
	Feb. 2014	Budget	Budget	% of Budget	Actual YTD	YTD Budget	Budget	% of Budget	% Remaining
SDSTA (Authority) Direct Charges									100%
Board of Directors	\$17,583.00	\$18,527.00	\$944.00	94.91%	\$145,668.00	\$160,875.00	\$15,207.00	90.55%	9.45%
Executive Office	\$36,110.00	\$34,035.00	-\$2,075.00	106.1%	\$236,659.00	\$247,579.00	\$10,920.00	95.59%	4.41%
Communications	\$11,249.00	\$11,369.00	\$120.00	98.94%	\$99,945.00	\$100,831.00	\$886.00	99.12%	0.88%
Science Center E & O	\$0.00	\$700.00	\$700.00	0.0%	\$13,064.00	\$19,322.00	\$6,258.00	67.61%	32.39%
Science Liaison	\$1,599.00	\$1,500.00	-\$99.00	106.6%	\$13,306.00	\$12,020.00	-\$1,286.00	110.70%	-10.70%
Subtotal	\$66,541.00	\$66,131.00	-\$410.00	100.62%	\$508,642.00	\$540,627.00	\$31,985.00	94.08%	5.92%
Federal Funding - Direct Charges									
Fermi P.O. #609755 NEPA	\$9,788.00	\$10,599.00	\$811.00	92.35%	\$91,538.00	\$97,507.00	\$5,969.00	93.88%	6.12%
Fermi P.O. #610998 HDR	\$0.00	\$0.00	\$0.00	0.0%	\$71,932.00	\$87,880.00	\$15,948.00	81.85%	0.00%
Fermi P.O. #610364 Staff Services	\$6,041.00	\$6,041.00	\$0.00	100.0%	\$99,807.00	\$99,321.00	-\$486.00	100.49%	0.00%
Fermi P.O. #612213 ARUP	\$0.00	\$0.00	\$0.00	0.0%	\$257,061.00	\$263,990.00	\$6,929.00	97.38%	2.62%
Fermi P.O. #613525 Staff Services	\$8,575.00	\$13,808.00	\$5,233.00	62.1%	\$8,575.00	\$13,808.00	\$5,233.00	62.10%	37.90%
Fermi P.O.#614807 Ph2 Geotech	\$47,848.00	\$59,019.00	\$11,171.00	81.07%	\$47,848.00	\$59,019.00	\$11,171.00	81.07%	18.93%
CWR P.O. #228814 G2LZ	\$10,965.00	\$10,257.00	-\$708.00	106.9%	\$85,425.00	\$94,234.00	\$8,809.00	90.65%	9.35%
LBNL LUX C#6973786	\$11,114.00	\$14,958.00	\$3,844.00	74.30%	\$93,867.00	\$106,600.00	\$12,733.00	88.06%	11.94%
LBNL Operations C#6994297	\$1,060,110.00	\$819,875.00	-\$240,235.00	129.3%	\$7,114,666.00	\$6,995,839.00	-\$118,827.00	101.70%	-1.70%
MJD (Majorana) # 5-4473	\$1,358.00	\$2,354.00	\$996.00	57.69%	\$13,172.00	\$18,832.00	\$5,660.00	69.94%	30.06%
CUBED - USD	\$0.00	\$500.00	\$500.00	0.0%	\$2,065.00	\$4,000.00	\$1,935.00	51.63%	48.38%
UND F#202041	\$4,622.00	\$3,848.00	-\$774.00	120.11%	\$47,403.00	\$53,146.00	\$5,743.00	89.19%	10.81%
Subtotal	\$1,160,421.00	\$941,259.00	-\$219,162.00	123.28%	\$7,933,359.00	\$7,894,176.00	-\$39,183.00	100.50%	-0.50%
Indirect Expenses									
Indirect Charges Personnel	\$84,677.00	\$86,380.00	\$1,703.00	98.03%	\$712,961.00	\$687,360.00	-\$25,601.00	103.72%	-3.72%
Indirect Charges Other	\$252,105.00	\$201,555.00	-\$50,550.00	125.08%	\$1,794,588.00	\$1,635,125.00	-\$159,463.00	109.75%	-9.75%
Subtotal	\$336,782.00	\$287,935.00	-\$48,847.00	116.96%	\$2,507,549.00	\$2,322,485.00	-\$185,064.00	107.97%	-7.97%
Totals	\$1,563,744.00	\$1,295,325.00	-\$268,419.00	120.72%	\$10,949,550.00	\$10,757,288.00	-\$192,262.00	101.79%	-1.79%

SDSTA CAPEX Budget Summary FY13/14
Actual vs Budget
Feb. 2014 & YTD

<u>Budget Area</u>	<u>Actual Month</u>	<u>FY2014 Monthly Budget</u>	<u>\$ Over/Under Budget</u>	<u>% of Budget</u>	<u>Actual YTD</u>	<u>FY2014 YTD Budget</u>	<u>\$ Over/Under Budget</u>	<u>% of Budget</u>	<u>% Remaining</u>
									100.00%
Operational CAPEX	\$ 348,510.28	\$ 473,427.00	\$ 124,916.72	73.61%	\$ 4,176,718.31	\$ 14,030,703.33	\$ 9,853,985.02	29.77%	70.23%
TOTAL CAPEX	<u>\$ 348,510.28</u>	<u>\$ 473,427.00</u>	<u>\$ 124,916.72</u>	<u>73.61%</u>	<u>\$ 4,176,718.31</u>	<u>\$ 14,030,703.33</u>	<u>\$ 9,853,985.02</u>	<u>29.77%</u>	<u>70.23%</u>

SD Science & Technology Authority
Operational CAPEX Budget
Monthly Actual vs Budget

Project #	Project Description	Feb. 2014	Budget	\$ Over/UnderBudget	% of Budget
CAP2012-09	Ross Shaft Equipment/Tools	\$ 4,037.10	\$ 20,000.00	\$ 15,962.90	20.19%
CAP2012-13	Water/Hazard Mitigation Work	\$ -	\$ 5,000.00	\$ 5,000.00	0.00%
CAP2012-27	Ross Shaft Furnishings Repl.M&S	\$ 129,193.45	\$ 179,919.00	\$ 50,725.55	71.81%
CAP2012-28	Work Decks	\$ -	\$ -	\$ -	0.00%
CAP2012-32	SDSTA Personnel	\$ 160,542.32	\$ 165,504.00	\$ 4,961.68	97.00%
CAP2013-03	Bolter - Haz. Mit.	\$ 3,969.25	\$ -	\$ (3,969.25)	100.00%
CAP2013-04	IT Server Backup Power	\$ -	\$ -	\$ -	0.00%
CAP2013-06	Yates Shaft Improvements	\$ (29.18)	\$ 25,000.00	\$ 25,029.18	-0.12%
CAP2013-07	Hoist Standby Generator	\$ -	\$ -	\$ -	0.00%
CAP2014-01	Sanford Visitor Center Design	\$ 50,797.34	\$ 55,782.00	\$ 4,984.66	91.06%
CAP2014-02	Xenon Gas	\$ -	\$ -	\$ -	0.00%
CAP2014-03	Iron House Roof	\$ -	\$ 22,222.00	\$ 22,222.00	0.00%
CAP2014-04	Surface Lab Roof	\$ -	\$ -	\$ -	0.00%
CAP2014-05	CASPAR Experiment Development	\$ -	\$ -	\$ -	0.00%
CAP2014-06	BHSU Jonas Science Building Renovation	\$ -	\$ -	\$ -	0.00%
CAP2014-07	Davis Campus HVAC Augment System	\$ -	\$ -	\$ -	0.00%
CAP2014-08	Yates/Ross Crusher Room Roofs	\$ -	\$ -	\$ -	0.00%
CAP2014-09	CASPAR Facility Development	\$ -	\$ -	\$ -	0.00%
CAP2014-10	Waste Rock Conveyor System Design	\$ -	\$ -	\$ -	0.00%
	Monthly Totals	\$ 348,510.28	\$ 473,427.00	\$ 124,916.72	73.61%

SD Science & Technology Authority
Operational CAPEX Budget
YTD FY2014 Actual vs Budget

Project #	Project Description	Feb. YTD 2014	FY2014 Budget	\$ Over/UnderBudget	% of Budget	% Remaining
						100%
CAP2012-09	Ross Shaft Equipment/Tools	\$68,475.05	\$ 200,000.00	\$ 131,524.95	34.24%	65.76%
CAP2012-13	Water/Hazard Mitigation Work	\$190,196.14	\$ 500,000.00	\$ 309,803.86	38.04%	61.96%
CAP2012-27	Ross Shaft Furnishings Repl.M&S	\$1,696,011.64	\$ 4,731,847.00	\$ 3,035,835.36	35.84%	64.16%
CAP2012-28	Work Decks	\$3,552.00	\$ 150,000.00	\$ 146,448.00	2.37%	97.63%
CAP2012-32	SDSTA Personnel	\$1,394,223.94	\$ 2,317,882.00	\$ 923,658.06	60.15%	39.85%
CAP2013-03	Bolter - Haz. Mit.	\$100,685.98	\$ 150,510.33	\$ 49,824.35	66.90%	33.10%
CAP2013-04	IT Server Backup Power	\$34,772.04	\$ 30,000.00	\$ (4,772.04)	115.91%	-15.91%
CAP2013-06	Yates Shaft Improvements	\$71,053.36	\$ 300,000.00	\$ 228,946.64	23.68%	76.32%
CAP2013-07	Hoist Standby Generator	\$0.00	\$ 4,964.00	\$ 4,964.00	0.00%	100.00%
CAP2014-01	Sanford Visitor Center Design/Constr.	\$172,682.15	\$ 500,000.00	\$ 327,317.85	34.54%	65.46%
CAP2014-02	Xenon Gas	\$332,854.78	\$ 400,000.00	\$ 67,145.22	83.21%	16.79%
CAP2014-03	Iron House Roof	\$39,878.67	\$ 231,500.00	\$ 191,621.33	17.23%	82.77%
CAP2014-04	Surface Lab Roof	\$0.00	\$ 69,000.00	\$ 69,000.00	0.00%	100.00%
CAP2014-05	CASPAR Experiment Development	\$1,753.46	\$ 1,000,000.00	\$ 998,246.54	0.18%	99.82%
CAP2014-06	BHSU Jonas Science Building Renovation	\$0.00	\$ 2,500,000.00	\$ 2,500,000.00	0.00%	100.00%
CAP2014-07	Davis Campus HVAC Augment System	\$70,500.00	\$ 375,000.00	\$ 304,500.00	18.80%	81.20%
CAP2014-08	Yates/Ross Crusher Room Roofs	\$0.00	\$ 250,000.00	\$ 250,000.00	0.00%	100.00%
CAP2014-09	CASPAR Facility Development	\$79.10	\$ 250,000.00	\$ 249,920.90	0.03%	99.97%
CAP2014-10	Waste Rock Conveyor System Design	\$0.00	\$ 70,000.00	\$ 70,000.00	0.00%	100.00%
	Monthly Totals	\$ 4,176,718.31	\$ 14,030,703.33	\$ 9,853,985.02	29.77%	70.23%

Revised CAPEX Project Budget
Approved total as of Dec. 2013 Board
Meeting

\$ 14,030,703.33

Executive Director's Report - Mr. Mike Headley

The Executive Director's Report is attached.

- A. Report from Lab Director
- B. Update on Sanford Lab Homestake Visitor Center Plans
- C. Visitor Center Exhibit Plans
- D. Update on Jonas Hall Design Plans

Recommended Action:

Motion to accept the Executive Director's report as presented.



South Dakota Science and Technology Authority

Monthly Report

February 2014

Mike Headley, Laboratory Director **Executive Summary**

Science

The Large Underground Xenon (LUX) collaboration continued preparations for an upcoming 300-day dark matter search run that is planned to commence in mid-2014. The collaboration continued to perform optimization studies and completed the conditioning of the detector's high voltage wire grids to improve performance over the initial data run in 2013. A safety review of LUX operations was held February 13-14 at the Sanford Lab, including a walkthrough inspection at the Davis Campus by Lawrence Berkeley National Laboratory (LBNL) and SLAC National Accelerator Laboratory personnel. The committee focused on electrical safety and ergonomics as well as other topics such as maintenance, housekeeping and training. The final report from the committee was completed by February 21. An Authorization To Proceed (ATP) will be issued in advance of the start of the next data run.

The MAJORANA DEMONSTRATOR (MJD) collaboration continued to test detector strings using the prototype cryostat with good results. Progress with the detector shield was put on hold at the end of January following a second near-miss incident in which one of the MJD carts tipped while transporting lead (Pb). The MJD team prepared a re-start plan that included the use of a new cart that resolves the tipping issue. The Sanford Lab accepted MJD's plan, and Pb brick placement resumed in early March. Pb cleaning progress at Black Hills State University (BHSU) continued in February and has stayed ahead of MJD installation efforts.

The Center for Ultra-Low Background Experiments in the Dakotas (CUBED) activities have been halted since late December due to safety performance issues. Through February, CUBED representatives have been developing additional safety-related documentation including a safety improvement plan and a detailed work plan. These were completed in late February, and a formal ATP was issued to resume CUBED work activities in early March. Also, an ATP for installation of a portion of CUBED's Pb shield was issued in early March.

An additional low background counting experiment is being added to the Sanford Lab. The LBNL shipped equipment used to perform measurements for the past ten years at a hydroelectric dam near Oroville, CA. The equipment arrived March 6 and will be installed in the Davis Campus.

Underground Access

In late December, the team reached the 1250L (the 1,378 foot mark) with steel installation. Following a hand injury in late December and subsequent independent investigation, the Ross Shaft team addressed recommendations from the investigation to prepare for a ramp-up process to restart Ross Shaft steel installation operations. The ramp-up preparations were completed and an ATP issued on February 27. The ramp-up will run through most of March with refinement procedures for steel removal, bolting, and steel installation along with training of staff on procedure changes. On March 10, the Ross team had completed their first set, Set 83, during the ramp-up process. The ATP for full operations will be issued in late March. The Ross team also completed installation of brattice (a barrier between shaft compartments) down to the 1250L and installation of ladders between the 800L and the 1250L to provide an additional egress path to the Yates Shaft. Two pump column leaks near the 1250L were also safely addressed in February with minimal impact to pumping operations.

The Yates Shaft crews transported science loads and continued with shaft maintenance focusing on the skip side of the shaft down to the 2000L. Underground access increased significantly in February and early March with daily personnel counts reaching near and at the maximum of 72 people. Staff underground included science researchers in the Davis Campus, design engineers for the Compact Accelerator System Performing Astrophysical Research (CASPAR) design team, Long-Baseline Neutrino Experiment (LBNE) drilling contractors for the LBNE core drilling, and contractors assisting with hazard mitigation efforts and installation of a new Davis Campus toilet system and HVAC upgrades. The Yates Shaft crews also lowered the new Fletcher Rock Bolter that was received in February for setup on the 4850L for ground support installation.



