

South Dakota Science and Technology Authority Board of Directors
Meeting Minutes
Thursday, March 16, 2023
Lead, South Dakota

The Board of Directors of the South Dakota Science and Technology Authority (SDSTA) convened at 8:00 AM. Mountain Time (MT) on Thursday, March 16, 2023, in the Education and Outreach (E&O) Building Conference Room at the SDSTA, 630 East Summit Street, Lead, South Dakota. A conference number was posted on the agenda with an invitation for members of the public to participate in the meeting by telephone or videoconference.

MEMBERS OF THE BOARD IN ATTENDANCE

Dr. Ani Aprahamian (by videoconference)
Dr. Chris Fall
Secretary/Treasurer Patricia Lebrun (by phone)
Mr. Roger Musick (by videoconference)
Chairperson Casey Peterson
Dr. James Rankin, ex-officio
Mr. Ron Wheeler (by videoconference)

MEMBERS OF THE BOARD ABSENT

Mr. Dana Dykhouse

SDSTA STAFF PRESENT DURING ALL OR PART OF THE MEETING VIA ZOOM

Ms. Christine Burger, Human Resource Manager
Mr. Tim Engel, General Counsel
Ms. Kim Flock, Controller
Ms. Ashley Hansen, Administrative Assistant
Mr. Mike Headley, SDSTA Executive Director and SURF Laboratory Director
Dr. Jaret Heise, Science Director
Ms. Juliet Jones, Communications Marketing Specialist (by phone)
Ms. Michelle Kane, SURF Foundation Director
Ms. Mandy Knight, Administrative Services Manager
Mr. Terry Miller, Chief Financial Officer
Ms. Ursula Ward, SLHVC Guest Services Manager
Ms. Deb Wolf, Outreach and Culture Director (by videoconference)

ALSO PRESENT DURING ALL OR PART OF THE MEETING

Ms. Brittny Burns, Eide Bailly Auditor (by videoconference)
Ms. Elizabeth Freer, dialogue LLC Principal
Mr. Paul Kane, Eide Bailly Auditor (by videoconference)
Mr. Bob Mercer, KELOLAND News Journalist (by phone)
Ms. Wendy Pitlick, Black Hills Pioneer Journalist
Dr. Ben Sayler, BHSU Sanford Science Education Center Director/Professor (by phone)

ITEM 1. CALL TO ORDER

Chairperson Casey Peterson called the meeting to order at 8:00 AM. (MT). Roll call was held. Dr. Chris Fall, Chairperson Peterson and Dr. James Rankin were present in person. Dr. Ani Aprahamian, Mr. Roger Musick and Mr. Wheeler joined via Zoom. Ms. Lebrun joined the meeting by phone at 8:43 AM. Mr. Dana Dykhouse was absent. Chairperson Peterson then asked guests to introduce themselves. He

said if any of the guests had any questions or comments for the board to address, time will be given at the end of the agenda to discuss. No public comment forms were submitted.

ITEM 2. APPROVE AGENDA

Chairperson Peterson asked for a motion to approve the agenda.

Motion by Dr. Fall and seconded by Mr. Wheeler to approve the agenda. Motion passed unanimously.

ITEM 3. APPROVE MINUTES

Chairperson Peterson asked if there were any comments on the December 15, 2022 Minutes. Hearing none, he asked for a motion to approve the minutes as presented.

Motion by Dr. Fall and seconded by Mr. Wheeler to approve the December 15, 2022 minutes as presented. Motion passed unanimously.

ITEM 4. GENERAL CONFLICT OF INTEREST DISCLOSURE

Mr. Tim Engel invited members of the board to disclose anything that might be construed to be a conflict of interest with respect to items under consideration at today's meeting.

There were no disclosures.

ITEM 5. CONFLICT OF INTEREST DISCLOSURE AND WAIVER UNDER SDCL CH. 3-23

Mr. Engel said, in regard to disclosures and waivers under SDCL Ch. 3-23, he polled the board members prior to the meeting and no disclosures were made.

