

**South Dakota Science and Technology Authority
Board Meeting
March 20, 2025**



**SANFORD
UNDERGROUND
RESEARCH
FACILITY**

630 East Summit Street
Lead, SD 57754

Call to Order—Chairperson Casey Peterson

1A. Call Roll

Dr. Ani Aprahamian
Mr. Dana Dykhouse
Dr. Chris Fall
Ms. Pat Lebrun
Mr. Roger Musick
Mr. Casey Peterson
Mr. Ron Wheeler
President Steve Elliott/BHSU, ex officio member
President Brian Tande/South Dakota Mines, ex officio member

1B. Introduce guests—ask to announce name and affiliation

1C. Public comment form (submit forms prior to start of board meeting)

Procedure for Public Comment Periods

Pursuant to SDCL 1-25-1 as amended by House Bill 1172 in the 2018 Legislative Session the procedure for conducting public comment periods during meetings of the South Dakota Science and Technology Authority (SDSTA) shall be as follows:

The chair of the SDSTA shall reserve a period for public comment, limited at the chair's discretion, at each meeting.

Before the beginning of the meeting, all persons who wish to make comments during the comment period shall indicate their desire to do so on a form that will be provided by the Executive Director. The form shall indicate the person's name, city of residence and generally describe the matter or matters on which the person wishes to comment.

The amount of time allocated to each interested person who wishes to make comments will be determined at the chair's discretion at each meeting.

Comments must be limited to matters which are under the jurisdiction of the SDSTA.

All persons making public comments at meetings of the SDSTA must do so in a manner that maintains civility. Comments which contain offensive language or profanity will not be tolerated.

Page
intentionally
blank

Procedure for Public Comment and Form

South Dakota Science and Technology Authority

Procedure for Public Comment Periods

Pursuant to SDCL 1-25-1 as amended by House Bill 1172 in the 2018 Legislative Session the procedure for conducting public comment periods during meetings of the South Dakota Science and Technology Authority (SDSTA) shall be as follows:

The chair of the SDSTA shall reserve a period for public comment, limited at the chair's discretion, at each meeting.

Before the beginning of the meeting, all persons who wish to make comments during the comment period shall indicate their desire to do so on a form that will be provided by the Executive Director. The form shall indicate the person's name, city of residence and generally describe the matter or matters on which the person wishes to comment.

The amount of time allocated to each interested person who wishes to make comments will be determined at the chair's discretion at each meeting.

Comments must be limited to matters which are under the jurisdiction of the SDSTA.

All persons making public comments at meetings of the SDSTA must do so in a manner that maintains civility. Comments which contain offensive language or profanity will not be tolerated.

Adopted June 28, 2018

Full Name:

City of Residence:

General Subject Matter of Comments:

Page intentionally
blank

Approve Agenda—Chairperson Casey Peterson

Attached is the SDSTA Board agenda for the March 20, 2025 meeting.

See recommended motion below.

Recommended Action:

Motion to approve agenda as presented.

Page
intentionally
blank



AGENDA

**South Dakota Science and Technology Authority
Meeting of the Board of Directors**

Thursday, March 20, 2025 at 8:00 a.m. (MDT)

Education & Outreach Building, Large Conference Room

Public (Open) Session: 1-669-900-6833, Meeting ID: 605 722 4000, Passcode: 8650, <https://zoom.us/join>

NOTICE: Members of the public may listen to the meeting by calling 1-669-900-6833 and entering Meeting ID code: 605 722 4000. Please mute your phones after joining.

SDSTA Mission: *We advance world class science and inspire learning across generations.*

	Title	Report	Recommendations
1.	Call to order A. Call roll B. Introduce ex officio board member Dr. Brian Tande and other guests C. Submit public comment form (<i>form can be found on the boards & commissions portal</i>)	-- Chair Casey Peterson	<i>IA. Confirm quorum by calling roll IB. Introduce Dr. Brian Tande and ask other guests to announce their name/ affiliation IC. Ask if there are any public comment form(s) submitted and announce time will be given at the end of the agenda to discuss</i>
2.	Approve agenda	-- Chair Casey Peterson	<i>Motion to approve agenda</i>
3.	Approve minutes	-- Chair Casey Peterson	<i>Motion to approve the December 13, 2024 minutes</i>
4.	General conflict of interest disclosure	-- Mr. Tim Engel	<i>Informational</i>
5.	Conflict of interest disclosure and waiver under SDCL CH. 3-23	-- Mr. Tim Engel	<i>“Motion to approve or deny” (as appropriate)</i>
6.	Report from Audit Committee A. Audit Committee meeting update B. Discuss acceptance of Audit Report-fiscal year ended June 30, 2024	-- Chair Casey Peterson -- Ms. Pat Lebrun -- Ms. Pat Lebrun	<i>6A. Reference board packet for audit committee minutes 6B. Motion to accept Audit Report Fiscal Year Ended June 30, 2024 as reviewed and discussed at December 13, 2024 board meeting</i>
7.	Financial Report update A. Discuss January Financial Summaries B. Approval to increase line of credit from \$5M to \$8M with First Interstate Bank	-- Mr. Terry Miller	<i>7A. Motion to accept financial report as presented 7B. Motion to approve increase in line of credit from \$5,000,000.00 to \$8,000,000.00 with First Interstate Bank as presented and to authorize the executive director and SDSTA board chairperson to sign the loan documents.</i>
8.	SURF Foundation update	-- Ms. Annie Averitt	<i>Introduction and presentation</i>

Please do not place or accept cell phone calls during this meeting. A copy of this agenda has been posted in a manner visible to the public at the entrance to the South Dakota Science and Technology Authority office located at 630 East Summit Street, Lead, South Dakota at least 72 hours prior to this meeting. Telephone: (605) 722-8650.

Meeting of the Board of Directors
Thursday, March 20, 2025 at 8:00 a.m. (MT)

	Title	Report	Recommendations
9.	Report from Executive Director A. Declaration of Surplus B. SDSTA quarterly update C. Yates Top-Down Maintenance update D. The Institute for Underground Science at SURF update	-- Mr. Mike Headley -- Ms. Wendy Straub -- Ms. Stacie Granum	<i>Informational</i> <i>Informational</i> <i>Presentation</i> <i>Presentation</i> <i>Motion to accept executive director's report</i>
10.	Approve SDSTA policies and procedures	-- Mr. Mike Headley	<i>Motion to approve updated policies and procedures and retire one policy; reference board packet</i>
11.	Discuss creating a governance charter/policy for SDSTA	-- Chair Casey Peterson -- Mr. Tim Engel	<i>Reference board packet for example charter</i>
12.	Select Nominating Committee	-- Chair Casey Peterson	<i>Chairperson to appoint members of nominating committee for election of officers at June's annual meeting</i>
13.	Executive session <i>(closed meeting)</i>	-- Chair Casey Peterson	<i>Motion to enter executive session to discuss personnel matters and to consult with legal counsel concerning contractual and legal matters—SDCL 1-25-2(1), (3) and (4); 19-19-502</i>
14.	Report from executive session	-- Chair Casey Peterson	<i>"The board consulted with legal counsel concerning contractual and legal matters. No action was taken."</i> <p style="text-align: center;">OR</p> <i>...as discussed and stated otherwise</i>
15.	Request approval of revised MOU between SDSTA and Fermi Forward Discovery Group, LLC	-- Mr. Mike Headley -- Mr. Tim Engel	<i>Motion to approve the Memorandum of Understanding between SDSTA and Fermi Forward Discovery Group, LLC as amended, and authorize the SDSTA Executive Director to negotiate final terms of the agreement and sign the MOU</i>
16.	Confirm date and time of next meeting	-- Chair Casey Peterson	<i>Thursday, June 26, 2025 at 8:00 a.m. (MT)—annual meeting held in SURF's Admin Building 2nd Floor Vault conference room</i>

Please do not place or accept cell phone calls during this meeting. A copy of this agenda has been posted in a manner visible to the public at the entrance to the South Dakota Science and Technology Authority office located at 630 East Summit Street, Lead, South Dakota at least 72 hours prior to this meeting. Telephone: (605) 722-8650.