South Dakota Science and Technology Authority

Monthly Report

February 2014

Facility Infrastructure and Operations Development

At the end of February, the water level in the underground pool was at 5,711 feet in elevation. This equals a 45-foot drop for the month. The water level continued to drop in early March. The team completed the installation of additional data and electrical outlets in the Davis Campus Common Corridor to support science researchers. We also completed all seven day, thirty day, and annual preventative maintenance activities. The Yates Administration Building entrance was remodeled to improve security and also flow of visitors in and out of the building. Work continued on the installation of a new tank-based toilet system to replace the Incinolet electric incinerating toilet system. The new system should be completed in late March. A new all-terrain, powered dolly was purchased for movement of heavy materials like Pb bricks up and down the Davis decline. With recent Pb handling incidents, this new dolly, called a "Track-O", should improve the safety and ergonomics of Pb handling. Also, the Facility Infrastructure team has been leading the tear down of the new Fletcher Rock Bolter for transportation underground and re-assembly to support hazard mitigation efforts on the 4850L.

Engineering

The LBNE Project provided a purchase order to the SDSTA for \$1.25M in January for geotechnical drilling at the 4850L. Mobilization of equipment occurred in late February and drilling began on March 6 with the first of four 800-foot long holes to define the rock mass planned for the LBNE detector on the 4850L. The drilling effort will take approximately three months, with offsite analysis and testing to follow. The team continued support for the LBNE Environmental Assessment (EA) development process, and public meetings for the EA at Fermilab and in Lead are planned for the August / September timeframe.

The SDSTA signed a design-build contract in February with a team led by Dean Kurtz Construction of Rapid City, SD and Leo A Daly Architects of Minneapolis, MN for facility development for the CASPAR experiment. Meetings were held at the University of Notre Dame and Sanford Lab in February and early March to discuss experiment facility needs and discuss early design concepts the CASPAR facility on the 4850L. Pending SDSTA Board approval of construction funding, CASPAR facility construction is planned for the latter half of 2014 and experiment installation for 2015.

The SDSTA and BHSU announced intentions to design and construct an underground campus within an existing shop near the Ross Shaft on the 4850L. This underground campus will include a large cleanroom to support low background counting experiments and also geology and biology experiments. Pending SDSTA Board approval of funding, construction activities will likely occur in parallel with CASPAR facility construction efforts.

Facility designs for the construction of the Sanford Lab Homestake Visitor Center advanced on schedule in February towards a mid-June 2014 construction start. The design of the foundation is maturing to deal with the challenging site geotechnical conditions. As a result the cost for the building has increased, and the SDSTA Board of Directors at its March 20, 2014 meeting will consider the approval of this cost increase. Finally, the exhibit designer, C&G Partners, visited Lead in February and has since provided the SDSTA initial exhibit designs.

Environment, Health and Safety

In February, the SDSTA had one Total Recordable Case (TRC - i.e. injury). The EHS Oversight Committee (EHSOC) reviewed the Sanford Lab safety efforts in late January, and safety performance improvement efforts in February focused on the EHSOC's recommendations. In February, the SDSTA hired an additional staff trainer and an industrial hygienist to address staffing needs. Both will start in March. Also, an advertisement was posted for an SDSTA-employed EHS Manager. Interviews are planned to begin in early March.

Communications / Cultural / Education and Outreach Activities

Five student interns were selected and accepted offers in February to work at the lab this summer. They include three Dave Bozied and two Chris Bauer interns in recognition of Mr. Dave Bozied, previous SDSTA Board Chairman, and Mr. Chris Bauer, an SDSTA Electrical Engineer. Both gentlemen passed away from cancer. Also, ten students have been selected to participate in the Davis-Bahcall Scholars program to be held again this summer.



South Dakota Science and Technology Authority

Monthly Report

February 2014

Finally, the SDSTA secured a \$900K Futures Fund grant from the SD Governor's Office of Economic Development (GOED). This grant will fund education and outreach (E&O) activities over a three-year period (\$300K per year). This E&O effort will be led by BHSU through the Sanford Science Education Center. SDSTA and BHSU have signed a contract to support this work. We'd like to thank the generous efforts of South Dakota Governor Dennis Daugaard for his support of this important E&O program through the Sanford Lab and BHSU.

Finance

For Sanford funded work, the SDSTA finished February \$410 over budget but is under budget for the year.

For DOE-funded operations work, the SDSTA finished February \$281,212 over budget and is currently \$241,987 over budget for the year. This overage is largely due to required facility repairs. In late 2013, a Yates Hoist motor failed and required repair including repair of the failed parts to provide spares for a potential future problem. Other required repair work included repairs to the Ross and Yates Headframes and hoist room exteriors to prevent water infiltration. This work was required to protect the hoists, electrical equipment, and other high value equipment. Electrical power costs are running above anticipated levels currently as well.

Underground Access Department
William McElroy, Director of Underground Access

Ross Shaft

The Ross Shaft Rehabilitation Project was on a scheduled shutdown for removal and replacement of structural steel for the month of January and February. The purpose for this shutdown was to allow for increased access throughout the shaft in order to complete numerous maintenance activities relative to dewatering and electrical systems. During this shut down, perimeter brattice was installed around the skips from set 68 to set 80 and hoop ladders were installed in the shaft. All that remains to complete the brattice installation for the first phase of the project is to install modified brattice pieces around the bearing beam saddles in front of the skips. Two leaks within the 14-inch pump column were repaired within the upper 1,250 feet of the shaft. This involved coordination between the shaft crews, dewatering team and the waste water treatment plant. Chair sets were installed at the 800L, which allows for cage stability when on and offloading heavy items at the station. A Ross Shaft Rehabilitation ramp-up plan was developed that outlines a process for updating relevant procedures, providing training, and increasing work place monitoring. This plan was reviewed and approved by the Sanford Underground Research Facility executive management. The team began the ramp-up activities on March 4 with the installation of set 83B.

Yates Shaft

The Yates Shaft Interim Maintenance Project concentrated its efforts on the skip side of the shaft in February, advancing from set 269 (1900L) to set 286 (2000L). This included 124 separate panels/pieces of the shaft structure addressed through replacement of lacing, removal of muck, rock bolting in some instances and securing of blocking. Sanford Lab's underground observed an increase in persons accessing the 4850L in February due to site visits by the Compact Accelerator System Performing Astrophysical Research (CASPAR) design team, Long-Baseline Neutrino Experiment (LBNE) drilling contractors and contractors evaluating planned modifications to the Davis Campus HVAC system. The Yates Shaft provided mobilization services for the LBNE drilling campaign whereby all materials, equipment and supplies were lowered to the 4850L. Also, the Yates Shaft lowered the Fletcher Rock Bolter that will be operated by the Sanford Lab Hazard Mitigation Crew for the initial purpose of installing ground support between the Yates and Ross Shafts on the 4850L.



ROSS - Repairing Discharge Pump Column in Shaft



ROSS - Installing Hoop Ladder in Shaft



YATES - Top Down Maintenance Project



YATES - Created Ventilation Portals at Ramp to Allow for More Air Flow in Shaft

PROJECT DETAILS (FEB FY14)		SDSTA CAPEX BUDGET SUMMARY		
Title	Director	Budget	Expenses	% Spent
Underground Access	McElroy	\$ 5,989,120	\$ 3,288,257	55%
FINANCIAL STATUS				
Due to Ross Rehabilitation shut down, less expense towards Project more to OPS				G
No steel purchases in February due to project shut down				G
PERFORMANCE STATUS LAST PERIOD				
ROSS				
Installed brattice (protective barrier) around skips down to set 80				
Installed chair set at 800L to allow for cage stabilization when loading/unloaded items				
Repaired the 14" pump column at two locations in the upper 1250' of the column				
Support many maintenance activities during the Ross Rehabilitation shut down				
YATES				
Completed Top Down Maintenance on skip side down to the 2000L				
Have addressed 124 individual pieces of the shaft structure (1874 total since July 1)				
Water taps installed within 4" water line at sets 246, 271, 295,316 and 369				
Supported Surface OPS with completing major hoist maintenance work				
PLANNED ACTIVITIES NEXT PERIOD				
ROSS				
Complete the Ross Rehab ramp-up plan including sets 83B and 84B				
Complete the installation of Bearing Beam 85CD with use of the Brokk demolition robot				
YATES				
Complete skip side Top Down Maintenance down to the 2300L				
Mobilize LBNE drilling campaign and Fletcher Bolter				
MAJOR MILESTONES				
Yates - Complete T3 mitigations			Q1 2014	Y
Ross - Rehabilitate to the 1550			Q2 2014	G
Ross - Rehabilitate to the 1850			Q3 2014	G

Facility Infrastructure Department

Tim Baumgartner, Director of Facility Infrastructure

Summary

Facility Infrastructure effort in February was directed to the following areas: facility maintenance, equipment repair, preventative maintenance, electrical and cyber infrastructure. During February, the facility infrastructure team worked extensively with the Engineering and Science Departments to focus on refining the operations and maintenance of specific subsystems including carbon monoxide (CO) monitoring, underground phones, fiber optics (redundant paths), leaky feeder (radio), power quality, snow removal and hoist maintenance and repairs.

Davis Campus Maintenance

Maintenance items for the month included installation of additional data and electrical outlets in the Davis Campus Common Corridor to meet science needs. The team monitored and assisted with new equipment installation and ensured the manufacturer standards were met. Also, residue acid from copper cleaning was transported to the surface. Yates Shaft personnel assisted with delivery of supplies to the Davis Campus. The Facility Infrastructure team continues working to replace the Incinolet electric incinerating toilet system in the Davis Campus with a tank-based system. The team is incorporating the use of the Track-O material mover for transporting items up and down the decline. Yates Shaft personnel also participated in evacuation drills.

Surface Facility Maintenance Building and Grounds

The SDSTA completed all seven (7) day, thirty (30) day, and annual (360) day preventative maintenance activities. Repairs have begun on the Ross and Yates Headframes. Security upgrades have been completed to the Administration Building front door, and research is underway on additional security devices/equipment for the main gate. At the Yates Cage Hoist, pins were replaced on the brake assembly, which included bushings and line boring was completed.

Waste Water Treatment Plant (WWTP)

At the end of February, the water level in the underground pool was at 5,711 feet in elevation. This equals a 45-foot drop for the month. The WWTP continues to refine the process as water flows change. HMI (I-Fix) screen enhancements continue at the WWTP. The team continued the advancement of job hazard analysis and standard operating procedures as well as supported MAJORANA (MJD) with neutralizing chemical by-products of their process. All preventative maintenance duties were performed. Planning for increased infiltration (spring runoff) is underway. The electrical and cyberinfrastructure teams refined pump controls.

Transportation and Mobile Equipment

The team performed vehicle preventative maintenance actions and repairs to fleet and site vehicles. Also, the team maintained underground locomotives and support equipment and completed maintenance on the skid steer loaders, air compressors, snow removal equipment, and hazard mitigation equipment. The Fletcher Bolter arrived onsite and was disassembled for transportation underground and reassembly.

Electrical and Cyber Infrastructure

During February, the SDSTA performed shaft pump preventative maintenance actions. The team continues to support the Ross Shaft Rehabilitation Project with the relocation of power cables in the shaft as the new steel is installed. The team continues to review and modify the underground communications infrastructure to ensure each level has functional copper-based phones and FEMCO (i.e. twisted pair) phones at each underground facility level. Electrical and control installation for new shaft heaters continues for a mid-March heater installation. Finally, in cooperation with Tunnel Radio, the Leaky Feeder (underground radio) system is being improved.

Engineering Department
Joshua Willhite, Director of Engineering

Long-Baseline Neutrino Experiment (LBNE)

A purchase order from LBNE was provided in early January for geotechnical drilling at the 4850L. An initial site visit and safety training was conducted in mid-February. Mobilization of equipment occurred in late February to support drilling beginning the first week in March. Concurrent scheduling has reduced the anticipated schedule from three to two months, with offsite analysis and testing to follow.

The engineering team continues to support the LBNE Environmental Assessment (EA) process for National Environmental Policy Act (NEPA), providing graphics, review, and data for the analysis. The EA has been fully drafted and revisions continued through February. LBNE has continued planning for public meetings at Fermilab and in Lead in May or June.

A trade study was conducted in November comparing a new technology, known as Rail-Veyor, to previous options studied to transport excavated rock from the Ross Shaft to the Open Cut in Lead. This trade study concluded that the technology could achieve the intent at a comparable capital cost with reduced operating costs and potential community impacts. A contract has been formalized with the design firm and the kick-off for design is scheduled for March.

CASPAR (Compact Accelerator System Performing Astrophysical Research)

The SDSTA Board of Directors reviewed the CASPAR design and preliminary budget in early December, approving funding for the initial design and rehabilitation efforts. A Request For Proposal (RFP) was advertised immediately after approval to establish a design-build contract for the infrastructure. A collaboration of Dean Kurtz Construction in Rapid City, SD and Leo A Daly in Minneapolis, MN was selected for this scope. A meeting was held at University of Notre Dame February 26-28 to familiarize the designers with accelerator installations. Another meetings was held on March 5-7 at Sanford Lab to define requirements and initiate design.

The rehabilitation of the space for CASPAR, including ground support and shotcrete will be performed by the SDSTA Hazard Mitigation Crew. An RFP was awarded to Ainsworth Benning Construction in December to establish a service contract to supplement this crew in support of several projects including this one. The goal will be to provide access for the experiment in late 2014. Rehabilitation of the spaces will likely begin in March.

CASPAR had been expected to be included in the EA for LBNE, avoiding a separate action under NEPA. The timing of the two efforts is not working out, so CASPAR has contacted the National Science Foundation (NSF) to define if a separate action is required for this project.

Davis Campus

The new Davis Campus septic system continued installation through February, with Ainsworth Benning Construction contracted to bring this project to completion. Plumbing of this system is nearly complete, and the system commissioning should be completed in March.

Ongoing concerns with humidity levels in the MAJORANA clean space, aggravated by warm, humid weather, have prompted a renewed effort to modify the HVAC systems for the Davis Campus. The Engineering team ordered a pre-cooling system to reduce the humidity of the incoming fresh air and has arrived on site. A local contractor provided a cost estimate for the installation work, and the cost significantly exceeded the expected amount for the work. This prompted an evaluation of the cost and the technical approach to reduce the cost. Once the estimate is adjusted to a reasonable level, the installation will begin in March.

A third party tested the Davis Campus fire alarm system in February and provided a report recommending some corrective actions. Plans are being developed to address these actions in March. A final modification is also planned for March to connect an existing carbon monoxide (CO) alarm near the Yates Shaft to the fire alarm system.

BHSU Underground Campus

Black Hills State University has submitted a proposal to develop an underground campus within an existing cavern near the Ross Shaft at the 4850L. This campus is envisioned to provide multipurpose cleanroom and dirty space to support low background counting activities, biology study workstations, and other future small-scale experiments. Initial space studies have been coordinated, with requirements development to continue in March.

Visitor Center

The SDSTA has agreed to fund a project to replace the existing Homestake Visitor Center with a new facility, named the Sanford Lab Homestake Visitor Center. This facility will add significantly to the volume of the facility, allowing for more opportunity to educate the public about the Sanford Lab. The Engineering Department is managing this project with Architectural, Engineering, Construction Management, and Exhibit design firms contracted to perform design. Design was delayed due to geotechnical findings, but the project was brought back on track in February and construction is still expected to begin in June 2014.