ITEM 6. SURF FOUNDATION REPORT

FOUNDATION STATUS UPDATE

SURF Foundation Director Ms. Michelle Kane introduced herself. Ms. Kane shared that she has been in her new position for two months and expressed her leadership style, inspired by the empathetic and positive coach from the TV series *Ted Lasso*, emphasizing teamwork and growth through discomfort. She discussed her role as the Director, underscoring the importance of relationship building and the Foundation's activities for the next three months. Ms. Kane encouraged board members to connect with her and SURF via LinkedIn, highlighting her background in public relations and messaging. As a starting point, she defines SURF as a premiere co-working space for scientific discovery, clarifying that while SURF is not conducting the scientific research, it provides essential support in areas such as access, safety, and resources, a message that is resonating with the businesses and individuals she has been meeting with.

Ms. Kane discussed the following: 1) Building relationships with internal SURF partners: Communications, Education and Outreach, Science, Accounting and Finance, Human Resources and Sanford Lab Homestake Visitor Center (SLHVC). She said the Foundation headquarters are located at SLHVC and is a great place to meet people. 2) Building relationships with external partners: Past contacts from SD CEO West Women's Business Center, Elizabeth Freer and dialogue LLC – The Institute for Underground Science at SURF, Aten Design Group – Institute website, Arup – Institute support visuals, Association of Fundraising Professionals (AFP), Leadership South Dakota, Grow South Dakota and Junior Achievement. 3) Building relationships with Foundation Board: One-on-One Meetings – key takeaways and Foundation Strategic Plan, Governance and Audit Committees. 4) Building relationships with grantors and donors: *Full STEAM Ahead!* event held January 21, 2023, Form 990 (Return of Organization Exempt From Income Tax) for 2022, Bloomerang: Donor Database, and Current Donor Outreach. Ms. Kane again referenced *Ted Lasso* and a sign that reads "Believe" above the coach's office door. She said it is a mindset, that anything can happen and anything is possible—and

said she is committed to seeing this through. 5) Next three months: Sponsorship/Partner outreach for Neutrino Day Saturday, July 8, Sponsorship/Partner outreach for CETUP* June 19-July 14, Save the date for July 7, 5-7pm, Neutrino Day VIP kickoff event, Attend Governor's Office of Economic Development conference April 24-25 in Sioux Falls, Messaging – Foundation, fundraising, partnerships, Foundation board communication, Foundation structure, processes and goals. In conclusion, she said the next Foundation board meeting is June 22.

ITEM 6B. INSTITUTE UPDATE

Ms. Elizabeth Freer, Principal of dialogue LLC, gave an update on the work with Aten design group relating to the mission, logo and branding of the Institute for Underground Science at SURF. She discussed the following: 1) Brand Drivers – all brand materials should support the overall objectives through the following core traits: Discovery, Credibility, Community, World Class Experience. This was determined after reviewing the scoping document and research from the past. 2) Personality Qualities – what qualities should the verbal and visual identity have? (A strength scale was shown based on qualities). 3) Mission Statement – “Unite the global underground science community to *inspire* discovery”. 4) Naming Guidelines – based on the context and potential future donor recognition “The Institute for Underground Science At SURF” was determined during the scoping study. 5) Initial Logo and Word Mark Concepts – the initial workshop discussed the word mark and the subsequent workshop discussed the attributes of each logo element considering Institute personality characteristics. 6) SURF and The Institute – each logo option for the Institute was compared with the SURF logo. In many applications, events may be co-branded; logos should communicate with each other. 7) Logo Color Palette Discussion – SURF's Green, with accent colors; Contrast Institute Logo with a deep and bright blue; Blue is preferred as a base color for the color palette for marketing/comms and events; Colors connect the current with the future. 8) Primary Logo – blue and Secondary Logos – white and blue backgrounds. 9) Evolution – donor names of various lengths can be accommodated. 10) Options for Program / Event Endorsements – ways that logo and text choice should talk about different events. 11) Website Goals – from the SURF Foundation perspective, two-page launch of the website. Top priorities of the website include to drive financial support to the Institute, create a framework for housing and growing credibility-building content and lastly to tell the story of what the Institute will be and share the vision of how the Institute will serve and work with the underground science community.

In conclusion Ms. Freer shared the color palette of the website since it has not been launched yet—navy, blue, cyan and orange—and then asked if there were any questions.