**Meeting of the Board of Directors
Thursday, March 20, 2025 at 8:00 a.m. (MT)**

17.	Public comments	-- Chair Casey Peterson	
18.	Board comments	-- Chair Casey Peterson	
19.	Adjourn	-- Chair Casey Peterson	<i>Motion to adjourn</i>

SDSTA Board Member Terms of Service, Committees and Schedule

Board Members and Terms of Service			
	Board Members	Appointed	Term Expires
1.	Dr. Ani Aprahamian	Re-appointed January 7, 2022	December 9, 2027
2.	Mr. Dana Dykhouse, Vice-Chair	Re-appointed August 15, 2020	August 14, 2026
3.	Dr. Chris Fall	Appointed December 1, 2021	August 8, 2027
4.	Ms. Patricia Lebrun, Secretary-Treasurer	Re-appointed August 8, 2022	August 8, 2028
5.	Mr. Roger Musick	Reappointed August 8, 2022	August 8, 2028
6.	Mr. Casey Peterson, Chair	Re-appointed December 1, 2021	August 8, 2027
7.	Mr. Ron Wheeler	Re-appointed April 28, 2020	April 9, 2026
8.	<i>Mr. Steve Elliott, ex officio member</i>	<i>Black Hills State University (BHSU) President</i>	
9.	<i>Dr. Brian Tande, ex officio member</i>	<i>South Dakota School of Mines & Technology (SD Mines) President</i>	
Committees and Members (2024-2025)			
	Audit Committee Members (Selected in June):	Nominating Committee Members (Selected in March):	
	➤ Pat Lebrun-Chair	➤ Dana Dykhouse	
	➤ Dana Dykhouse	➤ Roger Musick	
	➤ Roger Musick		
	➤ Casey Peterson, ex officio		
2025 Board Schedule			
SD Boards & Commissions Portal			
	Thursday, March 20, 2025	8:00 am (MT)	SURF E&O Bldg
	Thursday, June 26, 2025 — Annual Meeting	8:00 am (MT)	SURF Admin Bldg
	Thursday, September 18, 2025	8:00 am (MT)	SURF E&O Bldg
	Thursday, December 11, 2025	8:00 am (MT)	SURF E&O Bldg

Please do not place or accept cell phone calls during this meeting. A copy of this agenda has been posted in a manner visible to the public at the entrance to the South Dakota Science and Technology Authority office located at 630 East Summit Street, Lead, South Dakota at least 72 hours prior to this meeting. Telephone: (605) 722-8650.

Page intentionally
blank

Approve Minutes—Chairperson Casey Peterson

Attached are the December 13, 2024 Minutes for approval.

See recommended motion below.

Recommended Action:

Motion to approve the December 13, 2024 Minutes as presented.

Page
intentionally
blank

South Dakota Science and Technology Authority Board of Directors
Meeting Minutes
Friday, December 13, 2024
Washington, D.C.

The Board of Directors of the South Dakota Science and Technology Authority (SDSTA) convened at 10:02 a.m. Eastern Standard Time (EST) on Friday, December 13, 2024, in the Executive Board Room of Lewis Burke Associates, LLC at 440 1st Street, NW, Suite 700, Washington, D.C. A conference number was posted on the agenda with an invitation for members of the public to participate in the meeting by telephone, videoconference, or at the listening post at 630 E. Summit Street, Lead, South Dakota.

MEMBERS OF THE BOARD IN ATTENDANCE

Vice-Chairperson Dana Dykhouse (in person)
Dr. Chris Fall (in person)
Secretary/Treasurer Patricia Lebrun (in person)
Mr. Roger Musick (videoconference)
Chairperson Casey Peterson (in person)
Mr. Ron Wheeler (by phone)
Mr. Steve Elliott, ex officio (by phone)
Dr. Lance Roberts, ex officio (videoconference)

MEMBERS OF THE BOARD ABSENT

Dr. Ani Aprahamian

SDSTA STAFF PRESENT DURING ALL OR PART OF THE MEETING

Mr. Tim Engel, SDSTA General Counsel (in person)
Ms. Julie Ewing, Environment, Safety, and Health Director (videoconference)
Ms. Kim Flock, Controller (videoconference)
Ms. Stacie Granum, Program Manager for the Institute (videoconference)
Mr. Mike Headley, SDSTA Executive Director and SURF Laboratory Director (in person)
Dr. Jaret Heise, Science Director (in person)
Ms. Michelle Kane, Donor Relations Manager (videoconference)
Mr. Bill Kelly, Contracts & Procurement Manager (videoconference)
Ms. Mandy Knight, Administrative Services Manager (in person)
Mr. Christopher Kreitzinger, Science Support Associate (videoconference)
Ms. Ann Metli, Communications Director (videoconference)
Mr. Terry Miller, Chief Financial Officer (videoconference)
Mr. Mike Ray, Media Relations Manager (videoconference)
Ms. Stacy Sandgren, Administrative Assistant (videoconference)
Ms. Wendy Straub, Interim Operations Director (videoconference)
Ms. Deb Wolf, Outreach & Culture Director (videoconference)

ALSO PRESENT DURING ALL OR PART OF THE MEETING

Ms. Brittany Burns, Auditor for Eide Bailly (videoconference)
Mr. Paul Kane, Partner Auditor for Eide Bailly (videoconference)
Mr. Michael Ledford, President for Lewis-Burke Associates LLC (in person)
Ms. Wendy Pitlick, Journalist for Black Hills Pioneer (videoconference)
Mr. Patrick Malone, Chief Sustainability Officer for Dakota Gold (by phone)
Mr. Tom Regan, retired SDSTA employee (videoconference)

ITEM 1. CALL TO ORDER

Chair Casey Peterson called the meeting to order at 10:02 a.m. (EST). Roll call was held and a quorum declared. Mr. Dykhouse, Dr. Fall, Ms. Lebrun, and Chair Peterson were present in person. Mr. Musick, Mr. Wheeler, Dr. Lance Roberts (ex officio) joined remotely. Mr. Elliot (ex officio) also joined remotely and announced himself via email as his phone was muted. Dr. Ani Aprahamian was absent.

Chair Peterson asked guests to introduce themselves.

Chair Peterson 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

Chair Peterson asked if there were any modifications to the agenda and SDSTA General Counsel Mr. Tim Engel suggested to modify the motion for Item No. 14 to read as follows: Insurance Limits and supplement the FY2025 budget for insurance.

Motion by Mr. Wheeler and seconded by Mr. Musick to approve the agenda as modified. Motion passed unanimously by roll call vote.

ITEM 3. APPROVE MINUTES

Chair Peterson asked if there were any comments on the September 19, 2024, Minutes. Hearing none, he asked for a motion to approve the minutes as presented.

Motion by Mr. Dykhouse and seconded by Ms. Lebrun to approve the September 19, 2024, minutes as presented. Motion passed unanimously.

ITEM 4. GENERAL CONFLICT OF INTEREST DISCLOSURE

SDSTA General Counsel 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.

Dr. Lance Roberts announced the SD School of Mines and Technology is a member of University Research Association (URA).

No additional conflicts of interest were disclosed.

Dr. Chris Fall joined the meeting in person at 10:08 a.m.

ITEM 5. DISCLOSURES AND WAIVER UNDER SDCL CH. 3-23

Mr. Engel said he contacted all Board members before the December 13, 2024, board meeting and asked them to make any disclosures required by SDCL CH. 3-23. He said no disclosures were provided and there are no waiver requests requiring action by the Board.

ITEM 6. REPORT FROM AUDIT COMMITTEE

ITEM 6A. REAPPOINTMENT OF DANA DYKHOUSE TO AUDIT COMMITTEE

Chair Peterson announced the reappointment of Mr. Dana Dykhouse to serve on the audit committee retroactive to the June 20, 2024, board meeting. He asked for a motion to confirm the reappointment.