Exhibit design is progressing well with an initial site visit in February and an initial proposed layout provided March 3. This aspect of the project is also on track for a June 2015 opening.

Other

An existing building known as the “Iron House” has been in disrepair since the lab opened, primarily due to failed roof sheeting. A local engineering firm was awarded a contract to design rehabilitation of this building into a cold storage facility for use by science. This design was completed in October, an RFP was developed in November, the RFP advertised January 2, and bids have been received. A tentative selection has been made, but these bids exceeded initial expectations, and an evaluation of funding availability will define whether this work is awarded in March.

Environment, Health and Safety (EHS) Department

Joseph Gantos, EHS Director

Environmental Summary

Environmental Communication

The month of February continued to focus on the Long-Baseline Neutrino Experiment (LBNE) Environmental Assessment (EA). Each section of this 300-page document has been edited for the preparation of the draft document. The development of a Programmatic Agreement has been a major focus in the last few months. A draft document has been developed and will be provided to the South Dakota Historical Preservation Office (SHPO) for review in late March. Members of SHPO visited Sanford Lab to see several planned projects and to discuss requirements for Historical Preservation Notification and Compliance. There have been many communications with Fermilab and the Department of Energy (DOE) National Environmental Policy Act (NEPA) Compliance Officer regarding the LBNE-EA.

Environmental Compliance

Water

Waste Water Discharge Summary through March 3, 2014:

1. *Total water discharged through outfall 001 since June 5, 2008: **4,186,278,038 gallons***
2. *Total Underground water treated since June 5, 2008: **2,475,960,563 gallons***
3. *Total Tailing water treated since June 5, 2008: **1,822,936,405 gallons***
4. *Total water discharged to sewer since June 5, 2008: **93,257,335 gallons***

There continues to be no news in regard to the renewal for the National Pollution Discharge Elimination System (NPDES) Permit SD0000043. SDSTA has been legally operating (discharging underground water and Barrick's tailing water) under this expired, existing permit.

The January Discharge Monitoring Report (DMR) was completed in the month of February. There were no violations. The DMR was electronically filed utilizing the NetDMR reporting tool.

More consideration to the Waste Water Treatment Plant (WWTP) emergency generator fuel tank containment was given in light of the lessons learned from the leak incident occurring in October and discovering the current fuel tank is filled from its top, approximately 10 feet off the ground. As a result, pricing for a new fuel tank with a lower profile and enclosure for the secondary containment were obtained to better address the incident lesson learned.

Three drums of MAJORANA (MJD) partially neutralized acid were continued to completion in compliance with the Electro-finishing discharge standards. Three drums of neutralized acid were sampled, recorded, and discharged to sewer.

The Water Rights report was submitted to the State of South Dakota Department of Natural Resources (SD DENR). This report documents the monthly total volume of water pumped to the surface from the Davis Campus Laboratory.

The WWTP Quality Assurance Manual was updated to reflect comments from WWTP compliance training.

A paper is being prepared to present to the SDSTA Board of Directors and the SD DENR regarding the water quality liability resulting from taking ownership of the Open Cut.

Air

At present, data continues to be collected for stationary internal combustion engines.

Solid Waste

The Tri-Cities Landfill report was submitted to the SD DENR, which reports the amount of waste rock taken to the Tri-Cities Landfill.

National Environmental Protection Act (NEPA)

The draft NEPA EA Sections continue to be reviewed in conjunction with Fermilab.

Environmental Support Tasks

The Tier 2 report was submitted to the SD DENR office. Material Safety Data Sheets (MSDS) were reviewed and project environmental impacts were considered from the LBNE core drilling which will take place during March.

Health and Safety Summary

Total Recordable Case (TRC) and Days Away Restricted Transfer (DART) cases by year – including SDSTA employees, contractors, and visitors.

	2013	Rate	February 2014	2014 to date
<i>TRC Cases</i>	10	8.2	1	1
<i>DART Cases</i>	3	2.5	1	1

TRC = more than first aid treatment was given.

DART = more than first aid treatment was given AND restrictions were job limiting or the employee could not work.

February 2014 DARTS/TRC:

- February 6: Employee strained left knee while moving a pallet

February 2014 First Aid Cases:

- No events to report

February 2014 Category 1 or 2 Events:

- No events to report

February 2014 Category 3 Events:

- No events to report

February 2014 Items of Interest:

- Shipped Protecta Self Retracting Lifeline (SRL) for annual inspection/recertification; shipped Draeger gas tester for warranty repair
- Reviewed MJD Detector String Characterization procedure
- Evaluated LUX High Voltage filter box proposed test point addition
- Reviewed proposal for calibrating LUX cryogen storage vessels and revised fill quantity
- Submitted monthly report of radiation sources and semi-annual physical inventory to University of South Dakota (USD)
- Continued an investigation of alternatives for hand-arm vibration measurements for jackleg drill alternatives testing
- Finalized and distributed the "Emergency Reporting Procedure-In Case of Emergency" Flow Chart
- Entered 33 action items to date from the weekly Management Walkdowns
- Distributed one Laboratory Incident Flash report during February; entered action items into the Tracking Database
- Entered 24 Environmental, Health and Safety Oversight Committee (EHSOC) recommendations into the Tracking Database from the January review meeting
- Continued Underground Risk Management inspections; to continue throughout the current year
- Conducted monthly Safety Committee meeting
- Personnel attended the Emergency Medical Services recertification training
- WWTP Operators attended a Continued Education Training for State Licenses
- Neutralized 90 gallons of acid to sewer
- Continued to work on Workplace Injury Reduction and Management Plan
- Participated in Ross Shaft Authorization To Proceed (ATP) review process

Science Department

Jaret Heise, Science Director

SDSTA Science Director Jaret Heise attended the International Committee for Future Accelerators (ICFA) neutrino panel mini-workshop held at Fermilab. This was the third of three town meetings held around the world to survey research projects and opportunities for international collaborations. This workshop focused on opportunities within North and South America. Other examples were also highlighted, such as the collaboration with India to develop the Long-Baseline Neutrino Experiment (LBNE) near detector. There was also a panel discussion on how to further engage the physics accelerator community in the LBNE.

Regular bi-weekly Davis Campus evacuation drills continued through February and presented an opportunity to exercise the new emergency public address system installed in the clean space. Further adjustments to the system will be required. As well, a memo to Guides was issued to help ensure that the standard evacuation steps are clear.

Minutes from the weekly science integration meetings (typically involving LUX, MJD and CUBED as well as representatives from several SDSTA departments) are now posted to DocuShare.

Progress was made on a more centrally-located monitoring solution for the Davis Campus building management system.

Large Underground Xenon – LUX

Detector performance optimization studies that resumed in January are expected to continue through March to allow for the start of Run 04 around April.

A safety review of LUX operations was held February 13-14, including a walkthrough inspection at the Davis Campus by Lawrence Berkeley National Laboratory (LBNL) and SLAC National Accelerator Laboratory personnel. The committee focused on electrical safety and ergonomics as well as other topics such as maintenance, housekeeping and training. The final report from the committee was completed by February 21. One observation has already been dealt with, namely a stabilizing frame has been built for the sampling system liquid nitrogen reservoir. Progress on recommendations from this review will be considered as part of a forthcoming Authorization To Proceed to be issued by SURF for the start of Run 04.

The original bottles used to ship xenon (Xe) to SURF were replaced with new bottles starting in December. In February, the original bottles were emptied as much as possible and transported to surface helping to clear space near the lower Davis Cavern exit door. Ultimately the old bottles will be shipped back to Case Western Reserve University to extract the trace amounts of residual Xe.

Pump replacements are almost complete according to the pump maintenance plan. In February, two pumps were sent offsite for servicing and two sampling pumps have been replaced with newly refurbished units.

A number of smaller projects were also completed in February, such as improving grounding cables on the data acquisition racks, adding additional lighting near the Xe circulation system and replacing tubing associated with compressed nitrogen gas for the control of valves and other instrumentation.

Training sessions were conducted for several LUX systems, including electronics (high voltage and trigger), Xe circulation and sampling and the data acquisition system.

With activities ramping up in preparation for the start of Run 04, the average LUX crew in February consisted of six people for a total of approximately 851 hours.

MAJORANA DEMONSTRATOR – MJD

MAJORANA continues to test two detector strings in various configurations using the Prototype cryostat as well as other test cryostats. Characterization of the enriched germanium detectors delivered in January was completed in February.

Progress with the detector shield at the Davis Campus was put on hold at the end of January following a second near-miss incident in which one of the MJD carts tipped while transporting lead (Pb). A re-start plan was accepted by Sanford Lab, and as part of the process for resuming activities the updated shield assembly procedure was approved by Sanford Lab and authorization was given to use Pb bricks to evaluate a new cart. The cart evaluation took place at the end of February and appears to work well to address the tipping issue. Findings from the evaluation exercise were incorporated into a further update to the procedure in early March, and a formal Authorization To Proceed was issued to resume work.

Additional cleaned bricks are available at BHSU, but poor road conditions have hampered delivery efforts. However, with the Pb shield assembly stand-down the supply of Pb bricks has not been an issue, plus there are still five full crates of Pb staged underground. Eight pallets of Pb (1000 bricks) remain in storage at the surface Ross Warehouse that may be sent offsite for cleaning at some point.

Regular maintenance continued at the electroforming laboratory at the 4850L Ross Campus, and production copper electroforming is still taking place in nine baths (one bath has been decommissioned). In early February, the -80°C freezer used to store a portion of the inventory of natural germanium detectors warmed up about 29°C. Airflow behind the freezer was increased and later in February an internal fan was repaired to sustain improved operation. No significant impact is expected.

In addition to work underground, MJD personnel maintained their efforts on the surface. Parylene coating activities advanced at the Surface Laboratory while high-density polypropylene sheets continued to be cut into custom geometries at another surface facility.

With an average crew of almost 11 people working at Sanford Lab during February, MAJORANA logged a total of almost 1,534 combined hours. Unlike in January, MJD did not staff any night shifts in February.

Center for Ultra-Low Background Experiments in the Dakotas – CUBED

CUBED activities have been halted since late December following safety concerns. As reported in previous months, CUBED representatives have been iterating with Sanford Lab Science and EHS personnel as they develop the additional documentation that has been requested before their activities resume. A safety improvement plan and a detailed work plan with defined roles and responsibilities were finalized in February, and the formal Authorization To Proceed for re-starting activities was issued March 4. Also, an Authorization To Proceed encompassing the first phase of shield completion in which a base of Pb bricks is installed was also issued in early March.

Documentation related to the CUBED isotopic separation and ultra-purification (ISUP) project has been submitted to Sanford Lab, including a project hazard assessment. As described in the CUBED Work Plan document, the first stage of the ISUP project will involve testing with equipment in a horizontal orientation.

Berkeley Low-Background Counting Facility

Lawrence Berkeley National Laboratory (LBNL) equipment that has been involved in screening measurements for the past ten years at Oroville¹ arrived at Sanford Lab March 6. The project has submitted drafts of a number of the required documents for installing equipment in the East Counting Room at the Davis Campus.

Other Current Research Activities

Physics: The initial safety readiness review for the Compact Accelerator System for Performing Astrophysical Research (CASPAR) project was held February 19-20 at Sanford Lab. The committee expressed confidence in the CASPAR team to be able to install, commission, and operate the accelerator safely. The committee's final report is due March 7.

Heise, Willhite and Hemmingson attended the LBNE collaboration meeting held at Fermilab February 2-4.

Geology: Transparent Earth representatives made good progress in late February, and currently all three seismic stations on the 4100L are working. Digitizers will be installed in March. Issues with network communication to the sites have been resolved.

Biology: There was good progress on documentation associated with the NASA Astrobiology Institute group. A Memorandum of Understanding was signed and an Experimental Planning Statement was submitted. Representatives from the NASA Astrobiology Institute group returned to site February 18-20 to sample water from seeps and drill holes on the 4850L and 4700L (top of the ramp).

Several biology groups are planning trips in March, including Black Hills State University (BHSU), South Dakota School of Mines and Technology (SDSM&T) and the NASA Astrobiology Institute group.

¹ Lawrence Berkeley National Laboratory (LBNL) has operated a low-background counting facility at Oroville for over 25 years. It is one of the premier counting facilities in the world.

Engineering: Xilinx representatives were in contact in February. They continue to be interested in conducting chip-failure tests underground.



Fig. 1 Walk-through inspection of Davis Campus by LUX EHS review committee members.



Fig. 2 Evaluation of new MJD cart for transporting lead (Pb) bricks.



Fig. 3 First materials for Berkeley low-background counter arrive at Sanford Lab.



Fig. 4 CASPAR members reviewing site plans with Sanford Lab personnel at the proposed site for the accelerator at the 4850L Ross Campus.



Fig. 5 NASA Astrobiology group performing water sampling on the 4850L.

Education and Outreach Department
Ben Sayler, Director of Education and Outreach
KC Russell, Cultural and Diversity Coordinator

Education Offerings / Programs

Cultural Activities

The South Dakota Experimental Program to Stimulate Competitive Research (EPSCoR) Diversity Summit ‘*The 2020 Vision: Engaging Talent Across South Dakota*’ took place in Rapid City on February 6-7, 2014. Education and Outreach (E&O) Science Education Specialist Julie Dahl, E&O Deputy Director Peggy Norris, Cultural and Diversity Coordinator KC Russell and E&O Director Ben Sayler were all in attendance. Peggy gave a presentation on using national resources – such as SciGirls and the National Girls Collaborative – to engage girls in Science, Technology, Engineering and Math (STEM) in South Dakota.

Preceding the Summit, on February 5, the South Dakota Diversity Consortium held a half-day meeting. KC and Ben are members of the Consortium; Peggy was in attendance to give a report on the seed funding she received last year for SciGirls training. The Consortium is an advisory body of university, state and industry partners from across the state.

KC was invited by South Dakota's Secretary of Tribal Relations to participate in the annual Tribal Relations Day at the capital. There were two 4-hour listening sessions; one focused on the corrections system and the other on public safety. KC took part in a Governor’s breakfast with the Tribal Leadership, listening sessions, and a program and lunch with the Governor, Lieutenant Governor and legislators. He visited individually with the Governor, Lieutenant Governor, Chief Justice, Secretaries of Tribal affairs, public safety, and corrections, and with the following Tribes: Oglala Lakota Nation, Sisseton-Wahpeton Oyate, Rosebud Sioux, Lower Brule Sioux, and Crow Creek Sioux. He also met and visited with the newly elected Standing Rock Chairman Archambault.

Undergraduate Activities

Ben joined SDSTA Communications Director Connie Walter for a visit from BHSU marketing students on February 21 to talk about the Sanford Science Education Center and possible ways to build community awareness.

Peggy Norris gave a physics colloquium at Minnesota State University at Mankato on February 27 to an audience of approximately forty faculty and students. The talk was an overview of the Sanford Underground Research Facility and the physics experiments housed there.