Chairperson Peterson commented that he really likes the design of the logo and that it is well thought out. He thanked Ms. Freer for her efforts.

Dr. Fall asked if a decision needed to be made now on the logo design as he wondered if there were a major donation, perhaps the donor may want to provide input? Ms. Freer replied that there are always options to revise the logo. She said the logo and branding are a conversation and evolve but since there is not a facility currently, it is important to have a set of branding guidelines with a strong look and feel. Ms. Freer said there is room for conversation and adjustments as well as flexibility with the layout for a donor name as it is currently designed.

Chairperson Peterson said during his preview of the Institute logo, he had suggested considering rebranding SURF and Mr. Headley replied that Aten has been tasked to work on a new design for review.

ITEM 7. AUDIT COMMITTEE UPDATE

ITEM 7B. EIDE BAILLY LLC AUDIT UPDATE

Chairperson Peterson deferred the initial audit update by Ms. Lebrun due to her difficulty videoconferencing in and asked SDSTA CFO Mr. Terry Miller to introduce Eide Bailly staff Mr. Paul Kane and Ms. Brittany Burns, who joined the meeting by videoconference. Mr. Miller said this is the first time SDSTA has engaged an auditor other than SD Legislative Audit and said it was a great experience working with Eide Bailly and he looks forward to working with them next year. Mr. Kane introduced himself and said their work at SDSTA went a little longer than planned, but that is not unusual the first year of an audit as there are many new things to learn and to understand processes that are in place. Mr. Kane and Ms. Burn's presentation highlighted three areas: the Financial Statement Audit and Yellow Book Report, Compliance Report Package and Required Communications. Mr. Kane began with the independent auditor's report and referenced information that was provided in the board packet. He said the report was a clean "unmodified" opinion and that it is the best an organization can receive. He reviewed the Schedule of Net Position and Changes in Net Position statements and talked about the numbers at a high level. He also commented on Significant Note Disclosures: Note 1 – Significant Accounting Policies, Note 2 – Deposits and Investments, Note 3 – Change in Capital Assets, Note 4 – Long-Term Debt and Note 13 – Restatement. He discussed the Yellow Book Report – Financial Statement Audit: Report on Internal Controls, Financial Statement Finding, Upcoming Governmental Accounting Standards Board (GASB) Implementations.

Ms. Burns then introduced herself and spoke to the Compliance Audit Report and Report on Internal Controls and noted this was a separate audit. She said Eide Bailly audited SDSTA's compliance with the Department of Energy's (DOE's) Cooperative Agreement; the report was a "unmodified" opinion on compliance for the Cooperative Agreement and it only covered expenditures of the Cooperative Agreement. She said there was no material weaknesses and only found one significant deficiency in controls in their testing. Ms. Burns reviewed the Federal Award Findings and recommended the SDSTA implement controls which include a review of contracts to ensure they contain the proper provisions and to institute document retention policies. After discussion with the SDSTA management team at the conclusion of the audit, management agreed with the findings, and corrective action plans have been developed to implement the controls going forward. Lastly, she reviewed Communication With Governance and said two separate letters were issued for the 2022 audit; a letter on December 15, 2022 in connection with the Financial Statement Audit and a letter on January 30, 2023 in connection with the Compliance Audit. She said going forward, the two audits would be issued simultaneously and then the two reports would be combined into one. Ms. Burns said the financial statements include sensitive disclosures because of their importance to users of the financial statements. She also said there were corrected and uncorrected misstatements during the audit in the letter dated December 15, 2022, noting that the uncorrected misstatements were immaterial as decided by management. She concluded that there were no disagreements or significant difficulties with management. Mr. Kane then asked if there were any questions.

Chairperson Peterson commented that he appreciated the efforts on the audit and thanked Eide Bailly for their service.

Ms. Lebrun joined the meeting by phone at 8:43 AM and apologized as she had technical difficulties earlier.