Motion by Ms. Lebrun and seconded by Mr. Musick to confirm the chairperson's reappointment of Dana Dykhouse to the audit committee retroactive to the June 20, 2024, board meeting. Motion passed unanimously.

ITEM 6B. AUDIT COMMITTEE – REPORT UPDATE

Ms. Lebrun said the Audit Committee convened on November 6 to discuss the external audit and the minutes from the committee meeting were included in the board packet. She said they discussed the audit report, and it was clean. Ms. Lebrun complimented SDSTA CFO Mr. Terry Miller and his team for doing an excellent job. Also, during the audit committee meeting, a question arose regarding performing internal controls audit and perhaps Eide Bailly could address that during their presentation today.

ITEM 6C. EIDE BAILLY LLC AUDIT UPDATE

Eide Bailly auditors Mr. Paul Kane and Ms. Brittany Burns introduced themselves via videoconference. Mr. Kane said this is his third year working with the SDSTA. He complimented Mr. Miller and his team and said they were very responsive and accommodating during the week they were onsite at SURF in September.

Mr. Kane's and Ms. Burn's presentation highlighted three areas: the Financial Statement Audit; Federal Awards Report, which includes the Compliance Report Package; and Required Communication.

Mr. Kane discussed 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. A few highlights from the presentation included the following: The Financial Statements are fairly presented in all material respects in accordance with accounting principles generally accepted in the United States. Eide Bailly's opinion states they followed all applicable required audit standards and were independent and met all ethical requirements and responsibilities. Management is responsible for the fair presentation of the financial statements and to ensure that they have considered if there are conditions that raise substantial doubt about the SDSTA as a going concern. Auditors are responsible for performing the audit in accordance with Generally Accepted Auditing Standards (GAAS) and Government audit standards, including exercising professional judgment and maintaining professional skepticism and understanding controls relevant to designing Eide Bailly's audit procedures. In regard to required supplementary information, which includes the Management's Discussion and Analysis (MD&A), Eide Bailly applies limited procedures but does not express an opinion. Mr. Kane summarized the Financial Statements and then asked Ms. Burns to discuss the results from the Federal Awards Report.

Ms. Burns said the Federal Awards Report package is a separate report issued in their compliance testing, which includes SDSTA's Cooperative Agreement (CA) with the U.S. Department of Energy (DOE). She said the State of South Dakota selected the Fermi National Accelerator Laboratory (FNAL) contract as part of their statewide single audit and Eide Bailly included it in their testing. She reminded the Board that this is a report and not an opinion. They are required to consider controls for planning and performing their audit; however, Eide Bailly does not test internal controls and do not express an opinion on their controls. She said there were no significant deficiencies or material weaknesses identified during the audit of both major programs (CA and FNAL contracts) including no findings concerning the statements or federal awards.

Lastly, she reviewed communication with governance and said two separate letters were issued to the SDSTA and the Governor of South Dakota for the 2024 audit—a letter in connection with the Financial Statement Audit and a letter in connection with the Compliance Audit. She also said there was one uncorrected misstatement during the audit, noting that the uncorrected misstatement (relating to GASB 96) was immaterial as decided by management. She concluded that there were no disagreements or significant difficulties with management and then asked if there were any questions.

Ms. Lebrun stated it is an excellent report and SDSTA is in a good place. She asked if SDSTA should include an internal controls audit in the next year or two. Mr. Kane replied that an internal controls audit was completed prior to Eide Bailly performing their first audit three years ago. He recommended a limited internal controls audit—specifically calling out an IT audit—every few years and to build it into SDSTA’s annual plans.

Ms. Lebrun said she will include the internal controls audit discussion as an agenda item at their next Audit Committee meeting and provide a recommendation to the SDSTA Board.

Mr. Headley interjected that they have informally discussed performing an internal controls audit every three years and concurred that an IT audit should be performed. He said they would take Mr. Kane’s recommendation to perform an audit in 2025.

Chair Peterson thanked Eide Bailly for their presentation and the suggestion to add an internal controls audit of IT.

ITEM 6D. AUDIT REPORT-FISCAL YEAR ENDED JUNE 30, 2024

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

ITEM 7. FINANCIAL REPORT

ITEM 7A. REVIEW FINANCIAL STATEMENTS

Chair Peterson invited Mr. Miller to discuss the financial analysis and October financial statement. Mr. Miller began by referring the Board members to the information provided in the SDSTA board packet, highlighting a few key points:

- The Scheduled Performance Actuals (SPA) cumulative expenses for the CA are at \$123.6 million, which is lower than the budgeted \$125 million, by \$1.4 million.
- Regarding the Balance Sheet, of the \$13 million appropriation (Senate Bill 35) for the underground expansion, \$12.1 million was spent on Phase A through October, primarily paid to Thyssen Mining Inc. There are a few miscellaneous items to complete, but SDSTA should be able to capitalize the project this year.
- Fixed assets purchased with CA funds increased to \$9.2 million, primarily to finalize the Oro Hondo Ventilation System project, Yates Hoistroom roof replacement, and a couple of smaller assets. The two bigger infrastructure improvement projects (IIP) assets had been carried over and tracked as Work in Progress (WIP) with a reduction from the previous month.
- On the Income Statement, there is a net loss of \$5.2 million due to the underground expansion costs and will be tracked as WIP when the project is complete.
- The Comparative Balance Sheet shows total local checking is lower by \$2.7 million from this time last year, which is primarily from prepaids in IT, prepaids in insurance, lagging indirect cost adjustments, and SDSTA asset purchases.
- In regard to the Comparative Income Statement, total revenue for year-to-date October 2024 compared to year-to-date October 2023 has increased by \$3.3 million. This increase is primarily from DOE Infrastructure Improvement Projects (IIPs) billed for expenses year-to-date: the 3650L Pump Room Rehabilitation, Yates Hoistroom Roof Replacement, Rotating Biological Contactor (RBC) Replacement, Oro Hondo final payment, and a small amount to the dewatering systems PLC.
- The Operating Budget Analysis is under budget overall by \$1.4 million primarily from indirects and federal projects.

Chair Peterson said he spoke to Mr. Miller regarding the \$5.2 million net loss and capitalization but asked if Mr. Miller knew when it would change? Mr. Miller responded that it would most likely change by the end of the year and get the loss closer to break-even.

Dr. Fall asked if indirect costs across similar organizations are tracked for comparison and Mr. Headley interjected, they are not tracked—SDSTA’s indirect costs are in the upper 50 to lower 60 percent range.

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

ITEM 7B. INCREASE CAPITALIZATION THRESHOLD

Mr. Miller said effective October 1, the indirect cost guidance has increased the capitalization threshold from \$5,000.00 to \$10,000.00. He reminded the Board that SDSTA follows the State of South Dakota’s rules on presenting financial statements and the State also changed their policy to increase their threshold to \$10,000.00. Effective October 1, 2024, SDSTA would like to increase the capitalization threshold from \$5,000.00 to \$10,000.00.

Chair Peterson asked if it would affect the indirect budget and Mr. Miller replied that it would have a very small impact, if any, as the \$5,000.00 threshold items are typically not capitalized.

Motion by Mr. Dykhouse and seconded by Ms. Lebrun to approve the increase in capitalization threshold from \$5,000.00 to \$10,000.00, effective October 1, 2024. Motion passed unanimously.

ITEM 8. SURF FOUNDATION

ITEM 8A. FOUNDATION UPDATE

SURF Donor Relations Manager Ms. Michelle Kane shared the successes and activities of the Foundation. She began her presentation by reminding the Board the Foundation is the nonprofit supporter of SURF. The Foundation raises funds to support many activities focusing on four pillars: 1) The Institute for Underground Science at SURF, 2) Community Engagement and Events, 3) Education and Student Development, and 4) Friends of SURF Initiative.

Ms. Kane said she is focused on preparation for successful onboarding of a new director in January 2025 and making sure processes and procedures are up to date. She is also focused on funding opportunities for current programs and Institute programming, public outreach efforts, and Foundation marketing planning.