Five students have been offered and accepted either Dave Bozied (3) or Chris Bauer (2) internships at Sanford Lab for the summer. The successful applicants are:

Table 1. 2014 Dave Bozied and Chris Bauer Interns

Department	Name	College	Hometown
Dave Bozied Interns:			
Industrial Hygiene	David Molash	SDSM&T	Rapid City
Science	Colter Dunagan	SDSM&T	Rapid City
Science	Rashyll Leonard	SDSM&T	Rapid City
Chris Bauer Interns:			
Engineering	Wade Vandine	SDSU	Spearfish
Operations	Dakotah Simpson	SDSM&T	Lead

Interviews for the Davis-Bahcall Scholars program were held in Huron, Mitchell, Rapid City and Sioux Falls in February. Ten students have been chosen to be part of the program, which begins in June. These students are:

Table 2. 2014 Davis-Bahcall Scholars

Name	Hometown	School
SD Space Grant Consortium Davis-Bahcall Scholars (college freshmen):		
Rachel Williams	Spearfish	BHSU
Hannah Wisser	Oakland, OR	SDSM&T
Davis-Bahcall Scholars (high school seniors):		
Pranamaya Dey	Sioux Falls	Lincoln
Layne Droppers	Yankton	Yankton
Mattison Flakus	Aberdeen	Aberdeen Central
Madison Jilek	Spearfish	Spearfish
Jack Storm	Rapid City	Stevens
Kassia Symstad	Hot Springs	Hot Springs
Alison VanHorn	Plankinton	Plankinton
Noah Watkins	Sioux Falls	Roosevelt

K-12 Activities

Peggy attended the South Dakota Science Teachers Association annual conference on February 7-8 as well as the North Dakota Science Teachers Association annual conference on February 21-22. At both conferences, Sanford Lab sponsored an information table and Peggy gave workshops on engaging girls in STEM as well as a presentation on the introduction of nuclear science and its applications into the physics curriculum (a project with Chamberlain High School). In addition, at the North Dakota meeting at Valley City State University (VCSU), she and VCSU faculty member David Demuth gave a joint workshop on *Neutrinos and Dark Matter*, featuring the work being done in northern Minnesota (MINOS and NOvA) as well as at Sanford Underground Research Facility.

A 4850L videoconference was held on February 26 with several classrooms from Kingsland High School in Spring Valley, MN. Kingsland is the first school in Minnesota to gain all three possible certifications in Project Lead the Way, a national engineering curriculum. Peggy was on site at Kingsland to meet with teachers and give an introduction to Sanford Lab. SDSTA Experiment Support Scientist Mark Hanhardt was at the Davis Campus and gave a video tour of the LUX detector. A local news crew was on hand in Minnesota to record the event, including interviews with students. The segment can be viewed at http://www.youtube.com/watch?v=EBVG_U5tKXs&feature=youtu.be.

Sanford Lab participated in the annual Sturgis Brown High School career fair on February 19. Peggy staffed the table. In addition to students from grades 9-12 at Sturgis, students from Douglas High School and Lead-Deadwood High School also attended.

SciGirls meetings were held at Rapid Valley Elementary and Girls, Inc. in February. Brianna Mount, from BHSU, was presenter for the Girls, Inc meeting. Peggy presented at Rapid Valley.

Science fair season rolls on. SDSTA Consultant Jim Whitlock participated as a judge of the Spearfish Middle School fair, held at BHSU on February 7. Jim also helped judge the Hill City Science Fair on February 20, along with Connie and BHSU STEM Liaison Rachel Headley.

Planning Activities

As part of gathering input to design exhibits for the Sanford Lab Homestake Visitor Center, C&G, the exhibit design firm, held meetings with members of the Cultural Advisory Committee (George Campbell, Kay Jorgensen, Peggy, KC, and Connie) and the Education and Communications Departments (Multimedia Specialist Matt Kapust, Peggy, Ben and Connie). The design firm is now working on an initial plan for the exhibit space.

Table 1. Estimated Audience Served – February 2014

ON-SITE											
Group	Students					Educators			Community		
	K-5	6-8	9-12	Undergrad	Graduate	K-12 Teachers	Univ. Faculty	Informal	Parents	Sanford Lab Staff	General Public
<i>Subtotal</i>	0	0	0	0	0	0	0	0	0	0	0
OFF-SITE											
BHSU Marketing Students				8							
SciGirls – Girls, Inc.	11							1			
SciGirls – Rapid Valley	11					3					
SD Science Teachers Conference				5		10		2			
ND Science Teachers Conference						70					
Minnesota State Seminar				5	10		25				
Kingsland High School Meetings						5					
Diversity Summit							70				30
<i>Subtotal</i>	22	0	0	18	10	88	95	3	0	0	30
VIDEOCONFERENCE											
Kingsland High School			45								
<i>Subtotal</i>	0	0	45	0	0	0	0	0	0	0	0
Grand Total	22	0	45	18	10	88	95	3	0	0	30
<i>Grand Total: 311, of which 145 were students or educators participating in programs designed specifically to attract more female and under-represented participation in STEM careers.</i>											

Communications Department

Constance Walter, Communications Director

Education

Communications Director Connie Walter invited two student groups from Black Hills State University (BHSU) to the Sanford Lab to discuss their classroom marketing projects. Education and Outreach (E&O) Director Ben Saylor and the Lead Chamber and Visitor Center Director Melissa Johnson spoke to the students about the Sanford Science and Education Center and the importance of public outreach. Multimedia Specialist Matt Kapust took the group on a surface tour. Connie is working with E&O Science Education Specialist Julie Dahl on a Lead-Deadwood High School Research project. Connie gave a presentation on how to write a proposal and will critique the research proposals as the students work through the project. Connie also assisted at a Science Fair in Hill City; SD. Matt was the technical contact for an E&O Video Conference at the 4850L with a Kansas physics class.

Community Meetings/Involvement

During the week of February 10, the team working on the Visitor Center exhibits (which includes Connie) met with C&G partners, the exhibit design firm. The group toured the underground to gain a better understanding of the science, which will be a focal point of the exhibit at the new Sanford Homestake Visitor Center. Community members also participated in the tour, including Brian Carmichael from the Black Hills Mining Museum, Melissa Johnson and Jamie Huepel from Lotus Up Deli. Connie attended a lecture at BHSU “STEM to STEAM.”

Underground Science/tours

Matt was a guide for several underground tours in February including, the Spearfish City Council and Mayor, the Lead Chamber and Visitor Center design firm and the employee friends and family day tours at the 4850L. Connie participated in the tours and assisted with the friends and family day.

Graphics and media

Matt created a banner graphic at the request of Senior Safety Specialist Jaime Hopmeier for the Yates hoist room. The banner commemorates the 75th anniversary of the Yates Shaft. Matt updated two 3D graphics: a map of the 4850L current and future experiment sites and a map that shows the relationships of the 4850L experiments to the surface topography. The graphics are often used in lab overview presentations. Both are to be used in an upcoming Long-Baseline Neutrino Experiment (LBNE) scientific report.

Website

Matt continues to maintain and update the Sanford Lab website and performed several security updates in February. He also provides User Support, as needed. Matt has been working on implementing a tracking system on the Sanford Lab’s photo gallery website. The system will require a name and email address before being able to view the galleries. This will allow us to keep track of who is downloading and using lab photos.

Video

Matt completed the underground safety video for visitors. It can be streamed or downloaded at www.vimeo.com/sanfordlab/sitesafetyvideo. Finishing touches include an original score by Gordy Pratt and fine-tuning of audio levels. The video replaces the previous safety video, which had out-of-date information. It is also half the length. This video will give visitors a concise, up-to-date safety message. Matt also put together a 40 second time-lapse video of the Ross 800L station being refurbished. That video can also be streamed at: <https://vimeo.com/87476974>.

Jeopardy!

In October, the Jeopardy! Clue Crew visited the Sanford Underground Research Facility. The clues they recorded at that time were part of the final episode of the College Championships, which aired Friday, February 21. You can view the part of the show that features the Sanford Lab here: <http://www.youtube.com/watch?v=Lqah2zvXYnU#t=14m26s>.

Photography highlights in February

- MJD cleanroom shield photos
- Emergency Response Team visit to the Davis Campus
- 1250 Level Ross station rehabilitation
- Spearfish mayor and city council tour
- Lead Chamber and C&G Design firm tour of Davis Campus
- BHSU President underground campus inspection
- Bolter in Hoist room

To view albums in the Sanford Lab Photo Gallery go to: <http://pics.sanfordlab.org/f216003594>

Miscellaneous

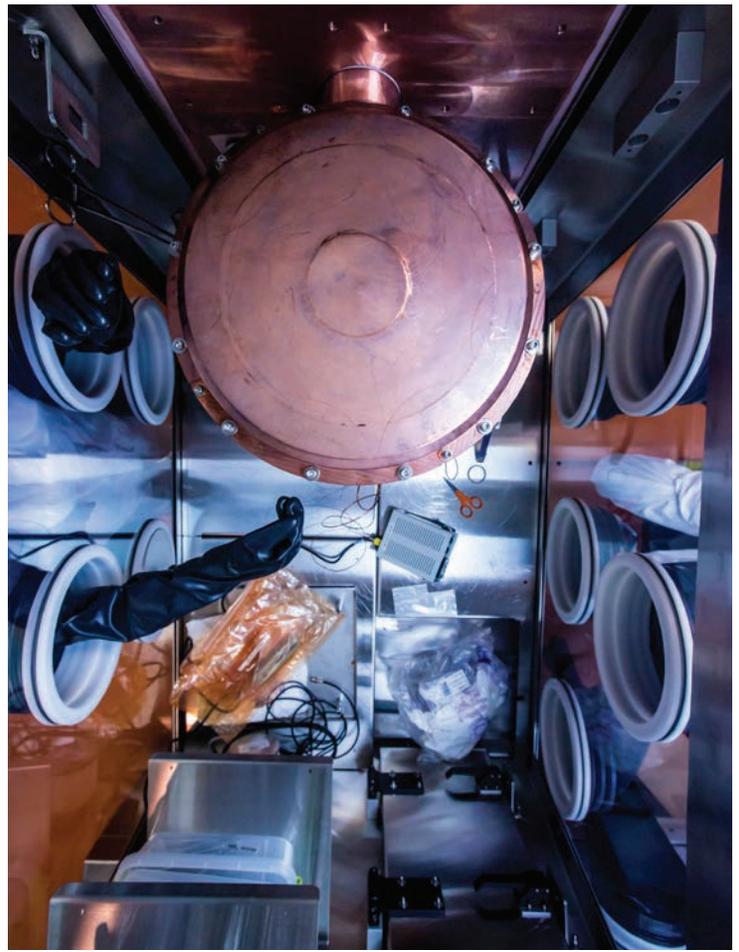
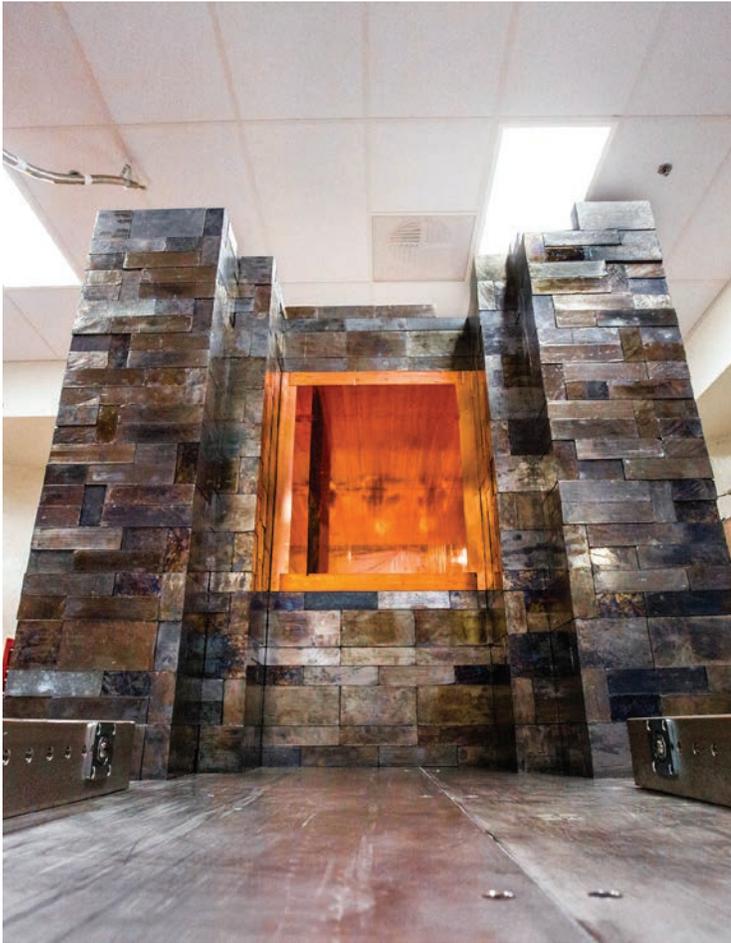
The Communications Department continues to develop Deep Thoughts; update the website; perform general web maintenance; and provide photographs to the media, science collaborations and educational institutions and other laboratory departments. Physics doctoral candidates make use of our videoconferencing capabilities to attend classes remotely.

Upcoming projects

- Display for Mining Museum
- Neutrino Day (July 12, 2014)
- Deep Science, Sioux Falls Kiwanis Club (April 9, 2014)
- Deep Science, Watertown Rotary Club (April 10, 2014)
- Deep Science in the Black Hills, BHSU (April 30, 2014)
- Joint presentation with Fermilab at Van Stuebben High School in Chicago (April 2014)

News coverage in February 2014

- Feb. 27: [Majorana impresses annual review committee](#) by Adam Hurlburt, Black Hills Pioneer
- Feb. 26: [LUX dark matter results confirmed](#) by Kevin Stacey, Brown University, Products Design and Development
- Feb. 26: [Program Takes Kingsland Students Deep Underground](#) by Staff writers, ABC6 News [edit](#)
- Feb. 25: [Kingsland students to help with research in South Dakota mines without leaving school](#) by Gretchen Mensink Lovejoy, Spring Valley Tribune
- Feb. 22: [Black Hills State University faculty and staff transform lives](#) by Staff Writers, Black Hills Pioneer [edit](#)
- Feb. 21: [Confirmation Of LUX Dark Matter Results](#) by John P. Millis, Ph.D., redOrbit
- Feb. 21: [What is the Sanford Lab, Alex?](#) By Staff Writers, Black Hills Pioneer
- Feb. 21: [Dark matter as art: Exhibit at Augustana explores scientific form](#) by Dorene Weinstein, Argus Leader
- Feb. 21: [New calibration confirms LUX dark matter results](#) by EurekAlert! Brown University [edit](#)
- Feb. 20: [LUX Confirms It Has Not Found Dark Matter](#) by News staff, Science 2.0
- Feb. 19: [Students, faculty strive for notoriety, research at USD reaching for ‘emerging areas,’ but requires more external funding](#) by Megan Card, The Volante
- Feb. 14: [UK backs huge US neutrino plan](#) by Pallab Ghosh, BBC
- Feb. 07: [Art Exhibit Explores Dark Matter](#) by Sammi Bjelland, KELOLAND Television



Top left: A copper and lead brick “castle” will shield sensitive detectors used in the MAJORANA DEMONSTRATOR experiment.