Ms. Lebrun said considering this is the first time the SDSTA has used external auditors, and both financial statements and compliance audits were conducted, things went amazingly well. She said that the report is good. Ms. Lebrun then asked the auditors if next year's audit will combine letters into one or if two letters will be sent simultaneously? Mr. Kane replied it depends. The State may ask to conduct

a single audit in some years and separately, a Compliance Audit may need to be conducted to meet the needs of the Cooperative Agreement. He said the Compliance Audit will always be a separate and single report that is submitted to the DOE. The Financial Statements will always be a single report that is submitted to the State. However, the two Governance letters will be combined into one letter going forward. In regard to the Yellow Book Report, it could be issued at the same time as the Financial Statements going forward.

Ms. Lebrun thanked Mr. Kane and said this is a reminder of the importance of having a paper trail and proper audits completed and filed annually given the complexity of SDSTA financials. She said it has been great working with the Eide Bailly staff.

ITEM 7C. AUDIT REPORT-FISCAL YEAR ENDED JUNE 30, 2022

Ms. Lebrun then provided an audit committee update. Referencing the audit report in the board packet, Ms. Lebrun moved to accept the audit committee report and requested the approval of the Audit Report-Fiscal year ended June 30, 2022 at the next meeting in June.

Motion by Ms. Lebrun and seconded by Mr. Wheeler to accept the Audit Committee Report and to discuss Audit Report approval at the next regularly scheduled board meeting per statute. Motion passed unanimously.

Dr. Fall congratulated the Audit Committee and the auditors and said the results speak to the quality of the management at SURF. He said staying ahead of issues is a great strategy and Chairperson Peterson concurred.

ITEM 8. FINANCIAL REPORT—JANUARY FINANCIAL STATEMENTS

Mr. Miller said financial statements for the January 31, 2023 reporting period were included in the board packet and consist of the Balance Sheet, Income Statements and Comparatives for both. He noted the Other Accounts Receivable balance has been elevated over the last few months due to the sale of a portion of the xenon for \$2.9M. He said the dollars are included in the February financial statements. The money will be used to pay off a portion of each of the foundation loans (South Dakota Community Foundation, University of South Dakota Foundation and South Dakota State University Foundation). Mr. Miller said they will be principal payments. Lastly, he noted Other Current Assets is also elevated and reflects prepaids for general liability and captive insurance.

Mr. Wheeler asked how the xenon loan agreements are worded and Mr. Headley replied that the agreements are two pages in length and extend the loan period until the last quarter of 2028. Each state of the remaining volume, how many liters of xenon are assigned to the Foundations and that SDSTA will make a payment of ~\$950K to each of the Foundations. The agreements have been accepted and each Foundation is signing their respective agreement and returning to SDSTA for payment.

Chairperson Peterson stated he and Mr. Miller will consult with the auditor before fiscal year end on the subject of the gain on sale of xenon and if SDSTA needs to report it differently to be in compliance.

Mr. Engel reminded the Board that the three Foundations do not own the xenon—the agreements make it clear that it is owned by SDSTA. He said if he recalls correctly, the original loan agreements state the Foundations are entitled to be repaid their principal and if there is gain from the sale on their assigned portion of the xenon then that gain is in the nature of interest.

Chairperson asked if there were any further questions and there were none.

Motion by Mr. Wheeler and seconded by Dr. Fall to accept the financial report as presented. Motion passed unanimously.

ITEM 9. REPORT FROM EXECUTIVE DIRECTOR

ITEM 9A. SDSTA QUARTERLY UPDATE

Mr. Headley began his presentation with SURF highlights and said recent accomplishments include 1) 56% completion of the Long Baseline Neutrino Facility (LBNF) excavation by volume. Planning for outfitting (Building Site Infrastructure) and cryostat install is underway. 2) Institute for Underground Science at SURF Kickoff planning underway. He said they are targeting the Institute kickoff around the September board meeting but more to come. Mid-2023 start planned with the Center for Underground Theoretical Physics and *Related Areas (CETUP*); 3) Fundraising efforts are progressing to excavate additional 4850L underground lab space. 4) The “Snowmass” final report included strong support for additional underground space at SURF. 5) The Particle Physics Project Prioritization Panel (P5) strategic planning is in process, with a final report in Oct 2023 planned. 6) Yates Shaft maintenance continues with good progress in the upper areas of the shaft. 7) New Oro Hondo backup fan install is transitioning to commissioning; fresh air tests start this week. 8) Implementation of a new Human Resources Information System was recently completed by HR Manager Chris Burger and her team along with the Accounting and Finance staff. SDSTA is completing its first paperless benefits open enrollment. 9) Major efforts are underway to “get out the word” about SURF in South Dakota. LinkedIn has been actively used by the Management Team in the last few months to help with this endeavor. SDSTA is also in conversation with the Rapid City Airport regarding SURF advertising and displaying artwork near the security area.