Other areas discussed in Ms. Kane’s presentation included: The 2024-25 Deep Talks season; One-Year Celebration of The Institute on January 9, 2025, to be held at the SLHVC; 2025 SURF Artist-in-Residence Program (78 applications); grant reviews underway for the 2025 SURF AiR program; sponsor outreach for Neutrino Day 2025 has begun; 2025 summer internship applications are under review; Davis-Bahcall Scholars program applications are open through January; Čhaŋgléška Wakǵáŋ programming plans for 2025 are under development; and donor recognition and grant opportunities for Institute programming continue to be explored.

She said the new donor recognition screen at the SLHVC has made a big impact and messaging continues to be enhanced both visually and with sound.

The SURF Foundation collaborated with the Communications team to launch the first email of the Annual Appeal and South Dakota Day of Giving campaigns and raised \$5,000.00 to date. Overall donations/pledges are at \$98,000.00 year-to-date.

She concluded her presentation with activities for the next three months: 1) Support successful onboarding efforts for the new Foundation Director in January 2025. 2) Identify and pursue new grant opportunities. 3) Continue sponsorship discussions for public outreach events planned for 2025.

ITEM 8B. APPROVE REELECTION OF SURFF BOARD OF DIRECTORS

Mr. Headley requested that the Board approve SURF Foundation members Dr. Chris Fall and Ms. Beth Massa's new terms for an additional three-years.

Mr. Engel said under the Foundation Bylaws, board members are nominated by the Foundation board and are approved by the SDSTA Board at its June meeting, but the approval was not on the agenda for the June meeting. At this time, it is requested to approve the new terms retroactive to the June 20, 2024, board meeting.

Motion by Mr. Wheeler and seconded by Dr. Fall to approve the following existing SURFF board members with terms expiring in 2024 to each serve an additional 3-year term, commencing at the expiration of their current terms — Dr. Chris Fall and Ms. Beth Massa — retroactive to the June 20, 2024, SDSTA board meeting. Motion carried unanimously.

ITEM 9. REPORT FROM EXECUTIVE DIRECTOR

ITEM 9A. DECLARATIONS OF SURPLUS (2)

Mr. Headley referenced the two Declarations of Surplus included in the board packet and said the items are primarily equipment that have reached end-of-life and are designated as surplus for sale and donation. He asked if there were any questions and there were none.

ITEM 9B. SDSTA QUARTERLY UPDATE

Mr. Headley provided a SURF update and said it has been a very busy quarter with notable accomplishments. He reported on the following:

- SDSTA's top priority remains LBNF/DUNE construction support and safe underground access.
- Ross Shaft staff supporting infrastructure construction with KAJV as the general contractor, and cryostat install planning.
- CA renewal is in place (October 2024 – September 2029) with \$208 million for base operations.
- SURF CA FY2025 federal budget marks at \$36 million (Senate), \$37.5 million (House). There is a continuing resolution until December 20; the continuing resolution may be extended to March of 2025.
- Yates Shaft heavy maintenance is below the 4100L and on track to reach 4850L in 2025 Q1.
- Expansion excavation is completed. An additional 100-feet of drift has been completed within allocated funds. The South Drift portal was shotcreted in October. Electrical install is planned to finish within \$13 million budget.
- 2025 Institute programs is taking shape. The Center for Underground Theoretical Physics *and Related Areas (CETUP*) workshop and XVIII International Conference on Interconnections between Particle Physics and Cosmology (PPC 2025) are being planned for summer 2025. Also, SURF is expanding partnerships with SD universities including quantum—DSU, SD Mines, SURF, and networking entities.
- E&O progress has been impressive. Fall school tours are completed and numbers are on track for another strong year.
- Funding discussions continue to raise infrastructure projects funding to \$10 million annually and secure funding for Yates Hoist upgrades and Yates Shaft refurbishment. DOE is working to make Yates Shaft refurbishment a formal DOE project. This is one of the reasons why the

SDSTA team is in Washington, D.C. this week to meet with the South Dakota Congressional Delegation and staffers.

Mr. Headley asked SDSTA Director of Science Dr. Jaret Heise to provide a brief science update. Dr. Heise highlighted the Scientific Strategic Plan progress; the Plan for Physics is complete and aligns closely with the Particle Physics Project Prioritization Panel (P5) plan. The Steering committee for non-physics has been formed and is considering members in the Biology, Geology, Engineering disciplines. Dr. Heise said one of the reasons he is in Washington, DC this week was to attend the American Geophysics Union (AGU) conference—a gathering of over 27,000 scientists—and staff a SURF exhibit; more than 190 individuals stopped by the SURF booth. He said a Quantum pre-proposal was submitted to DOE’s Established Program to Stimulate Competitive Research (EPSCoR) and aligns with the Physics Plan; unfortunately, the opportunity to include a full proposal was declined this week. Lastly, radiation safety duties have been reassigned to SDSTA Senior Research Scientist Dr. Markus Horn as Mr. David Rynders retired from SDSTA recently.

Mr. Headley concluded his report with Education and Outreach statistics—field trips, classroom presentations, curriculum units, professional development and other student contact numbers. Then he showed a short video of the new space at the 4850L. In conclusion, Mr. Headley recognized Communications staff Creative Services Lead Mr. Matt Kapust and Multimedia Specialist Mr. Stephen Kenny for creating the video.

Chair Peterson referenced the quarterly progress report in the board packet and asked if MineStar is fully operational and if SDSTA is using the tracking system? Mr. Headley replied yes and that a few ESH and Science staff use it as they walk across the 4850L.

Dr. Fall asked if the rail issue underground has been resolved? Mr. Headley replied DOE has committed to including it as an IIP in the future, but they are not requiring LBNF/DUNE to replace the rail in the West Access Drift. However, the wire mesh that was damaged in that same area during construction is currently being replaced by LBNF/DUNE.

ITEM 9C. APPROVE REVISED MOU BETWEEN SDSTA AND FERMI FORWARD DISCOVER GROUP, LLC

Mr. Headley said the updated Memorandum of Understanding (MOU) is included in the board packet and noted the re-competition of the Management and Operations contract with Fermilab. The new entity is Fermi Forward Discovery Group, LLC (FermiForward). The MOU is being updated in two steps: the first is to change the other contracting party from “Fermi Research Alliance” to “FermiForward”, and the second step will have more substantive changes that will be brought to the SDSTA Board for approval consideration in March 2025.

This proposal calls for this MOU to take effect January 1, 2025, with a three-year term.

Mr. Wheeler asked what is the difference in makeup from FRA to FermiForward? Chair Peterson, Mr. Headley and Dr. Fall replied that Longenecker, LLC and Amentum are two new consultants to the contractor.

Motion by Mr. Wheeler and seconded by Mr. Dykhouse to approve the Memorandum of Understanding between SDSTA and Fermi Forward Discovery Group, LLC as amended, and to authorize the SDSTA Executive Director to negotiate final terms of the agreement and sign the MOU. Motion passed unanimously.

Motion by Dr. Fall and seconded by Ms. Lebrun to accept the Executive Director’s report. Motion passed unanimously.

ITEM 10. APPROVE SDSTA POLICIES AND PROCEDURES

Mr. Headley said SDSTA has been making changes to its compensation approach and drafted a new Compensation Philosophy Policy. It states SDSTA will strive to provide base pay that is competitive with the market. Two toolsets—Payscale and a mining salary database—were purchased to help determine each salary range. This is the second year SDSTA has been adjusting the salary using toolsets with a goal that each individual proficient in their job can be at the midpoint of their salary range. Also, the proposed timing of the salary adjustments is that they will be take effect at the beginning of each year instead of on each employee’s hire date.

Chair Peterson asked if data has been accessed from other national labs? Mr. Headley replied that data from other labs has only been used primarily to evaluate his salary.

Chair Peterson asked how business critical jobs are defined. Mr. Headley replied they have not been defined specifically but gave one example of the retention of industrial electricians at SDSTA. He said SDSTA lost one employee recently to a local employer because SDSTA was not competitive. He noted jobs or roles that help SURF operate safely are critical and agreed to take an action item to define business critical jobs further.