Top right: A copper cryostat inside a nitrogen-filled glove box holds germanium detectors. The cryostat will be placed inside the copper box of the shield in the above left photo.

Center left: Lead bricks stacked for shielding.

Center right: Tiny copper parts machined underground on a lathe must meet precise measurements.

Bottom: These tiny pins are compared to the tip of a Bic pen. The pins are used to hold wires in the small holes of the copper clip at right.



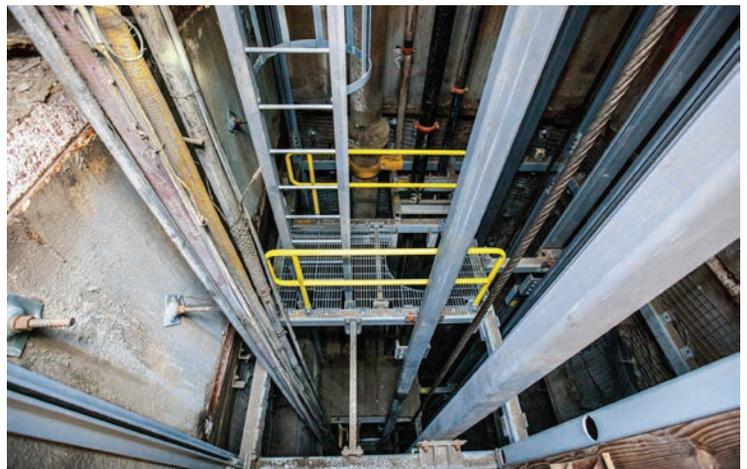


Top left: Steel that is used to refurbish the Ross Shaft is stacked on the racks to the left and in front of the headframe. Two garage doors allow access to the top of the shaft.

Center left: Steel has been installed to the 1250 Level station. The Yellow box is a shelter that could be used in case of an emergency and if the cage is not immediately available.

Center right: This is a close up of the brattice that separates the shaft from the 1250 Level station. Brattice is also installed around the skip compartments all the way down the shaft.

Bottom right: This photo, taken from the cage compartment in the Ross Shaft, shows the counterweight compartment and ladders that were installed between the 800 and 1250 levels. Every 18 feet of ladders is a landing.



Business Services Department
Sharon Hemmingson, Business Services Manager

Contracts and Procurement

Lawrence Berkeley National Laboratory (LBNL): SDSTA received subcontract No. 7093667 for engineering services related to the LUX-Zeplin (LZ) experiment design with an estimated cost of \$128,731 through September 2014. SDSTA also received Modification 21 to 6994297, increasing the Sanford Underground Research Facility support agreement total by \$1,061,000. The Daya Bay auto-guided vehicle that was transferred to SDSTA arrived on-site.

Long-Baseline Neutrino Experiment (LBNE): Business Services and Contracts Manager Sharon Hemmingson attended meetings with the Fermilab procurement staff and LBNE project staff at the LBNE collaboration meeting February 2-4 in Batavia, IL. SDSTA received Purchase Order (PO) revisions extending the Rail-Veyor end date to May 31, 2014 and authorizing new/additional staff on purchase orders for professional staff services (613525-R1) and NEPA (609755-R1).

Sanford Laboratory Homestake Visitor Center: Change orders were issued to the existing Dangermond Keane and Skyline contracts to accommodate the additional work involved in investigating an alternate site.

Governor's Office of Economic Development (GOED): SDSTA received an agreement from GOED to fund Sanford Science Education Center education and outreach activities in partnership with Black Hills State University (BHSU) for a three-year period, June 1, 2014-May 31, 2017. SDSTA issued a contract to BHSU for \$300,000 a year for the next three years, if BHSU provides an annual \$150,000 match and meets GOED targets.

Case Western Reserve University: PO #5000228814 for LZ cryo-cooler engineering services was amended to increase the total by \$23,833 and extend the end date to April 30, 2014.

Compact Accelerator System Performing Astrophysical Research (CASPAR): South Dakota School of Mines and Technology (SDSM&T) submitted a proposal to SDSTA (currently under review) on behalf of the CASPAR collaboration for second year funding (\$500,000).

Purchase Orders: 159 POs were issued in February, totaling \$111,566.

Warehouse Inventory: Warehouse Inventory on February 28, 2014 equaled \$208,696.

Request For Proposals (RFPs) and Contracts Status Report – January 2014

Ron W. Wheeler #2013-35	CO#1	Revised Exhibit A – Insurance Requirements	\$-
D&W Crane #2012-45	CO#2	Increase funding for crane services associated with Ross & Yates head frame repairs	\$15,000
CVD Construction, Inc. #2013-26	CO#1	Increase funding to complete Ross & Yates head frame repairs	\$50,000
G.L. Tiley #2013-39	CO#1	Increase funding	\$10,000
Dangermond Keane Architecture #2013-30	CO#1	Additional architectural services for Sanford Lab Homestake Visitor Center Project	\$21,000
Skyline Engineering LLC #2013-31	CO# 1	Additional engineering support for Sanford Lab Homestake Visitor Center Project	\$21,150
The ALARIS Group, Inc. #2014-01	Contract	Occupational Medicine Support	\$10,000
Terracon Consultants, Inc. #2013-38	CO# 2	Geotechnical engineering support , construction materials testing and observation services SLHVC	\$102,262
Ginny Wood Nelson M.Ed, LPC #2014-02	Contract	Supervisory Training Services	\$3,000
Ainsworth-Benning #2013-36	Contract	Iron House Building Rehabilitation	On hold
North Central Supply	Contract	Yates Gate Security Upgrade	Upcoming
Jacobs Precision Welding	Contract	Certified weld inspection services	Upcoming

Information Technology (IT)

As a result of a large outage from our primary Internet Service Provider (ISP) provided by WOW, IT has promoted Bureau of Information Technology (BIT) from our secondary ISP to our primary ISP and is actively investigating a possible replacement ISP for WOW.

IT is working with the Facilities Maintenance Department to replace uninterruptible power supplies (UPS) at the Yates, Ross, and Davis Campus sites, to ensure optimal network connectivity in the event of a power failure. IT is also working with the Facilities Maintenance Department to procure additional analog phone equipment for use on the surface and underground.

Five new laptops have been procured and are currently being configured for new hires and scheduled replacements. An additional five will be procured next month.

The Yates Shaft manifest scheduling and tracking custom application is in design development and testing. This was completed at the end of February.

A software upgrade is scheduled for our Symantec Endpoint Protection antivirus server to help facilitate both end of life for the existing version and enhance our spyware and malware protection.

User Support Office (USO)

For the month of February, logistical and administrative support were provided for the following meetings and events:

- February 7: Sanford Lab “After the Holidays” Party, Deadwood Mountain Grand
- February 11-13: Sanford Lab Homestake Visitor Center Meeting
- February 12: LZ Meeting of Sanford Lab Infrastructure
- February 13-14: LUX Inspection/EHS Walkthrough
- February 15: Friends & Family Day Underground Tour
- February 19-20: CASPAR Safety Readiness Review
- February 21: BHSU President Schallenkamp Visit and Underground Tour

Preparation and planning continue for upcoming meetings to be held at Sanford Lab in March:

- March 6-7: CASPAR Design Kickoff
- March 7: BHP Visit and UG Tour
- March 8: Friends & Family Day Underground Tour
- March 11-13: Konecranes Overhead Training
- March 14: Sanford Lab All Hands Meeting
- March 15-16: MJD Workshop, Admin Bldg
- March 15-16: LUX Collaboration Meeting, Yates Education Bldg
- March 17: Hazwoper Training
- March 20: SDSTA BOD Meeting
- March 22: Friends & Family Day Underground Tour

Monthly reports for LBNL and SDSTA were compiled, edited and distributed. Month-end reception registers were forwarded to the FBI/Homeland Security/SD Fusion Center. Monthly Researcher hours were tracked and Science training records processed. Monthly invoices were coded for the Finance Department. Organization charts and telephone lists were updated. Safety messages and other important news are being updated daily on the new digital displays located at the Davis Campus and the Administration Building reception area.

User Support continues to assist the Communications Department with updating content and migration of public-facing documents on the Sanford Laboratory website, specifically EHS documents. Also, DocuShare collections are being organized and archived as needed with the recent software upgrade. Work continues on updating SDSTA policies and procedures. Accounting/Administrative Assistant Jaye Conrad has been assigned as the backup to Technical Coordinator Jeri Mykleby for ManagerPlus, our maintenance management software currently being implemented. Jaye’s efforts will focus on the inventory/purchasing aspect of the tool.

Saturday, February 15 was the first of three “Friends & Family Day” tours provided to employees who visited the 4850L with a friend or family member. At the beginning of each of the four tours, Sanford Lab Director Mike Headley presented a short lab overview followed by watching the new safety video and signing risk waivers. They outfitted Personal Protective Equipment (PPE) at the Yates Ramp and rode the cage down to the 4850L. Each group toured the Davis Campus and LUX and MJD researchers talked about their experiments. The tour ended with a visit to the Yates Hoist Room at the surface— each tour was approximately 3.25 hours. A total of 209 employees and guests have signed up for all three tours in February and March.

Finance and Human Resources Department

Nancy Geary, Chief Financial Officer and Department Manager

Included in the Financial Report are the following:

- DOE SDSTA FY2014 SPA Curve as of February 28, 2014
- Balance Sheet as of February 28, 2014
- Comprehensive Statement of Income February 2014
- Comparative Balance Sheet – February 2014 vs. February 2013
- Comparative Statement of Income – February 2014 vs. February 2013
- Available Cash as of February 2014
- Operating Budget Summary
- CAPEX Budget Summary
- February 2014 & YTD CAPEX Budget – actual vs. budget
- SDSTA Staffing Plan by Funding Source as of February 2014

DOE SDSTA FY13 Scheduled Performed Actual (SPA) Curve

This graph represents an analysis of the DOE Subcontract No. 6994297 Operations scheduled funding compared to actual. The report shows funding through September 2014 along with information related to Funded to Date dollars, Scheduled dollars, Performed dollars, and Actual dollars by month. Actual dollars represent actual invoices for the months sent to Lawrence Berkeley National Laboratory (LBNL) for reimbursement. For February the invoices totaled \$1,306,056, which is higher than the anticipated reimbursements of \$1,024,844, by \$281,212. Since the inception of this subcontract in February 2012, the actual expenses are at \$27,326,990, which is lower than the budget of \$27,457,267 by \$130,277.

Balance Sheet Items

Cash in Local Checking – Total on hand at February 28, 2014 was \$874,415; up from last month by \$177,659. Funds on hand were necessary to pay employee medical/life/vision insurance all due March 1, 2014 and for payroll due on March 7, 2014. The balance also contains Department of Energy (DOE) funds from LBNL received late in February.

Cash with State Treasurer – Total balance of \$33,209,647. This has decreased from last month by \$471,111 as this amount was drawn down in February.

Billed A/R – Billed A/R represents any open invoices based on contracts from sources such as LBNL, other smaller contracts from other universities, or Barrick/Homestake Mining Company. Total is at \$1,142,222; up from last month by \$157,074. Included in the balance are open invoices to LBNL for \$1,006,451; representing invoices for the Large Underground Xenon (LUX) subcontract and invoices for the Operations Subcontract No. 6994297. Additional open invoices include \$92,086 from Fermilab, \$33,430 from various other smaller university subcontracts, as well as open invoices from Barrick/Homestake equaling \$10,255.

Unbilled A/R – Balance of \$355,985. Unbilled A/R represents items that have not been billed on various contracts. The payroll from pay end date February 28, 2014 (paid to employees March 7, 2014) was not billed in February on various contracts. This amount will be invoiced in March. The balance has increased by \$4,536 for this timing difference.

Other A/R – Current balance of \$248,542. This balance represents any Interest Receivable and Miscellaneous Accounts Receivable. The balance increased by \$20,756, which represents the interest accrual for the month.

Inventory – Supplies – Balance at \$2,702,465 for fixed assets being stored but not in service. This balance is unchanged from the prior month.

Inventory Warehouse/Personal Protective Equipment (PPE) – Current balance of \$376,199. This balance represents the warehouse inventory that was purchased by the SDSTA prior to federal funding and xenon gas inventory for experiment use. This balance has decreased from the prior month by \$30 representing the usage of warehouse inventory in operations.

Other Current Assets – This listing on the balance sheet represents the balances of both prepaid insurance – \$238,423 and prepaid other - \$43,249. Total balance of \$281,672, is down from last month by \$55,935. This

decrease represents the monthly insurance expenses including worker's compensation along with expensing certain prepaid items in February. Monthly insurance expense including worker's compensation was stable at \$36,342.

Fixed Assets – Total of \$66,918,137 (net of depreciation through 02/28/14). Fixed assets are unchanged for the month except for depreciation, which results in a decrease of \$139,431.

Other Assets – Work in Progress – This balance represents the current progress being made using Sanford/ Authority Funds and recently received State funding to support the budgeted projects on the CAPEX budget less any items that are being capitalized within the Fixed Asset designation. Current balance has increased by \$187,968 to \$2,213,013. The balance represents the current year's project costs (not including personnel) funded by these sources.

Other Assets – Capital Lease – This net balance of 691,945 represents the deep pump system capital lease. This balance has decreased by \$13,898. The lease through AmWest, Inc. was renegotiated to include transference of property to us at the end of the lease term in January 2018. The rental payments are being directly charged to the LBNL federal subcontract. Per the subcontract, the pumping system will become the property of the Federal Government at the end of the lease period. The equipment will be fully expensed over the period of the lease at which time it will be removed (along with the lease liability) from the SDSTA's balance sheet.

Total Assets – Total of \$109,014,243. This is down from last month by \$132,411; which represents the net activity as listed above.

Accounts Payable – Our Accounts Payable balance of \$883,546 (including Accounts Payable and Accounts Payable Accrual) at the end of the month compared to last month has increased by \$139,107. This increase is primarily due to the purchase of two shaft heaters for \$66,000 and repairs to the Yates hoist main and drum bearings for \$64,000.

Accrued Payroll Liabilities– Current balance of \$932,449 is up by \$7,846 from last month. This represents the net change between earned vacation and vacation taken and other changes in other employee benefit related liabilities. Also included is the current payroll accrual for labor and employee benefits related to labor performed in February, but not paid until March 7, 2014.

Long Term Accrued Employee Benefits/Lease – This balance of \$691,945 denotes the liability associated with the capital lease for the deep pump system from AmWest, Inc. This balance has decreased by \$13,898 for the month's reduction in the lease amount owed.

Total Liabilities – Total Liabilities increased by \$133,056 (from \$2,374,884 to \$2,507,940), which reflects the net activity listed above.

Total Equity – Down to \$106,506,302 from the previous month \$106,771,770.

Total Liabilities & Equity – Down to \$109,014,243 from the previous month of \$109,146,654.

Statement of Income Items

On the SDSTA's Statement of Income, the DOE Subcontracts have been consolidated into one line item on the report. Total revenue for this fiscal year from these subcontracts through February 2014 is at \$9,754,547 (increase from January of \$1,412,953).

National Science Foundation (NSF) Subcontracts – Total revenue through February 2014 from NSF funding is at \$167,865 (increase from January of \$18,009). The balance represents revenue from the University of Notre Dame subgrant for the Compact Accelerator System Performing Astrophysical Research (CASPAR) project and a small subaward through Case Western Reserve University.