Mr. Headley said SDSTA signed a five-year contract to sponsor a 1,000-foot space at the Washington Pavilion. He said the room is being renovated with a new water exhibit and SURF information is being planned for the walls. It will include information about how SURF works with water such as processing at the Wastewater Treatment Plant, the pumping of water from underground, how SDSTA manages water to keep Science areas dry as well as general information about SURF. He said the Washington Pavilion is a key location for parents to take their children to learn about science. It is also a performance hall and is a major attraction for various musical acts that visit the area. Mr. Headley said there is the possibility of hosting the June board meeting in Sioux Falls as the Washington Pavilion completes its renovation.

Next, he shared several photos illustrating LBNF construction progress. Mr. Headley also stated that while spending time in Pierre in the last month, several members of the legislator experienced the 4850L underground via an Oculus Virtual Reality wireless headset; it was widely popular. Mr. Headley said the same VR headset is in the conference room and welcomed board members onsite to experience it. Then he reviewed the SURF underground expansion schedule stating that the expansion funding would be expended during Phase I of the excavation. His next slide emphasized South Dakota’s return on investment is 15 times—\$62M in South Dakota investments have resulted in \$932M in federal (\$862M) and private (\$70M) investments. He said SURF activities directly employ 400 full-time equivalents (SDSTA, partners, contractors) and DOE has made a 30+ year commitment to SURF operations. He said the economic impact is statewide. Lastly, he said the underground space is fully subscribed and explained the reasons why it is important to fund SURF expansion: two recent experiments have chosen to go to Canada and Italy due to the lack of space at SURF. More space is essential, we must act now and SURF benefits South Dakota.

Chairperson Peterson commented that it was good to take the story to Pierre and many legislators were excited to hear about the work happening at SURF. Mr. Wheeler asked if the bill was veto-proof and Chairperson Peterson replied yes. Mr. Headley interjected that there is 80% support in both the House and Senate. Chairperson Peterson thanked Mr. Headley for his efforts. In conclusion, it was mentioned

that Communications is brainstorming ways to get the VR headset out to more people including at the SLHVC.

ITEM 9B. SANFORD LAB HOMESTAKE VISITOR CENTER (SLHVC) UPDATE

SLHVC Director Ms. Kelly Kirk provided an update to the board. The presentation included: 1) Outreach and Planning: In 2022 – welcomed over 54,300 visitors from all 50 states and over 23 countries; hosted 5+ events each month. Looking ahead – children’s interactive activity space; Ask a Scientist; Update exhibit and kiosk content and venue space. 2) A Week at the SLHVC and included a slide depicting activities and meetings hosted at SLHVC. 3) Tourism: SLHVC, Tourism – recipient of TripAdvisor’s 2022 Traveler’s Choice Award winner for excellence in visitor experience; 100+ bus groups; 300+ trolley tickets; staff development and training to enhance visitor experience. Looking ahead – Redesign trolley tour; Add a daily docent tour and pop-up activities. 4) Museum Store: In 2022: Gross sales of \$230,000 (surpassed 2021 sales 9 or 12 months); Inventory increased from \$40,000 in January to over \$155,000; Gross margin of 54%, up from 30% prior; Conversion rate increased from 1% to 5%; Biggest gross sales: garments; Highest turn item: miner’s helmets and rocks; Biggest gross margin; Stickers; and 5) New Point of Sale. Looking ahead – Retail store online and new product line development. Ms. Kirk concluded by inviting board members to Steve Mitchell’s *The Riches of our Universe* official book launch on April 22 from 1-4pm. Mr. Headley announced all board members will be given a copy of a signed book and handed out books to those present at the meeting. Books will be mailed to members not in attendance.

Ms. Kirk said SURF has an incredible team and thanked everyone that has made the SLHVC a success. Ms. Kirk then asked if there were any questions.