Next, Mr. Miller referenced the Accounting and Auditing Policy and Procedure and said it formalizes the capitalization threshold discussed earlier in the meeting. (Mr. Engel had reviewed the policies and procedures prior to submitting them for Board approval).

Motion by Dr. Fall and seconded by Mr. Musick to approve the new Compensation Philosophy Policy and updated Accounting and Auditing Policies and Procedures, as presented. Motion passed unanimously.

Chair Peterson introduced Mr. Michael Ledford, owner of Lewis-Burke Associates, LLC.

Mr. Ledford said he has had the privilege to work on the SURF project for over a decade and the opportunity to engage with members of Congress and staff to reinforce the importance and value of SURF for the nation and the scientific field. He said his work will continue as Congress transitions into its new set of leaders.

Chair Peterson thanked Mr. Ledford for hosting this meeting and arranging the meetings on Capitol Hill yesterday and said they were productive.

Mr. Wheeler and Dr. Fall congratulated Mr. Ledford for the growth of his company and the great partnership.

Mr. Ledford also stated that several individuals in government noted Dr. Fall as a great ambassador for SURF.

ITEM 11. DISCUSS REGISTRATION OF LOBBYISTS

Regarding South Dakota lobbyists, Mr. Engel explained to represent an entity before the legislature, a person or organization is required to register with the Secretary of State and the represented entity must authorize the registration before filing. Every year at the December meeting, the Board authorizes several persons to register as lobbyists on behalf of SDSTA. Mr. Engel recommended the Board authorize the following to register as lobbyists: Mr. Headley, Chair Peterson, Mr. Engel, and Mr. Doug Abraham.

Motion by Mr. Dykhouse and seconded by Ms. Lebrun to designate Mr. Mike Headley, Mr. Casey Peterson, Mr. Tim Engel, and Mr. Doug Abraham, as lobbyists for the SDSTA for the 2025 Legislative Session. Motion passed unanimously.

ITEM 12. EXECUTIVE SESSION

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

The Board recessed at 11:30 a.m. for a ten-minute break followed by executive session.

The Board reconvened in open session at 12:10 p.m. and a quorum was confirmed.

ITEM 13. REPORT FROM EXECUTIVE SESSION

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

Motion by Dr. Fall and seconded by Mr. Dykhouse to approve the executive session report. Motion passed unanimously.

ITEM 14. INSURANCE LIMITS

Mr. Engel said the commercial general liability insurance renewal proposal was received and there was a significant increase in premium. The increase is beyond what was included in the budget and management would also like to explore reducing the \$100 million tower to \$75 million to reduce costs. He said management proposes to increase the budget to \$400,000.00.

Motion by Mr. Musick and seconded by Dr. Fall, to supplement the FY2025 budget for insurance with an additional up to \$400,000.00 of spending authority, and to authorize the executive director and the chairperson, in consultation with legal counsel, to reduce the overall commercial general liability insurance limits for non-LBNF risks to not less than \$75 million. Motion passed unanimously.

ITEM 15. CONFIRM DATE, TIME AND LOCATION OF NEXT MEETING

Chair Peterson reminded the Board of the next meeting, scheduled for 8:00 a.m. (MDT) on Thursday, March 20, 2025, at SURF in the Education & Outreach large conference room.

ITEM 16. PUBLIC COMMENTS

Chairperson Peterson said he did not receive any public comment request forms during the meeting and there was no one present in the room asking to provide public comment.

ITEM 17. BOARD COMMENTS

There were no comments.

ITEM 18. ADJOURN

Chair Peterson called for a motion to adjourn.

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

Meeting adjourned at 12:16 p.m. (EST)

Page intentionally
blank

Conflict of Interest Disclosure—Mr. Tim Engel

Invite members of the board to disclose anything that might be construed to be a conflict of interest relative to their role on the board.

Recommended Action:
Informational.

Page
intentionally
blank

Disclosures Under SDCL CH. 3-23—Mr. Tim Engel

Recommended Action:

Motion to approve or deny as appropriate.

Page
intentionally
blank

Report from Audit Committee—Ms. Patricia Lebrun

The Audit Committee report includes the following:

- 6A. Audit Committee meeting update, *minutes attached*.
- 6B. SDSTA Audit Report-fiscal year ended June 30, 2024. (*see recommended motion below*)

Recommended Action:

6B. Motion to accept Audit Report Fiscal Year Ended June 30, 2024, as reviewed and discussed at December 13, 2024 board meeting.

Page
intentionally
blank

February 10, 2025

Participants:

Ms. Pat Lebrun, SDSTA Board of Directors and Audit Committee Chair
Mr. Roger Musick, SDSTA Board of Directors and Audit Committee Member
Mr. Dana Dykhouse, SDSTA Board of Directors and Audit Committee Member
Mr. Casey Peterson, SDSTA Board of Directors and Audit Committee Ex Officio Member
Mr. Terry Miller, SDSTA Chief Financial Officer
Mr. Bill Kelly, SDSTA Contracts and Procurement Manager
Mr. Sean Crooks, SDSTA IT Operations Manager
Ms. Kim Flock, SDSTA Controller

A teleconference was held February 10, 2025, to discuss the SDSTA Financial and Compliance Audit and the potential Internal Control Audit of the SDSTA Information Technology (IT) department.

Greetings were exchanged and the following items were discussed:

1. The Audit Committee discussed the SDSTA Financial and Compliance Audit.

The committee discussed the audit by Eide Bailly over the past three years and noted the audit experience has been good, and the audit has been timely every year. The committee is satisfied with Eide Bailly and would like to continue with them as the SDSTA audit firm. Roger and Casey noted there might be a requirement to rotate audit partners at Eide Bailly and if so, SDSTA should make the request. The committee discussed and requested that staff reach out to Paul Kane with Eide Bailly to confirm if a different audit partner will be assigned next year. Terry responded that staff would do so and report back to the committee.

Motion by Dana and seconded by Roger to continue with Eide Bailly as the SDSTA's audit firm and request a different audit partner, only if so required. Motion passed unanimously.

2. The Audit Committee discussed the need for an Internal Control Audit of the SDSTA IT dept.

The committee discussed the benefits of an internal control audit of the SDSTA IT dept, specifically for procedural compliance and penetration testing. Casey talked about his concerns and the need for penetration testing to avoid future issues with hackers. Sean mentioned that SDSTA has contacts with a company that could provide the penetration testing and Casey said it was a good idea. Upon further discussion, going forward SDSTA should perform an internal control audit at least every three years as this is good practice.

Motion by Roger and seconded by Dana to pursue an internal control audit of the IT department both for procedural compliance and penetration testing. Motion passed unanimously.

Meeting adjourned.

Page intentionally
blank



**SANFORD
UNDERGROUND
RESEARCH
FACILITY**

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY



ANNUAL FINANCIAL REPORT

JUNE 30, 2024

South Dakota Science and Technology Authority

A Business Type Enterprise Activity Component Unit of the State of South Dakota

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	i-iii
Management's Discussion and Analysis	1 - 6
Financial Statements:	
Statement of Net Position	7
Statement of Revenues, Expenses, and Changes in Fund Net Position	8
Statement of Cash Flows	9 - 10
Notes to Financial Statements	11 - 25
Required Supplemental Information:	
Schedule of Proportionate Share of the Net Pension Liability (Asset) & Contributions	27
Notes to the Required Supplemental Information	28
Supplemental Information:	
Schedule of Operating Expenses	30
Supplemental Schedule of Expenditures of Federal Awards	31



Independent Auditor's Report

Board of Directors of
South Dakota Science and Technology Authority
Lead, South Dakota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of South Dakota Science and Technology Authority, a component unit of the State of South Dakota, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the South Dakota Science and Technology Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the South Dakota Science and Technology Authority, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the South Dakota Science and Technology Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the South Dakota Science and Technology Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Dakota Science and Technology Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the South Dakota Science and Technology Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1–6 and the South Dakota Science and Technology Authority proportionate share of the net pension liability (asset) and schedule of contributions on pages 27-28 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South Dakota Science and Technology Authority’s basic financial statements. The schedule of operating expenses and supplemental schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024 on our consideration of the Authority’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority’s internal control over financial reporting and compliance.