State Revenue – Year to date balance includes \$2,000,000 received from the State Legislature and a small amount from one small contract. The small contract relates to funding from the University of South Dakota state research funds for the Center for Ultra-Low Background Experiments in the Dakotas (CUBED). There is no increase to State Revenue for the month.

Contributions & Donations - \$30,000 was received from Lawrence County in January 2014 to be used toward expenses related to the construction of the new Sanford Visitor Center located in Lead, SD.

Interest income recorded for the current fiscal year is at \$175,878. This represents interest accruing at 0.75% on the cash held by the state on behalf of the SDSTA, based on the decision made at the September 2013 Board meeting to reduce this from 2% to 0.75% along with the small amount of interest received on the local checking account.

Direct Costs are then listed on the Statement of Income. The categories have been consolidated to reflect the format used when invoicing on federal contracts. The classifications for Unallowable Costs and Indirect Costs are listed as well on this report to follow the federal contracting format. Other Income through the month of February is at \$177,424 which represents miscellaneous income and a small amount each month for water treated for Barrick Gold.

Comparative Balance Sheet

Significant differences include Total Cash with State Treasurer, which is lower by \$4,511,218 from this time last year as funds were expended over the 12-month period. Billed A/R is higher than this time last year by \$315,962 primarily due to increases in the expenses associated with the contract with LBNL for Operations related costs. Unbilled A/R is also higher by \$354,394 because the payroll from 2/28/14 will be invoiced on various contracts in March where last year at this time only a small amount had not been invoiced on a contract at month end. Other Receivables (Interest Receivable) is lower by \$482,837 primarily because of accruing 2% in early 2013 compared to 0.75% in fiscal year 2014. Inventory of Supplies is currently lower by \$234,511 due to putting into service various fixed assets.

Inventory – Warehouse has increased by \$313,767 primarily represented by the purchase of xenon for the LUX-ZEPLIN (LZ) experiment. Other Current Assets have decreased slightly in various areas of Prepaid Insurance and Prepaid Other. Other notable differences exist for increases in Fixed Assets. Other Assets have increased primarily due to establishing the Capital Lease as explained earlier and for increased activity in our capital improvements category. In summary, Total Assets have decreased by \$796,477 due to the net effect of the items noted. Total Liabilities have increased by \$1,230,325 over last year at this same time, primarily due to establishing the liability for the capital lease (pump system). Additional increases are reflected in increased Accounts Payable and Payroll Liabilities when comparing the same periods. Total Equity has decreased by \$2,026,802 from last year at this same time primarily due to drawing down funds from the State.

Comparative Profit/Loss

Total Revenue for year to date February 2014 compared to year to date February 2013 has decreased primarily due to receiving \$15,000,000 from the Sanford Gift in the last fiscal year, but only \$30,000 this year for Contributions & Donations. Yet, this year's revenue includes receipt of \$2,000,000 from the State Legislature. Direct Costs and Indirect Costs for year to date February 2014 compared to this time last year show a slight net increase (approximately 14% increase). Thus, Net Income has decreased due to less revenue and increased costs. Other Income is slightly down when comparing the two time frames, primarily due to treating less Barrick water.

Available Cash

This report reflects our available cash after noting the restricted cash balances in the Indemnification and Mine Closure accounts. The \$20,000,000 in the Sanford Gift #2 account is no longer designated as "restricted" due to the signing of the Fourth Amendment to the Homestake Gift Agreement. After our liabilities are noted, \$20,226,846 is available to be used for a limited scope of SDSTA expenses (Board, Administration, Communication, Education & Outreach, and Science Liaison expenses not covered by the current DOE funding), for current contracts concerning the various capital expenditure projects including the Ross Shaft Rehabilitation, and towards the specific projects listed in the Fourth Amendment. This Amendment to the Homestake Gift Agreement allows the SDSTA to spend up to \$7,000,000 on three projects (construction or remodeling of the Yates Dry Building, replacement of the Lead Homestake Visitor Center, and the remodeling of Jonas Science Hall at Black Hills State University). Additionally, any part of the \$20,000,000 not used for these three projects may be used for the construction and operation of additional underground laboratory space at the Sanford Underground Research Facility to establish other experiments, and for related infrastructure to access or support the laboratory space. Furthermore, we have received a \$2,000,000 Future Fund Grant from the State Governor. This funding will be received on a reimbursement basis to assist with the construction costs associated with the Lead Sanford Visitor Center and Black Hills State University projects.

Operating Budget Analysis

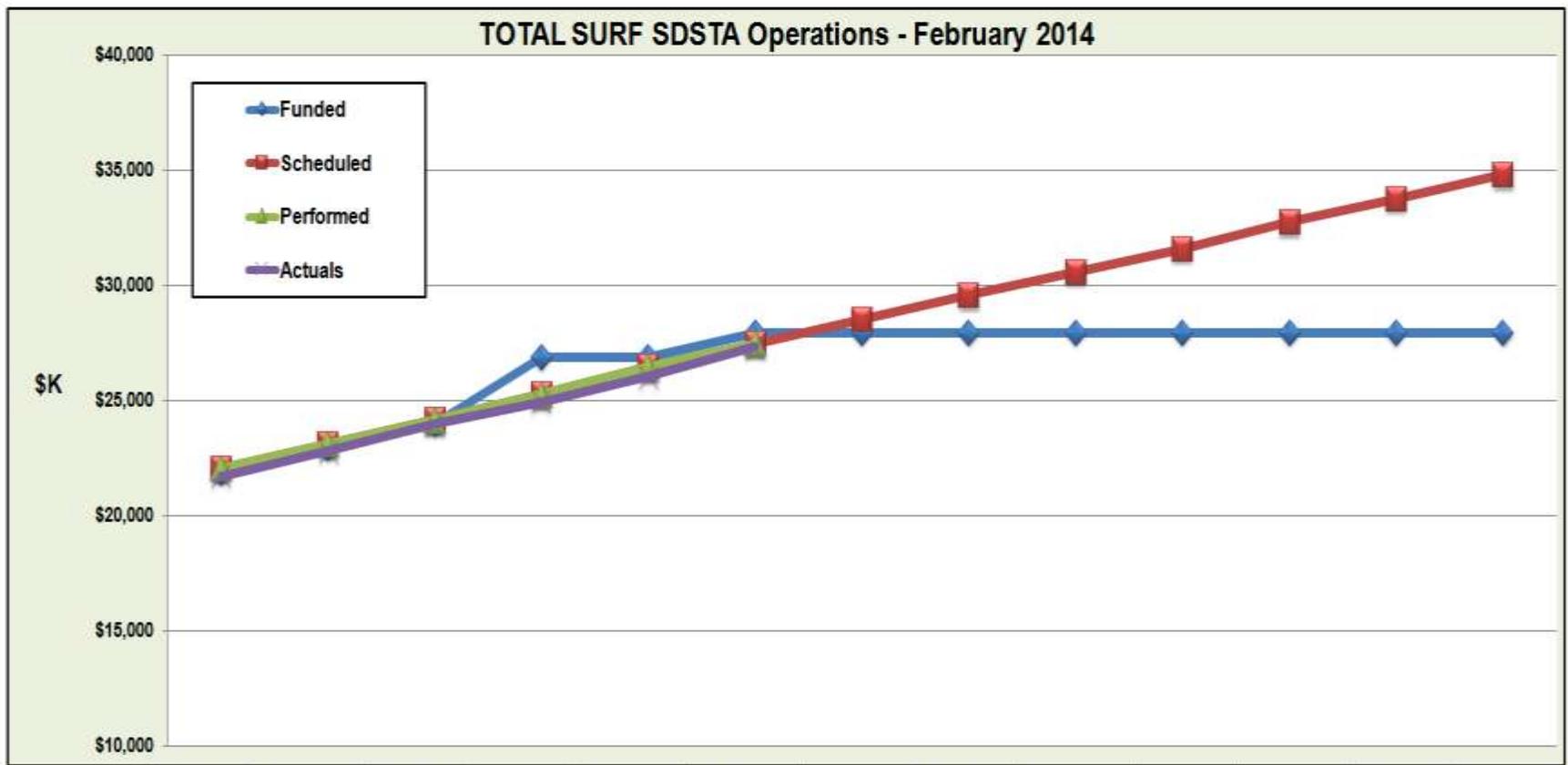
This report is separated into three sections: SDSTA funded activities, Federal Funded activities, and Indirect expenses that benefit various activities. Total operating expenses are \$268,419 over budget for February 2014. The majority of this overrun is accounted for in the LBNL Operations C#6994297 actuals. Expenses that attributed to the overrun include electric charges being over approximately \$20,000, purchasing two heaters for the shafts - \$66,000 (budgeted in a prior month), repairs to the 1930s Nordberg Yates hoist main and drum bearings - \$64,000, and headframe repairs of \$31,000. Total YTD figures show that we are over budget by \$192,262 as a whole. Most budgets are almost all under budget with the exception of the LBNL Operations C#6994297, Indirect Expenses, and two other small amounts under the Science Liaison Department and the Fermi Purchase Order (PO) #610364 for staff services.

Capital Expenditure Budget Analysis

Our current capital expenditure projects have been condensed and are listed from CAP2012-09 – CAP2013-07; with various breaks in the sequence of numbering. In addition we added ten new projects (CAP2014-01-10) for this fiscal year with a budget increase of \$7,595,500. All projects will be funded by the balance of Sanford Funds as directed by the Fourth Amendment to the Homestake Gift Agreement, \$2,000,000 from the State Legislature for the Ross Shaft Rehabilitation project, \$2,000,000 of Future Funds mentioned earlier, funding raised from private fund raising activities, and SDSTA funds including interest. Total project dollars are at \$14,030,703 which represents the approved budget from the June 2013 Board meeting, a small amount of carry over for a few projects not quite finished, and the ten new projects approved at the September 2013 and December 2013 Board meetings, We spent \$348,510 on our CAPEX projects in February out of the budgeted \$473,427. YTD we have expended \$4,176,718 on this list of projects.

Human Resources

Former SDSTA employee Jason Rosdahl has accepted the Industrial Hygienist-Safety Specialist position in the Environmental, Health and Safety (EHS) Department. Jason will begin on March 24. Current SDSTA employee Roger Hudson has accepted the Training Specialist position and Infrastructure Technician Clint Morrison has replaced Roger on the Hazard Mitigation Crew. Newly hired Russell Bauer has stepped into Clint's previous position as an Infrastructure Technician; he started on March 10. Jesse Hauk also accepted an Infrastructure Technician position due to the termination of William Heisinger and will start on March 24. Lastly, the EHS Manager position has been posted.



	CTD	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14
Funded	\$ 21,880	\$ 22,938	\$ 23,997	\$ 26,862	\$ 26,862	\$ 27,923	\$ 27,923	\$ 27,923	\$ 27,923	\$ 27,923	\$ 27,923	\$ 27,923	\$ 27,923
Scheduled	\$ 22,058	\$ 23,099	\$ 24,124	\$ 25,245	\$ 26,432	\$ 27,457	\$ 28,492	\$ 29,551	\$ 30,579	\$ 31,581	\$ 32,720	\$ 33,745	\$ 34,796
Performed	\$ 22,058	\$ 23,099	\$ 24,124	\$ 25,245	\$ 26,432	\$ 27,457							
Actuals	\$ 21,686	\$ 22,771	\$ 23,949	\$ 24,940	\$ 26,021	\$ 27,328							

February 28, 2014 DOE SDSTA FY2013 SPA Curve

DIVISION: ALL

BALANCE SHEET

ASSETS

AS OF
02/28/14

CURRENT ASSETS

First Interstate Checking	\$	817,833.97
First Interstate Other		56,580.80

Total in Local Checking		874,414.77
SD Treas: Indemnification		10,000,000.00
SD Treas: Mine Closure		1,349,275.35
SD Treas: Operating		225,609.00
SD Treas: Sanford		3,457,007.40
SD Treas: Sanford Gift #2		18,177,755.00

Total with SD Treasurer		33,209,646.75
Billed A/R		1,142,222.42
Unbilled A/R		355,984.95
Other A/R		248,542.47
Inventory - Supplies		2,702,464.79
Inventory - Warehouse		376,199.23
Other Current Assets		281,672.19

Total Current Assets		39,191,147.57

FIXED ASSETS

Land, Underground & Other		12,353,375.03
Bldgs & Infrastructure		8,881,327.62
Improvements		43,964,388.80
Computer Equipment		357,294.53
Equipment & Fixtures		8,114,667.49
Accum Depr & Amort		(6,752,916.70)

Total Fixed Assets		66,918,136.77

OTHER ASSETS

Work in Process		2,213,013.02
Equipment - Capital Lease		691,945.36

Total Other Assets		2,904,958.38

TOTAL ASSETS

\$ =====
109,014,242.72
=====

DIVISION: ALL

BALANCE SHEET

LIABILITIES & EQUITY

		AS OF 02/28/14

CURRENT LIABILITIES		
Accounts Payable	\$	876,253.88
Other Payables		7,292.61

Total Accounts Payable		883,546.49
Accrued Payroll Liab		932,448.94

Total Current Liabilities		1,815,995.43
OTHER LIABILITIES		
LT Accrued EB/Lease		691,945.36

Total Other Liabilities		691,945.36

TOTAL LIABILITIES		2,507,940.79
STOCKHOLDER'S EQUITY		
Restricted: Indemnificati		10,000,000.00
Restricted: Sanford		3,457,007.40
Restricted: Lab		225,609.00
Restricted: Mine Closure		1,349,275.35
Restricted: Sanford Gift2		18,177,755.00

Total Restricted Funds		33,209,646.75
Investment in Gen FA		66,918,136.77
Unrestricted Funds		6,378,518.41

Total Equity		106,506,301.93
TOTAL LIABILITIES & EQUITY		
	\$	=====
		109,014,242.72
		=====

ALL STATEMENT OF INCOME
FOR THE PERIOD ENDING 02/28/14

	YR-TO-DATE
REVENUE	
DOE Subcontracts	\$ 9,754,547.23
NSF Subcontracts	167,865.48
State Revenue	2,002,572.13
Contributions & Donations	30,000.00
Checking Interest	37.89
Interest Income	175,877.80

	12,130,900.53
DIRECT COSTS	
Direct Labor	4,788,615.64
ERT Labor	18,187.50
Board of Directors	4,841.51
Capital Outlay >\$5K	384,828.95
Contractual Svcs	1,066,711.58
Emergency Resp	28,650.79
Inventory	227,032.69
Supplies	620,676.18
Travel - Domestic	39,100.82
Travel - Foreign	10,659.91
Utilities	1,107,598.90
Other Direct Costs	153,571.05
Unallow/Unbill Costs	205,255.47

	8,655,730.99
INDIRECT COSTS	
Fringe Benefits	2,152,304.23
Overhead	2,301,634.15

	4,453,938.38
GROSS PROFIT FROM OPERATIONS	

	-978,768.84
OTHER INCOME	
Water Treatment	90,543.17
Miscellaneous Income	86,880.46