Dr. Fall asked if there are ways to donate at the SLHVC. Ms. Kirk replied that there are informal donation boxes in the facility as well as contactless donations using a QR code.

Dr. Rankin suggested that the SLHVC contact the SD Mines bookstore to perhaps work together on some creative ideas for sale items relating to physics and engineering.

Chairperson Peterson congratulated Ms. Kirk and her team on a great job.

ITEM 9C. SCIENCE PARTICLE PHYSICS PROJECTS PRIORITIZATION PANEL (P5) UPDATE

Science Director Dr. Jaret Heise began his presentation stating that this update will be a little different than previous years and that instead of talking about individual experiments he will talk about strategic planning at a high level. He reported on the following: 1A) Strategic Planning: High Energy Physics: Snowmass community planning completed; SURF whitepaper posted; and P5 Town Halls underway, report in Fall 2023 (informs DOE + NSF). Topics include neutrinos, dark matter, quantum sensors. Nuclear Physics: Long-Range Planning underway; SURF whitepaper posted, initial report Oct 2023 and final expected by mid-2024. NSAC report in 2024/2025 (informs DOE + NSF). Topics include Double Beta Decay (DBD) and nuclear astrophysics. 1B) SURF Message: All existing and new space at SURF is fully subscribed. Existing science and LBNF/DUNE remain top priorities for SURF. However, facility offers opportunities and space for diverse and transformational science. Additional deep underground lab space keeps SD and the U.S. a global leader in science & technology. Maintain engagement with underground science communities to ensure new laboratory space meets science needs bringing the best science to SURF.

2) What is Snowmass? Snowmass is a community planning exercise organized by Division of Particles and Fields (DPF) of the American Physical Society (APS) as ~year-long science study; started in 1982 at Snowmass, CO. Snowmass 2021 organized into 10 “frontiers”, with ~80 topical subgroups:

Accelerator, Cosmic, Community Engagement, Computing, Energy, Instrumentation, Neutrino, Rare Processes & Precision Measurements, Theory, UG Facilities and Infrastructure. More than 1,500 people participated in the Snowmass process. Dr. Heise also reviewed a timeline and showed a group photo of participants at the Community Summer Study in Seattle, WA.

3) Snowmass 2021: Community Report to DOE/NSF Planning – Community endorses SURF underground laboratory expansion. In Conclusion #1 of 5: Leverage the Long-Baseline Neutrino Facility excavation enterprise to increase underground space at SURF in a timely and cost-effective way to permit siting of next-generation underground high energy physics research experiments. Excavate and outfit one or more new underground caverns at SURF’s 4850 level to house at least one large next-generation experiment and some mid-size and small experiments.

4) Particle Physics Projects Prioritization Panel (P5) reports to the High-Energy Physics Advisory Panel (HEPAP). P5 Goal – Distill Snowmass community input into a strategic plan for high energy physics for the next 10 years within a 20-year context. P5 Timeline – Fall 2022: P5 panel formed (27 additional members including Dr. Schnee from SD Mines). Spring 2023: Community Town Halls and Fall 2023: P5 report for HEPAP to approve, submit to DOE/ National Science Foundation (NSF).

Dr. Fall suggested to contact the NSF’s Major Facilities director and invite them to SURF as their budgets and mode of operations have changed in the last several years.

Dr. Aprahamian said she sits on the DOE Long-Range Planning Committee and is engaged in the plan for nuclear physics over the next ten years. She asked about the neutrinoless double-beta decay experiment (Majorana experiment at SURF). She mentioned she is currently in Europe and there is a lot of excitement about the Deep Underground Neutrino Experiment (DUNE) at SURF.

Dr. Heise talked about the neutrinoless double-beta decay experiment stating the report mentioned the next generation experiment going to Snolab in Canada and Gran Sasso in Italy and said SURF could play a role after the tonne-scale. Dr. Heise said he would be happy to give a presentation to the Resolution Committee if it came up and Dr. Aprahamian thanked him.

Motion by Dr. Fall and seconded by Mr. Musick to accept the executive director’s report as presented. Motion passed unanimously.

The board recessed at 10:05 AM for a ten-minute break and resumed at 10:15 AM.