Denver, Colorado
October 17, 2024

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

This section of the South Dakota Science and Technology Authority's (SDSTA's) annual financial report presents management's discussion and analysis of the SDSTA's financial performance during the fiscal year ended June 30, 2024. This analysis should be read in conjunction with the financial statements and notes to the financial statements.

The SDSTA's financial statements include the operations of funds that the SDSTA has established to achieve its goal of maintaining the Sanford Underground Research Facility (SURF) in support of the science mission under the agreement with the Department of Energy's (DOE's) Office of Science. The property was donated by Homestake Mining Company of California, to the State of South Dakota and SDSTA in April 2006.

The activity of the SDSTA is accounted for as a proprietary fund type. The SDSTA is a component unit of the State of South Dakota, and its financial statements are included in the Annual Comprehensive Financial Report of the State of South Dakota.

Included in the financial statements presented is a current year comparison to prior year balance sheet summary, revenue and expense summary, and capital assets. Further reports reflect current year detailed statement of net position, statement of revenue, expense and changes in net position, cash flow, and schedule of operating expenses. Comparisons of current year to prior year are important to display increases and decreases in various elements of the financial reports for the SDSTA. Current year detailed reports provide significant detail for statement of net position, revenues, expenses, and cash flows for the SDSTA.

FINANCIAL HIGHLIGHTS:

- Total Assets at year-end increased to \$143,137,598.
- Current Assets decreased by \$8,002,728. Cash on Deposit with State Treasurer decreased by \$5,967,678 due to the Underground Expansion construction in progress. Cash in the Local Bank decreased by \$2,512,999 due to increase in prepaids and accounts receivable of \$837,425 and increased operating expenses along with salaries and benefits. Local cash held was also affected by a lower indirect cost rate established in FY2022 compared to higher indirect expenses paid in FY2024. Inventory of Supplies decreased by \$396,240 for surplus of assets.
- Capital Assets increased by \$10,672,496, net of depreciation expense. Page 4 details the major capital asset additions and deletions. Furthermore, page 14 summarizes the changes in capital assets by major categories. The current funding to manage and operate the facility comes from a Cooperative Agreement with the DOE – Office of Science that was effective September 30, 2019. Additional property purchased under this agreement is kept separate under the Capital Assets category, as this property has become vested in the SDSTA upon acquisition.
- Net Pension Asset increased to \$60,711. The State's retirement system is fully funded (see Note 6 – page 17). The SDSTA's total contributions to the South Dakota Retirement System (SDRS) increased by \$97,838 from 2023 to 2024. This was due primarily to an increase in personnel wages. GASB standards allow entities to use a pension measurement date up to one year prior to the entities reporting period. Therefore, the SDSTA is using a June 30, 2023, pension measurement date for our fiscal year-end June 30, 2024, statements. GOED funding of \$2,000,000 received in 2017 along with loans from various South Dakota Foundations have enabled the SDSTA to purchase xenon to be used in the future LZ experiment. Xenon purchased did not change from June 30, 2023, and remains at \$8,687,833 as of June 30, 2024. In summary, the Pension Asset and Xenon Purchased have increased by \$2,633.
- Pension Related Deferred Outflows is also related to our retirement plan with SDRS. The amounts recorded relate to our proportionate share of the differences between expected and actual experience in pension earnings along with the SDSTA's pension contributions made subsequent to June 30, 2023. Asset Retirement Obligation Deferred Outflows is the estimated costs associated with closing the SURF facility. The total Deferred Outflows of Resources have decreased to \$6,305,487.
- Total Liabilities at year-end increased by \$3,962,601. Accounts payable is higher by \$2,739,948 primarily due to the Underground Expansion Project. Accrued wages, leave and associated benefits increased by \$827,799 due to wage increases and leave accrual policy changes. The Asset Retirement Obligation increased by \$393,519 by inflationary factors. There were no changes in Xenon notes payable.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2024

- Pension Related Deferred Inflows is also connected to our retirement plan with SDRS. The recorded amount relates to our portion of the difference between projected and actual earnings on pension plan investments and changes in various assumptions. Our portion has decreased by \$402,479.
- Total Restricted Net Position decreased by \$6,914,201. This decrease is primarily due to the Underground Expansion Project and the SDSTA Foundation decrease in donations received.
- Unrestricted Net Position decreased by \$5,197,539 to \$8,817,339 due to increased personnel and contractual costs.
- Total Net Position at year-end decreased by \$1,439,244 to \$135,080,055.
- Charges for Goods and Services increased slightly to \$623,587.
- Operating Grants increased by \$4,018,712 to \$40,251,196, primarily due to increased Fermi contracts.
- Miscellaneous revenue decreased to \$137,724 primarily due to a decrease in revenue from the Sandford Underground Research Facility Foundation and other miscellaneous receipts.
- Investment Earnings for fiscal year 2024 are at \$815,882. The unrealized appreciation and undistributed earnings that were reversed from the prior year when compared to the current year unrealized appreciation and undistributed earnings results in an increase in investment earnings. Also, investment earnings of \$863,691 were received on the cash on deposit with State Treasurer. This actual allocation compared to last year increased by \$557,984 due to a higher amount of cash being deposited for investment with the State Treasurer.
- Total Program Expenses for the SDSTA were \$42,635,586 which represents an increase of 19.54% from the previous year. Included in Total Program Expenses are Operating Expenses which increased by \$6,860,232 to \$42,127,933. Personnel Services represent 59% of the Operating Expenses; Contractual Services represent 22%; and Supplies, Materials, Travel, Depreciation, and Other Expenses represent 12% of these expenses. Most of the increase in Operating Expenses is due to increased Personnel Services of \$4,470,946.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2024

FINANCIAL STATEMENT ELEMENTS:

STATEMENT OF NET POSITION

	2024	2023	Dollar Change	Percent Change
Current Assets	\$ 27,356,737	\$ 35,359,465	\$ (8,002,728)	-22.63%
Capital Assets	107,032,317	96,359,821	10,672,496	11.08%
Net Pension Asset and Xenon Purchased	8,748,544	8,745,911	2,633	0.03%
Total Assets	143,137,598	140,465,197	2,672,400	1.90%
Pension Related Deferred Outflows	5,251,158	5,765,027	(513,869)	-8.91%
Asset Retirement Obligation Deferred Outflows	1,054,329	1,091,983	(37,655)	100.00%
Total Deferred Outflow of Resources	6,305,487	6,857,010	(551,523)	-8.04%
Long-Term Liabilities Outstanding	5,702,091	5,030,573	671,519	13.35%
Other Liabilities	5,615,502	2,324,419	3,291,082	141.59%
Total Liabilities	11,317,593	7,354,992	3,962,601	53.88%
Pension Related Deferred Inflows	3,045,437	3,447,916	(402,479)	-11.67%
Net Position:				
Net Investment in Capital Assets	107,032,317	96,359,821	10,672,496	11.08%
Restricted	19,230,399	26,144,600	(6,914,201)	-26.45%
Unrestricted	8,817,339	14,014,878	(5,197,539)	-37.09%
Total Net Position	\$ 135,080,055	\$ 136,519,299	\$ (1,439,244)	-1.05%

CHANGE IN NET POSITION

	2024	2023	Dollar Change	Percent Change
Revenues				
Program Revenues:				
Charges for Services	\$ 623,587	\$ 519,762	\$ 103,826	19.98%
Operating Grants	40,251,196	36,232,484	4,018,712	11.09%
Miscellaneous	137,724	297,521	(159,797)	-53.71%
General Revenues:				
Non-Operating Revenues	(617,569)	14,799,230	(15,416,798)	-104.17%
Investment Earnings	815,882	386,252	429,630	111.23%
Total Revenue	41,210,821	52,235,248	(11,024,428)	-21.11%
Expenses				
Program Expenses	42,650,065	35,667,169	6,982,896	19.58%
Non-Operating Expenses	522,132	399,468	122,664	30.71%
Total Expense	43,172,197	36,066,637	7,105,560	19.70%
Change in Net Position	(1,439,244)	16,568,080	(18,007,324)	-108.69%
Net Position-Beginning	136,519,299	119,951,219	16,568,080	13.81%
Net Position-Ending	\$ 135,080,055	\$ 136,519,299	\$ (1,439,244)	-1.05%