	177,423.63
OTHER EXPENSES	
Loss(Gain) on Sale of FA	3,989.67
Reclass Incr Net Assets	-1,076,821.81

	-1,072,832.14
NET INCOME	
	=====
	271,486.93
	=====

DIVISION: ALL COMPARATIVE BALANCE SHEET

ASSETS

	AS OF 02/28/14	AS OF 02/28/13	\$ CHANGE	% CHANGE
CURRENT ASSETS				
First Interstate Checking	\$ 817,833.97	\$ 555,921.46	\$ 261,912.51	\$ 47.11%
First Interstate Other	56,580.80	25,000.00	31,580.80	126.32%
	-----	-----	-----	-----
Total in Local Checking	874,414.77	580,921.46	293,493.31	50.52%
SD Treas: Indemnification	10,000,000.00	10,000,000.00	-	0.00%
SD Treas: Mine Closure	1,349,275.35	1,329,564.20	19,711.15	1.48%
SD Treas: Operating	225,609.00	-	225,609.00	100.00%
SD Treas: Sanford	3,457,007.40	6,391,300.33	(2,934,292.93)	-45.91%
SD Treas: Sanford Gift #2	18,177,755.00	20,000,000.00	(1,822,245.00)	-9.11%
	-----	-----	-----	-----
Total with SD Treasurer	33,209,646.75	37,720,864.53	(4,511,217.78)	-11.96%
Billed A/R	1,142,222.42	826,259.96	315,962.46	38.24%
Unbilled A/R	355,984.95	1,591.45	354,393.50	22268.59%
Other A/R	248,542.47	731,379.47	(482,837.00)	-66.02%
Inventory - Supplies	2,702,464.79	2,936,975.92	(234,511.13)	-7.98%
Inventory - Warehouse	376,199.23	62,432.21	313,767.02	502.57%
Other Current Assets	281,672.19	352,866.99	(71,194.80)	-20.18%
	-----	-----	-----	-----
Total Current Assets	39,191,147.57	43,213,291.99	(4,022,144.42)	-9.31%
FIXED ASSETS				
Land, Underground & Other	12,353,375.03	12,353,375.03	-	0.00%
Bldgs & Infrastructure	8,881,327.62	8,881,327.62	-	0.00%
Improvements	43,964,388.80	40,515,305.54	3,449,083.26	8.51%
Computer Equipment	357,294.53	357,294.53	-	0.00%
Equipment & Fixtures	8,114,667.49	7,980,192.98	134,474.51	1.69%
Accum Depr & Amort	(6,752,916.70)	(5,086,247.35)	(1,666,669.35)	32.77%
	-----	-----	-----	-----
Total Fixed Assets	66,918,136.77	65,001,248.35	1,916,888.42	2.95%
OTHER ASSETS				
Work in Process	2,213,013.02	1,596,178.91	616,834.11	38.64%
Equipment - Capital Lease	691,945.36	-	691,945.36	100.00%
	-----	-----	-----	-----
Total Other Assets	2,904,958.38	1,596,178.91	1,308,779.47	81.99%
	=====	=====	=====	=====
TOTAL ASSETS	\$ 109,014,242.72	\$ 109,810,719.25	(796,476.53)	-0.73%
	=====	=====	=====	=====

DIVISION: ALL

COMPARATIVE BALANCE SHEET

LIABILITIES & EQUITY

	AS OF 02/28/14	AS OF 02/28/13	\$ CHANGE	% CHANGE
CURRENT LIABILITIES				
Accounts Payable	\$ 876,253.88	\$ 631,144.94	245,108.94	38.84%
Other Payables	7,292.61	6,222.20	1,070.41	17.20%
	-----	-----	-----	-----
Total Accounts Payable	883,546.49	637,367.14	246,179.35	38.62%
Accrued Payroll Liab	932,448.94	640,248.65	292,200.29	45.64%
	-----	-----	-----	-----
Total Current Liabilities	1,815,995.43	1,277,615.79	538,379.64	42.14%
OTHER LIABILITIES				
LT Accrued EB/Lease	691,945.36	-	691,945.36	100.00%
	-----	-----	-----	-----
Total Other Liabilities	691,945.36	-	691,945.36	100.00%
	-----	-----	-----	-----
TOTAL LIABILITIES	2,507,940.79	1,277,615.79	1,230,325.00	96.30%
STOCKHOLDER'S EQUITY				
Restricted: Indemnificati	10,000,000.00	10,000,000.00	-	0.00%
Restricted: Sanford	3,457,007.40	6,391,300.33	(2,934,292.93)	-45.91%
Restricted: Lab	225,609.00	-	225,609.00	100.00%
Restricted: Mine Closure	1,349,275.35	1,329,564.20	19,711.15	1.48%
Restricted: Sanford Gift2	18,177,755.00	20,000,000.00	(1,822,245.00)	-9.11%
	-----	-----	-----	-----
Total Restricted Funds	33,209,646.75	37,720,864.53	(4,511,217.78)	-11.96%
Investment in Gen FA	66,918,136.77	65,001,248.35	1,916,888.42	2.95%
Unrestricted Funds	6,378,518.41	5,810,990.58	567,527.83	9.77%
	-----	-----	-----	-----
TOTAL EQUITY	106,506,301.93	108,533,103.46	(2,026,801.53)	-1.87%
	=====	=====	=====	=====
TOTAL LIABILITIES & EQUITY	\$ 109,014,242.72	\$ 109,810,719.25	(796,476.53)	-0.73%
	=====	=====	=====	=====

DIVISION: ALL

COMPARATIVE STATEMENT OF INCOME

FOR THE PERIOD ENDING 02/28/14

	YEAR TO DATE	PRIOR YEAR TO DATE	\$ CHANGE	% CHANGE
REVENUE				
DOE Subcontracts	\$ 9,754,547.23	\$ 9,255,630.80	\$ 498,916.43	5.39%
NSF Subcontracts	167,865.48	419,425.77	(251,560.29)	-59.98%
State Revenue	2,002,572.13	252,819.78	1,749,752.35	692.09%
Contributions & Donations	30,000.00	15,000,000.00	(14,970,000.00)	-99.80%
Checking Interest	37.89	208.19	(170.30)	-81.80%
Interest Income	175,877.80	477,563.00	(301,685.20)	-63.17%
TOTAL REVENUE	12,130,900.53	25,405,647.54	(13,274,747.01)	-52.25%
DIRECT COSTS				
Direct Labor	4,788,615.64	4,294,275.19	494,340.45	11.51%
ERT Labor	18,187.50	18,187.50	-	0.00%
Board of Directors	4,841.51	3,492.01	1,349.50	38.65%
Capital Outlay >\$5K	384,828.95	-	384,828.95	100.00%
Contractual Svcs	1,066,711.58	731,945.54	334,766.04	45.74%
Emergency Resp	28,650.79	21,991.67	6,659.12	30.28%
Inventory	227,032.69	208,708.06	18,324.63	8.78%
Supplies	620,676.18	894,873.57	(274,197.39)	-30.64%
Travel - Domestic	39,100.82	77,018.87	(37,918.05)	-49.23%
Travel - Foreign	10,659.91	7,098.58	3,561.33	50.17%
Utilities	1,107,598.90	949,341.59	158,257.31	16.67%
Other Direct Costs	153,571.05	47,945.26	105,625.79	220.30%
Unallow/Unbill Costs	205,255.47	176,623.82	28,631.65	16.21%
TOTAL DIRECT COSTS	8,655,730.99	7,431,501.66	1,224,229.33	16.47%
INDIRECT COSTS				
Fringe Benefits	2,152,304.23	2,116,149.46	36,154.77	1.71%
Overhead	2,301,634.15	1,926,826.57	374,807.58	19.45%
TOTAL INDIRECT COSTS	4,453,938.38	4,042,976.03	410,962.35	10.16%
GROSS PROFIT	(978,768.84)	13,931,169.85	(14,909,938.69)	-107.03%
OTHER INCOME				
Water Treatment	90,543.17	141,408.89	(50,865.72)	-35.97%
Miscellaneous Income	86,880.46	61,203.96	25,676.50	41.95%
Other Operating Income	-	5,483.42	(5,483.42)	-100.00%
TOTAL OTHER INCOME	177,423.63	208,096.27	(30,672.64)	-14.74%
OTHER EXPENSES				
Loss(Gain) on Sale of FA	3,989.67	-	3,989.67	100.00%
Reclass Incr Net Assets	(1,076,821.81)	(162,166.57)	(914,655.24)	564.02%
TOTAL OTHER EXPENSES	(1,072,832.14)	(162,166.57)	(910,665.57)	561.56%
NET INCOME	\$ 271,486.93	\$ 14,301,432.69	\$ (14,029,945.76)	\$ -98.10%

South Dakota Science & Technology Authority
Available Cash
2/28/2014

Cash Total Checking/Savings	\$ 874,415.00
Cash With State Treasurer	<u>\$ 33,209,647.00</u>
Total Cash	\$ 34,084,062.00
Less: Restricted Funds	
Indemnification & Mine Closure	<u>\$ (11,349,275.00)</u>
Total Cash (Not Restricted)	\$ 22,734,787.00
Less: Total Liabilities	<u>\$ (2,507,941.00)</u>
Available Cash	<u><u>\$ 20,226,846.00</u></u>

SDS&TA Operating Budget Summary FY13/14
Actual vs Budget
Feb. 2014 & YTD

	\$ Over/Under				\$ Over/Under				
	Feb. 2014	Budget	Budget	% of Budget	Actual YTD	YTD Budget	Budget	% of Budget	% Remaining
SDSTA (Authority) Direct Charges									100%
Board of Directors	\$17,583.00	\$18,527.00	\$944.00	94.91%	\$145,668.00	\$160,875.00	\$15,207.00	90.55%	9.45%
Executive Office	\$36,110.00	\$34,035.00	-\$2,075.00	106.1%	\$236,659.00	\$247,579.00	\$10,920.00	95.59%	4.41%
Communications	\$11,249.00	\$11,369.00	\$120.00	98.94%	\$99,945.00	\$100,831.00	\$886.00	99.12%	0.88%
Science Center E & O	\$0.00	\$700.00	\$700.00	0.0%	\$13,064.00	\$19,322.00	\$6,258.00	67.61%	32.39%
Science Liaison	\$1,599.00	\$1,500.00	-\$99.00	106.6%	\$13,306.00	\$12,020.00	-\$1,286.00	110.70%	-10.70%
Subtotal	\$66,541.00	\$66,131.00	-\$410.00	100.62%	\$508,642.00	\$540,627.00	\$31,985.00	94.08%	5.92%
Federal Funding - Direct Charges									
Fermi P.O. #609755 NEPA	\$9,788.00	\$10,599.00	\$811.00	92.35%	\$91,538.00	\$97,507.00	\$5,969.00	93.88%	6.12%
Fermi P.O. #610998 HDR	\$0.00	\$0.00	\$0.00	0.0%	\$71,932.00	\$87,880.00	\$15,948.00	81.85%	0.00%
Fermi P.O. #610364 Staff Services	\$6,041.00	\$6,041.00	\$0.00	100.0%	\$99,807.00	\$99,321.00	-\$486.00	100.49%	0.00%
Fermi P.O. #612213 ARUP	\$0.00	\$0.00	\$0.00	0.0%	\$257,061.00	\$263,990.00	\$6,929.00	97.38%	2.62%
Fermi P.O. #613525 Staff Services	\$8,575.00	\$13,808.00	\$5,233.00	62.1%	\$8,575.00	\$13,808.00	\$5,233.00	62.10%	37.90%
Fermi P.O.#614807 Ph2 Geotech	\$47,848.00	\$59,019.00	\$11,171.00	81.07%	\$47,848.00	\$59,019.00	\$11,171.00	81.07%	18.93%
CWR P.O. #228814 G2LZ	\$10,965.00	\$10,257.00	-\$708.00	106.9%	\$85,425.00	\$94,234.00	\$8,809.00	90.65%	9.35%
LBNL LUX C#6973786	\$11,114.00	\$14,958.00	\$3,844.00	74.30%	\$93,867.00	\$106,600.00	\$12,733.00	88.06%	11.94%
LBNL Operations C#6994297	\$1,060,110.00	\$819,875.00	-\$240,235.00	129.3%	\$7,114,666.00	\$6,995,839.00	-\$118,827.00	101.70%	-1.70%
MJD (Majorana) # 5-4473	\$1,358.00	\$2,354.00	\$996.00	57.69%	\$13,172.00	\$18,832.00	\$5,660.00	69.94%	30.06%
CUBED - USD	\$0.00	\$500.00	\$500.00	0.0%	\$2,065.00	\$4,000.00	\$1,935.00	51.63%	48.38%
UND F#202041	\$4,622.00	\$3,848.00	-\$774.00	120.11%	\$47,403.00	\$53,146.00	\$5,743.00	89.19%	10.81%
Subtotal	\$1,160,421.00	\$941,259.00	-\$219,162.00	123.28%	\$7,933,359.00	\$7,894,176.00	-\$39,183.00	100.50%	-0.50%
Indirect Expenses									
Indirect Charges Personnel	\$84,677.00	\$86,380.00	\$1,703.00	98.03%	\$712,961.00	\$687,360.00	-\$25,601.00	103.72%	-3.72%
Indirect Charges Other	\$252,105.00	\$201,555.00	-\$50,550.00	125.08%	\$1,794,588.00	\$1,635,125.00	-\$159,463.00	109.75%	-9.75%
Subtotal	\$336,782.00	\$287,935.00	-\$48,847.00	116.96%	\$2,507,549.00	\$2,322,485.00	-\$185,064.00	107.97%	-7.97%
Totals	\$1,563,744.00	\$1,295,325.00	-\$268,419.00	120.72%	\$10,949,550.00	\$10,757,288.00	-\$192,262.00	101.79%	-1.79%

SDSTA CAPEX Budget Summary FY13/14
Actual vs Budget
Feb. 2014 & YTD

<u>Budget Area</u>	<u>Actual Month</u>	<u>FY2014 Monthly Budget</u>	<u>\$ Over/Under Budget</u>	<u>% of Budget</u>	<u>Actual YTD</u>	<u>FY2014 YTD Budget</u>	<u>\$ Over/Under Budget</u>	<u>% of Budget</u>	<u>% Remaining</u>
									100.00%
Operational CAPEX	\$ 348,510.28	\$ 473,427.00	\$ 124,916.72	73.61%	\$ 4,176,718.31	\$ 14,030,703.33	\$ 9,853,985.02	29.77%	70.23%
TOTAL CAPEX	<u>\$ 348,510.28</u>	<u>\$ 473,427.00</u>	<u>\$ 124,916.72</u>	<u>73.61%</u>	<u>\$ 4,176,718.31</u>	<u>\$ 14,030,703.33</u>	<u>\$ 9,853,985.02</u>	<u>29.77%</u>	<u>70.23%</u>

SD Science & Technology Authority
Operational CAPEX Budget
Monthly Actual vs Budget