ITEM 10. APPROVAL OF UPDATED SDSTA POLICIES

Mr. Headley said several SDSTA policies were updated and invited Mr. Miller to discuss the changes. Mr. Miller said legal counsel Mr. Engel and Mr. Aaron Scheibe from his firm, reviewed modifications to a few accounting policies and changes included: 1) general cleanup, 2) updates to reflect SDSTA’s current process and 3) a revised process to track the increase in assets as the organization grows.

Mr. Headley said the other update is to the Leave Policy. Originally when the Leave policy was created, SDSTA mirrored the State policy where employees earned three weeks of vacation at the start of employment and earned 4-weeks after 15-years of service. Human Resources Manager Chris Burger, who has been with SDSTA for a full year now, has strong ties with the Society for Human Resource Management (SHRM) and stated the SDSTA policy is out of date. The Leave Policy update allows employees to earn additional vacation in a shorter period of time. Also, when the Cooperative Agreement was originally implemented, a certain amount of salary escalation was included in the budget, but inflation has outpaced that by a noticeable amount. SDSTA has been researching ways to enhance the employee compensation package to stay competitive and this is one way to help address the issue. Mr. Headley also noted that SDSTA is making the switch to another medical provider to lower health insurance premiums, and this will be another advancement for employees.

Mr. Engel interjected that he visited with Ms. Burger during recess today and it was noticed that paragraph 13 of the Leave Policy that reads “For employees rehired by SDSTA within 12 months...” should be deleted. Also, he remarked that there could be a few additional changes to the Leave Policy soon and Chairperson Peterson acknowledged.

Motion by Mr. Wheeler and seconded by Ms. Lebrun to approve updated Accounting and Audit Policy, Leave Policy as discussed (with paragraph 13 deleted), Management and Control of Certain Funds Policy and Reimbursement of Alcohol Policy as presented. Motion passed unanimously.

Dr. Aprahamian left the meeting at 10:13 AM.

ITEM 11. SELECTING NOMINATING COMMITTEE

Chairperson Peterson said he asked Mr. Dykhouse and Mr. Musick to serve on the nominating committee. He said Mr. Dykhouse agreed and, during the announcement, Mr. Musick confirmed to serve on the committee also. The nominating committee will report to the board at the June 22, 2023, board meeting when the election of officers will be held.

ITEM 12. EXECUTIVE SESSION

Motion by Dr. Fall and seconded by Ms. Lebrun to enter into executive session to discuss personnel matters and to consult with legal counsel concerning contractual and legal matters as permitted by SDCL 1-25-2(1), (3) and (4), and SDCL 19-19-502. Motion passed unanimously.

The board entered into executive session at 10:22 AM and reconvened in open session at 11:14 AM.

A quorum was confirmed.

ITEM 13. REPORT FROM EXECUTIVE SESSION

Chairperson Peterson reported the board consulted with legal counsel concerning legal and contractual matters. No action was taken.

Motion by Mr. Wheeler and seconded by Mr. Musick to approve the executive session report. Motion passed unanimously.

ITEM 14. APPROVAL OF REVISED RISK TRANSFER PROTOCOLS

Mr. Engel said the SDSTA has risk transfer protocols that address how it shifts the risk of activities to others and also serves as a guideline to purchase insurance, among other things. The protocols have been going back and forth between legal and the DOE and this item is currently informational only. Mr. Engel said if the protocols are finalized before the June meeting, a special telephonic board meeting may be required to request approval.

ITEM 15. CONFIRM DATE AND TIME OF NEXT MEETING

Chairperson Peterson reminded the board of the next meeting, scheduled for Thursday, June 22, 2023 and said it may be held in Sioux Falls at the Washington Pavilion. He said the board would be notified as soon as possible.

ITEM 16. PUBLIC COMMENTS

Chairperson Peterson said he did not receive any public comment request forms and there were no questions.

ITEM 17. BOARD COMMENTS

There were no comments.

ITEM 18. ADJOURN

Chairperson Peterson called for a motion to adjourn.

Motion by Mr. Musick and seconded by Mr. Wheeler to adjourn. Motion passed unanimously.

Meeting adjourned at 11:19 AM.