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2024

CAPITAL ASSETS (Net of Depreciation)

	2024	2023	Change
Improvements	\$ 41,712,223	\$ 42,561,300	\$ (849,077)
Underground	17,936,955	17,936,955	-
Buildings	14,058,673	14,347,415	(288,741)
Computer Equipment	39,254	74,955	(35,701)
Equipment	3,015,289	3,529,913	(514,624)
Construction in Progress	17,646,809	6,192,248	11,454,561
Land	1,974,147	1,924,136	50,011
Infrastructure	1,266,029	1,316,139	(50,110)
Furniture	1	2,250	(2,249)
Archive Material	70,000	70,000	-
Auto	435,683	327,953	107,730
DOE Property Transfer	8,877,252	8,076,554	800,698
Total Capital Assets	\$ 107,032,316	\$ 96,359,817	\$ 10,672,498

This year's major capital asset additions and deletions included:

Purchased Capital Assets:

Land and Land Improvements

Sacred Garden \$ 50,011

Construction in Progress (Current Year Additions/Deletions):

IIP Projects (net) 11,454,561

Auto changes (Current Year Additions/(Deletions)):

2021 Ford Transit Van 53,800

2024 Ford E450 Bus 126,195

Building & Infrastructure Changes (Current Year Additions/(Deletions)):

Computer Equipment, Machinery and Equipment changes (Current Year Additions/(Deletions)):

Locomotive Batteries & Charger 26,775

Misc Pumps & Filters (113,757)

Waste Water Treatment RBCs (103,007)

Heater, Transformer, Meter, Crane (34,548)

Huron Tank & Stand (27,198)

DOE Property Transfer:

ERT Tower, Thimbles, Hoist Rope Oiling System, Crane, Misc Small Equipment, Bobcat, Boilers 1,322,489

Fortlift, Refuge Chamber Scrubbers, Winch, Power Cable East Switchyard

\$ 13,330,718

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2024

LONG-TERM DEBT

At the year-end, the SDSTA had \$5,702,091 in other long-term obligations. This is an increase of approximately 13% as shown below.

	2024	2023	Total Dollar Change	Total Percentage Change
Compensated Absences	\$ 990,497	\$ 712,498	\$ 277,999	39.02%
Asset Retirement Obligation	1,590,404	1,196,885	393,519	32.88%
Xenon Notes Payable	3,121,190	3,121,190	-	0.00%
Total Long-Term Debt	\$ 5,702,091	\$ 5,030,573	\$ 671,519	13.35%

- The SDSTA is liable for the accrued vacation leave payable to all full-time employees. In addition, the SDSTA is liable for a portion of the earned sick leave of employees who have been employed for seven consecutive years. The \$277,999 increase in compensated absences is due to an increase in the corresponding amount of leave accumulated and outstanding at the end of the year for employees along with pay rate increases. The Asset Retirement Obligation increased due to inflationary factors. Note (4) Long-Term Debt in the Notes to Financial Statements on page 15 details the activity for the period for compensated absences, asset retirement obligation and the xenon note payable.
- On November 7, 2023, the SDSTA signed a Promissory Note with the First Interstate Bank for \$5,000,000. This agreement represents a variable rate revolving line of credit. Collateral for this line of credit includes the SDSTA’s Account Receivable. The SDSTA put this loan in place if government funding were to be slowed due to a government shutdown. The SDSTA has not drawn down any funding from this line of credit. The maturity date is October 31, 2024, at which time we will renew for another one-year term.

ECONOMIC FACTORS

- A report released from the Particle Physics Project Prioritization Panel (P5) in December 2023, outlined the 10-year strategic plan for high-energy physics in the United States. The report provides strong support for science programs envisioned to be located at SURF, including research into neutrinos and dark matter, both of which are being researched at SURF. This panel formally advises both the DOE Office of Science and the National Science Foundation (NSF) on support for physics. Previous P5 reports have played a key role in the evolution of SURF and its experiments to date.
- The SDSTA’s Board of Directors approved an operating budget of \$6,590,782 for fiscal year 2025 in favor of SDSTA supported activities. Additionally, SDSTA’s total indirect expense budget for fiscal year 2025 is \$15,760,357.
- The SDSTA transitioned to a five-year Cooperative Agreement renewal (i.e. extension) with the Department of Energy’s (DOE) Office of Science in September 2024 including a budget of \$208 million for five additional years of SURF Operations. This award includes \$15.6 million for Infrastructure Improvement Projects (IIPs).

In October 2014, DOE established the Long-Baseline Neutrino Facility (LBNF) / Deep Underground Neutrino Experiment (DUNE) Project with strong international support to build the largest science experiment ever attempted on United States soil. LBNF will send neutrinos through the earth from Fermilab in Batavia, Illinois, to the DUNE detectors located at SURF in Lead, South Dakota. In September 2016, DOE formally approved plans for construction at SURF. In February 2024, LBNF completed the excavation of 800,000 tons of rock to create large caverns to house DUNE. The current support contract was replaced on August 15, 2024, to support the next phase of the LBNF/Dune Project for the Building Site Infrastructure and Far Detector and Cryogenics Sub Projects to end December 31, 2026. DOE support for professional engineering management services continues into FY2025 for this LBNF effort.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) JUNE 30, 2024

- Further funding was received in FY2024 through Lawrence Berkeley National Laboratory (LBNL) and DOE in support of the LUX-ZEPLIN (LZ) physics experiment operations. These awards reimbursed the SDSTA for expenses incurred for materials and supplies as well as a percentage of the salaries of the SDSTA staff members directly supporting these projects. Support continues in FY2025 for LUX-ZEPLIN (LZ).
- Additional funding was received during the fiscal year from South Dakota School of Mines to support the Majorana Demonstrator experiment located at the 4850L Davis Campus. Support continues in FY2025 from SD Mines. The CASPAR experiment funded by SD Mines was mothballed in April 2021, during the LBNF excavation. Most of their equipment remains in the current 4850L for future use in their experiment at SURF. This experiment could resume in 2025.
- The SDSTA entered into a lease with Caterpillar (CAT) on September 15, 2020, for CAT to utilize two existing rooms located on the SURF 1700-foot level underground. The initial term of the lease began on October 1, 2020, and shall continue until September 30, 2030. CAT will be developing and testing new mining related products to sell commercially. The base rent under the lease is \$150,000 per annum is considered "Program Income" by the DOE Cooperative Agreement.
- The SDSTA is compliant with all legal and environmental regulations.

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the SDSTA's finances and to demonstrate the SDSTA's accountability for the money it receives. If you have any questions about this report or need additional information, contact the South Dakota Science and Technology Authority, 630 East Summit Street, Lead, SD 57754.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS

Current Assets

Cash in Local Bank and Petty Cash	\$ 1,202,886
Cash on Deposit with State Treasurer	18,603,232
Accounts Receivable	3,271,563
Interest Receivable	132,566
Prepaid Expenses	1,423,862
Inventory of Supplies & Warehouse	2,722,628
Total Current Assets	27,356,737

Noncurrent Assets

Xenon Purchased (Note 5)	8,687,833
Net Pension Asset (Note 6)	60,711
Land (Note 3)	1,974,147
Underground (Note 3)	17,936,955
Buildings, Machinery, Equipment, Infrastructure, & DOE Property Transferred (Net) (Note 3)	87,121,214
Total Noncurrent Assets	115,780,861

TOTAL ASSETS	143,137,598
---------------------	--------------------

Deferred Outflows of Resources

Asset Retirement Obligation Deferred Outflows	1,054,329
Pension Related Deferred Outflows (Note 6)	5,251,158
Total Deferred Outflows of Resources	6,305,487