Project #	Project Description	Feb. 2014	Budget	\$ Over/UnderBudget	% of Budget
CAP2012-09	Ross Shaft Equipment/Tools	\$ 4,037.10	\$ 20,000.00	\$ 15,962.90	20.19%
CAP2012-13	Water/Hazard Mitigation Work	\$ -	\$ 5,000.00	\$ 5,000.00	0.00%
CAP2012-27	Ross Shaft Furnishings Repl.M&S	\$ 129,193.45	\$ 179,919.00	\$ 50,725.55	71.81%
CAP2012-28	Work Decks	\$ -	\$ -	\$ -	0.00%
CAP2012-32	SDSTA Personnel	\$ 160,542.32	\$ 165,504.00	\$ 4,961.68	97.00%
CAP2013-03	Bolter - Haz. Mit.	\$ 3,969.25	\$ -	\$ (3,969.25)	100.00%
CAP2013-04	IT Server Backup Power	\$ -	\$ -	\$ -	0.00%
CAP2013-06	Yates Shaft Improvements	\$ (29.18)	\$ 25,000.00	\$ 25,029.18	-0.12%
CAP2013-07	Hoist Standby Generator	\$ -	\$ -	\$ -	0.00%
CAP2014-01	Sanford Visitor Center Design	\$ 50,797.34	\$ 55,782.00	\$ 4,984.66	91.06%
CAP2014-02	Xenon Gas	\$ -	\$ -	\$ -	0.00%
CAP2014-03	Iron House Roof	\$ -	\$ 22,222.00	\$ 22,222.00	0.00%
CAP2014-04	Surface Lab Roof	\$ -	\$ -	\$ -	0.00%
CAP2014-05	CASPAR Experiment Development	\$ -	\$ -	\$ -	0.00%
CAP2014-06	BHSU Jonas Science Building Renovation	\$ -	\$ -	\$ -	0.00%
CAP2014-07	Davis Campus HVAC Augment System	\$ -	\$ -	\$ -	0.00%
CAP2014-08	Yates/Ross Crusher Room Roofs	\$ -	\$ -	\$ -	0.00%
CAP2014-09	CASPAR Facility Development	\$ -	\$ -	\$ -	0.00%
CAP2014-10	Waste Rock Conveyor System Design	\$ -	\$ -	\$ -	0.00%
	Monthly Totals	\$ 348,510.28	\$ 473,427.00	\$ 124,916.72	73.61%

SD Science & Technology Authority
Operational CAPEX Budget
YTD FY2014 Actual vs Budget

Project #	Project Description	Feb. YTD 2014	FY2014 Budget	\$ Over/UnderBudget	% of Budget	% Remaining 100%
CAP2012-09	Ross Shaft Equipment/Tools	\$68,475.05	\$ 200,000.00	\$ 131,524.95	34.24%	65.76%
CAP2012-13	Water/Hazard Mitigation Work	\$190,196.14	\$ 500,000.00	\$ 309,803.86	38.04%	61.96%
CAP2012-27	Ross Shaft Furnishings Repl.M&S	\$1,696,011.64	\$ 4,731,847.00	\$ 3,035,835.36	35.84%	64.16%
CAP2012-28	Work Decks	\$3,552.00	\$ 150,000.00	\$ 146,448.00	2.37%	97.63%
CAP2012-32	SDSTA Personnel	\$1,394,223.94	\$ 2,317,882.00	\$ 923,658.06	60.15%	39.85%
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CAP2013-07	Hoist Standby Generator	\$0.00	\$ 4,964.00	\$ 4,964.00	0.00%	100.00%
CAP2014-01	Sanford Visitor Center Design/Constr.	\$172,682.15	\$ 500,000.00	\$ 327,317.85	34.54%	65.46%
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CAP2014-05	CASPAR Experiment Development	\$1,753.46	\$ 1,000,000.00	\$ 998,246.54	0.18%	99.82%
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CAP2014-09	CASPAR Facility Development	\$79.10	\$ 250,000.00	\$ 249,920.90	0.03%	99.97%
CAP2014-10	Waste Rock Conveyor System Design	\$0.00	\$ 70,000.00	\$ 70,000.00	0.00%	100.00%
	Monthly Totals	\$ 4,176,718.31	\$ 14,030,703.33	\$ 9,853,985.02	29.77%	70.23%

Revised CAPEX Project Budget

\$ 14,030,703.33

Approved total as of Dec. 2013 Board Meeting

Source/WBS	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14
SDSTA	4.20	3.20	3.20	2.40								
Administration	1.50	1.50	1.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Communication	2.70	1.70	1.70	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90
DOE OPERATIONS	74.83	74.83	74.83	73.83	75.83	71.83	72.93	74.43	74.93	75.93	75.93	78.93
Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
EHS	5.00	5.00	5.00	5.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00
Engineering	4.43	4.43	4.43	4.43	4.43	4.43	4.53	4.53	4.53	4.53	4.53	4.53
Science	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65
Operations												
Cyberinfrastructure	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Davis Campus	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Dewatering	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Electrical Power Distribution	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Equipment Maint	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Hazard Mitigation	6.00	6.00	6.00	6.00	6.00	1.00	1.00	2.50	3.00	3.00	3.00	6.00
Ops Management	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Ross Shaft	14.93	14.93	14.93	14.93	14.93	14.93	14.93	14.93	14.93	14.93	14.93	14.93
Surface	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93
Ventilation	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51
WTP	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20
Yates Shaft	12.93	12.93	12.93	12.93	12.93	12.93	12.93	12.93	12.93	12.93	12.93	12.93
Operations Development	2.00	2.00	2.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SDSTA CAPEX	31.00	31.00	31.00	29.00	28.00	30.25	30.25	30.25	30.25	30.25	30.25	27.25
GEN 2 LZ	0.75	0.75	0.75	0.75	0.75	1.25						
LBNE DESIGN	1.44	1.44	1.44	1.44	1.44	3.69	3.69	2.19	1.69	1.69	1.69	1.69
LBNE NEPA	1.30	1.30	1.30	1.10								
LUX OPERATIONS	0.60											
CASPAR	0.32	0.32	0.32	0.32	0.32	0.32						
INDIRECT	13.10											
Grand Total	127.54	126.54	126.54	122.54	123.54	124.54	125.32	125.32	125.32	126.32	126.32	126.32

**SDSTA Staffing Plan by Funding Source
February 28, 2014**

Select Nominating Committee – Chairman Casey Peterson

South Dakota Science and Technology Authority
Election Procedures Policy
Adopted 6/24/08

The Board of Directors shall follow the following procedure for the nomination and election of officers.

- A. The nomination and election process shall be held in open session.
- B. At the last meeting of the Board before the Annual Meeting, the Chairperson shall appoint a Nominating Committee.
- C. The following procedure shall be utilized at the Annual Meeting:
 - 1. The Chairperson shall call for the report of the Nominating Committee.
 - 2. After the Nominating Committee reports, the Chairperson shall ask if any Board member intends to make additional nominations.
 - 3. If no Board member indicates the intention to make additional nominations, the Chairperson shall call for a motion to elect the slate recommended by the Nominating Committee.
 - 4. If any Board member indicates the intention to make an additional nomination for any office, the slate recommended by the Nominating Committee shall be deemed rejected and the following procedure shall be utilized:
 - a. The Chairperson shall call for oral nominations for the office of Chairperson. Once it appears that all nominations have been made, a motion that nominations cease would be in order. This motion may be made with or without a call for such motion by the Chairperson.
 - b. If there is only one nominee, a motion that all nominations cease and that the nominee be elected Chairperson would be in order. This motion may be made with or without a call for such motion by the Chairperson.
 - c. If there is more than one nominee, nominations shall continue until there is a successful motion that nominations cease.
 - d. Upon passage of a motion that nominations cease, the Chairperson shall call for a vote. Each Board member shall announce his or her vote out loud. Counsel for the Authority shall tabulate the vote and announce the results.
 - e. The successful candidate shall immediately take office as Chairperson and conduct the remainder of the election and the meeting.
 - f. The Chairperson shall follow the procedure set forth above for each of the remaining offices.
- D. Pursuant to SDCL 1-16H-11, the affirmative vote of no less than four Board members is necessary to elect any officer. If no candidate receives four votes, the Board will vote twice more. If no candidate receives four votes after three attempts, the election for that office will be deemed adjourned until the next meeting of the Board. At the next meeting, the Board shall commence the election procedure set forth above in Section C.4, but only as to any office not filled at the prior meeting. This procedure shall continue from meeting-to-meeting until a candidate receives at least four votes. Pursuant to Article III, Section 1 of the Bylaws, the officers in office as of the commencement of the Annual Meeting shall remain in office until their successors are duly elected.
- E. This policy shall remain in effect until specifically rescinded or modified.

Recommended Action:

Motion to elect the slate of officers

Discuss Capex Budget Update - Mr. Mike Headley

Recommended Action:

Motion to approve updated capex budget.

SD Science & Technology Authority
Operational CAPEX Budget
YTD FY2014 Actual vs Budget

Project #	Project Description	Feb. YTD 2014	FY2014 Budget	\$ Over/UnderBudget	% of Budget	% Remaining
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CAP2014-10	Waste Rock Conveyor System Design	\$0.00	\$ 70,000.00	\$ 70,000.00	0.00%	100.00%
CAP2014-11	LBCF Low Background Counting Fac.Dev.	\$ -	\$ 50,000.00	\$ 50,000.00	0.00%	100.00%
	Monthly Totals	\$ 4,176,718.31	\$ 18,830,703.33	\$ 14,653,985.02	22.18%	77.82%

Additional CAPEX Projects FY14
Previously Approved Projects \$ 4,800,000.00
Revised CAPEX Project Budget \$ 14,030,703.33
\$ 18,830,703.33

Review of New and Updated Policies - Mr. Mike Headley

The following policies to be reviewed:

- A. At-Will Status of Employees – Policy 4.5.1
- B. Progressive Discipline and Termination – Policy 4.12

Recommended Action:

Motion to approve policies as presented.

South Dakota Science & Technology Authority
Policies and Procedures Manual

SUBJECT: Progressive Discipline and Termination Policy

NUMBER: 4:12

The purpose of this policy is to ensure the ~~Authority~~ SDSTA utilizes best practices when dealing with employees whose performance is sub-standard. The objective is to communicate with and improve performance of employees unless the problem is so severe that termination is warranted.

A. AT-WILL EMPLOYMENT:

~~All employment with the Authority is employment “at will,” meaning that no contract of employment exists and no employee has any right or expectation of continued employment with the Authority.—Policy 4.5.1 - “It is the policy of the SDSTA that all employees of the SDSTA are terminable “at-will,” without any tenure or expectation of continued employment. The employment relationship may be terminated by either the SDSTA or the employee, with or without cause, and with or without prior notice. Nothing in the policies adopted by the SDSTA is intended to create a contract of employment”.~~

~~Nothing in this Progressive Discipline Policy is intended to create a contract of employment or continued expectation of employment.—~~Any employment may be terminated by the ~~Authority~~ SDSTA at any time for any reason or for no reason, provided the employment is not terminated for a reason prohibited by applicable law. Nothing in this Progressive Discipline Policy is intended to create a contract of employment or continued expectation of employment.

B. SCOPE:

This policy is applicable to all the ~~Authority’s~~ SDSTA’s full-time, part-time and temporary employees.

C. DESCRIPTION:

Progressive discipline is a process for dealing with job-related behavior that does not meet expected and communicated performance standards. The primary purpose for progressive discipline is to assist the employee to understand that a performance problem or opportunity for improvement exists.

The process features increasingly formal efforts to provide feedback to the employee so the problem can be corrected. The goal of progressive discipline is to improve employee performance.

The process of progressive discipline is not intended as a punishment for an employee, but to assist the employee to overcome performance problems and satisfy job expectations. Progressive discipline is most successful when it assists an individual to become an effectively performing member of the organization.

Failing that, progressive discipline enables the organization to fairly, and with substantial documentation, terminate the employment of an employee who is ineffective and unwilling to improve.

D. PROGRESSIVE DISCIPLINE SYSTEM—~~EXCEPTION~~:

Depending on the nature of the offense, the SDSTA reserves the right to skip any of the steps of the Progressive Discipline System at its sole discretion. Safety and compliance violations shall, at a minimum, begin with a verbal reprimand.

1. First Step - Counsel the employee about performance and ascertain his or her understanding of requirements. Ascertain whether there are any issues contributing to the poor performance, which are not immediately obvious to the supervisor. Solve these issues, if possible.
2. Second Step - Verbally reprimand the employee for poor performance.
3. Third Step - Provide a written warning in the employee's file, in an effort to improve employee performance.
4. Fourth Step – Suspend the employee from work. Suspension is assigned between one (1) day and five (5) days given the severity of incident or non-conformance.
5. Fifth Step - Terminate the employment of an individual who refuses to improve.

Exception to the Progressive Discipline System - Any non-compliance with the Authority's-SDSTA's Drug and Alcohol Policy (Policy 2:3) **will result in immediate termination.**

Documentation of all disciplinary actions related to these steps and the exception shall be included in the employee's official file with Human Resources.

E. TERMINATION EVENTS:

Termination may occur as a result of any of the events listed below and is categorized as voluntary or involuntary.

1. Voluntary Events:
 - a. Resignation including retirement.
2. Involuntary Events:
 - a. Non-renewal of contract.
 - b. Discharge during probationary period.
 - c. End of a terminal contract.
 - d. Discharge for cause (other than poor performance).
 - e. Discharge for poor performance.
 - f. Job elimination.
 - g. End of temporary position.
 - h. End of grant.

F. DISCIPLINE FOR CAUSE:

1. Examples of "Just Cause" for disciplinary action include, but are not limited to:
 - a. Violating rules, regulations, policies, directives, procedures, protocols and work rules – specifically standard operating procedures.

- b. Non-compliance with the ~~Authority's SDSTA's~~ Drug and Alcohol Policy.
- c. Insubordination.
- d. Disrupting the efficiency of morale of the ~~Authority SDSTA~~ or one of its divisions.
- e. Misuse or abuse of leave.
- f. Theft.
- g. Engaging in outside business or personal activities while at work, or using the ~~Authority's SDSTA's~~ property for non-~~Authority SDSTA~~ business or purposes.
- h. Engaging in conduct that reflects unfavorably on the ~~Authority SDSTA~~, or destroys confidence in the operations of the ~~Authority's SDSTA's~~ services, or adversely affects public trust in the ~~Authority SDSTA~~.
- i. Repeated attendance issues such as tardiness or unexcused absences.
- j. Negligence with the ~~Authority's SDSTA's~~ assets.
- k. Discrimination or work place harassment.
- l. Violation of Conflict of Interest Policy.

The foregoing examples indicate the type of conduct that may be cause for disciplinary action or termination; however, disciplinary action or termination is not limited to items on this list.

South Dakota Science & Technology Authority
Policies and Procedures Manual

SUBJECT: “At-Will” Status of Employees

NUMBER: 4:5:1

It is the policy of the Authority-SDSTA that all employees of the Authority-SDSTA are terminable “at-will,” without any tenure or expectation of continued employment. The employment relationship may be terminated by either the Authority-SDSTA or the employee, with or without cause, and with or without prior notice. Nothing in the policies adopted by the Authority is intended to create a contract of employment.

Confirm Date and Time of Next Board Meeting - Chair

The next meeting will be held on Thursday, June 19, 2014, beginning at 9:00A.M. (MT).