LIABILITIES

Current Liabilities

Accounts Payable	3,759,304
Accrued Wages and Benefits	864,066
Due to State of South Dakota	1,634
Accrued Leave, Benefits (Note 4)	990,497
Total Current Liabilities	5,615,502

Long-Term Liabilities

Accrued Leave, Benefits (Note 4)	990,497
Asset Retirement Obligation (Note 4)	1,590,404
Long-Term Xenon Notes Payable (Note 4)	3,121,190
Total Long-Term Liabilities	5,702,091

TOTAL LIABILITIES	11,317,593
--------------------------	-------------------

Deferred Inflows of Resources

Pension Related Deferred Inflows (Note 6)	3,045,437
---	------------------

NET POSITION

Invested in Capital Assets	107,032,317
Restricted for:	
Mine Closure	1,641,824
Experiments	579,023
Indemnification	7,858,545
Underground Expansion	6,806,899
Pension	2,266,432
Foundation	77,676
Unrestricted Net Position	8,817,339
TOTAL NET POSITION	\$ 135,080,055

The accompanying notes are an integral part of this statement.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

Operating Revenue	
Charges for Goods and Services	\$ 623,587
Operating Grants	40,251,196
Miscellaneous	137,724
Total Operating Revenue	41,012,508
Operating Expenses	
Personnel Services	25,050,630
Travel	319,798
Contractual Services	9,230,000
Supplies, Materials and Other Operating Expenses	4,559,392
Depreciation Expense	2,968,113
Total Operating Expenses	42,127,933
Operating Loss	(1,115,425)
Nonoperating Revenues/Expenses	
Interest Revenue	815,882
Gain/(Loss) on Sale of Assets	(617,569)
Other Expense	(522,132)
Total Nonoperating Revenues/Expenses	(323,819)
Change in Net Position	(1,439,244)
Net Position -- Beginning of Year	136,519,299
Net Position -- End of Year	\$ 135,080,055

The accompanying notes are an integral part of this statement.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

Cash Flows from Operating Activities:

Other Operating Cash Receipts	\$ 765,930
Cash Receipts from Operating Grants	39,617,370
Cash Payments to Employees for Services	(24,114,073)
Cash Payments to Suppliers of Goods and Services	(10,825,685)
Net Cash Provided by Operating Activities	\$ 5,443,542

Cash Flows from Noncapital Financing Activities:

Interest/Insurance Paid on Xenon	\$ (463,907)
Net Cash Used by Noncapital Financing Activities	\$ (463,907)

Cash Flows from Capital and Related Financing Activities:

Purchase of Capital Assets	\$ (14,243,857)
Net Cash Used by Capital and Related Financing Activities	\$ (14,243,857)

Cash Flows from Investing Activities:

Interest Earnings	\$ 783,545
Net Cash Provided by Investing Activities	\$ 783,545

Net Decrease in Cash and Cash Equivalents **\$ (8,480,677)**

Cash and Cash Equivalents at Beginning of Year 28,286,795

Cash and Cash Equivalents at End of Year **\$ 19,806,118**

Reconciliation of Operating Loss to Net Cash Used in Operating Activities:

Operating Loss	\$ (1,115,425)
<i>Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:</i>	
Depreciation & Amortization Expense	2,968,113
<i>Change in Assets and Liabilities:</i>	
Receivables	(629,208)
Prepaid Expenses	(247,535)
Inventory	396,240
Net Pension Asset	(2,633)
Decrease(Increase) in Deferred Outflow of Resources - Pension	513,869
Increase (Decrease) Deferred Inflow of Resources - Pension	(402,479)
Increase (Decrease) in ARO	393,519
Accounts and Other Payables	2,741,282
Accrued Wages Payable	271,801
Accrued Leave Payable	555,999
Net Cash Provided by Operating Activities	\$ 5,443,542

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Cash and Cash Equivalents:

Cash in Local Bank	\$	1,201,836
Petty Cash		1,050
Cash with State Treasurer		18,603,232
Total Cash and Cash Equivalents	\$	19,806,118

Non-Cash Capital and Related Financing Activities:

Gain/(Loss) on Disposal of Assets	\$	(619,881)
Donated Inventory of Supplies		(14,479)
Total Non-Cash Activities	\$	(634,360)

The accompanying notes are an integral part of this statement.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

(1) Summary of Significant Accounting Policies

a. Reporting Entity

The South Dakota Science and Technology Authority (SDSTA) was created and organized by Chapter 1-16H of the South Dakota Codified Laws. The purposes of the SDSTA is to foster and facilitate scientific and technology investigation, experimentation, and development by creating a mechanism through which laboratory, experimental and development facilities may be acquired, developed, constructed, maintained, operated, and decommissioned. The initial focus of the SDSTA is to support the transfer of the Homestake Gold Mine in Lead, South Dakota for development by the research community to become the world's premier Underground Science and Engineering Laboratory; more specifically, the Sanford Underground Research Facility (SURF). Additional focus is maintained by the SDSTA for an education and outreach program detailing the progress. The SDSTA is a business type component unit of the State of South Dakota (the State). As such, the accompanying financial statements are included in the Annual Comprehensive Financial Report of the State of South Dakota.

The Sanford Underground Research Facility Foundation (SURFF) is a legally separate, tax-exempt component unit of the SDSTA. The SURFF was established as a fundraising organization to supplement resources for the SDSTA programs related to education, internships, public outreach, and the development of the SURF Institute. Thus, the services the SURFF provides is for the SDSTA. The sitting Chairperson of the SDSTA serves as a voting Director on an ex officio basis and is included in the total number of Directors as listed by the Bylaws. Two board members from the SDSTA are also on the Board of the SURF Foundation. The SDSTA is also responsible for any outstanding debt.

b. Fund Accounting

The SDSTA Fund is accounted for as an enterprise fund. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

c. Measurement Focus, Basis of Accounting

The SDSTA Fund uses the economic resources measurement focus and accrual basis of accounting, wherein revenues are recognized when earned and expenses are recognized when incurred. Likewise, the SURFF uses the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

d. Inventory of Supplies

Inventory of supplies consists primarily of expendable equipment/supplies, donated, and purchased, not yet in service. Donated inventory of supplies are revalued at their estimated fair value on date of donation. Purchased equipment values are reported at cost. Reported cost values include ancillary charges necessary to place the asset into its intended location and condition for use at a later date.

e. Capital Assets

Capital assets include land, buildings, machinery, and equipment, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Capital assets are recorded at historical cost. Donated capital assets are valued at their estimated fair value on the date donated. Reported cost values include ancillary charges necessary to place the asset into its intended location and condition for use.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

(1) Summary of Significant Accounting Policies (Continued)

e. Capital Assets (Continued)

Subsequent to initial capitalization, improvements or betterments that are significant, and which extend the useful life of a capital asset are also capitalized. Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Revenues, Expenses, and Changes in Net Position, with net capital assets reflected in the Statement of Net Position. Accumulated depreciation is reported on the Statement of Net Position.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the SDSTA’s financial statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land and Land Rights	All Land	N/A	N/A
Improvements	\$ 5,000	Straight-line	10-50 yrs.
Infrastructure	5,000	Straight-line	25-50 yrs.
Buildings	5,000	Straight-line	10-50 yrs.
Automobiles, Furniture, Machinery and Equipment	5,000	Straight-line	2-75 yrs.

f. Revenue and Expense Classifications

In the Statement of Revenues, Expenses, and Changes in Net Position, revenues and expenses are classified in a manner consistent with how they are classified in the Statement of Cash Flows. That is, transactions for which related cash flows are reported as capital and related financing activities, non-capital financing activities, or investing activities are not reported as components of operating revenue or expenses. The Authority’s proprietary fund distinguishes between operating and non-operating revenues and expenses. Operating revenues and expenses of the SDSTA consist of reimbursement of the costs of operations primarily from the Department of Energy and other entities, and the costs of providing those services, including depreciation. All other revenues and expenses are reported as non-operating.

g. Cash and Cash Equivalents

Cash includes cash on hand, demand deposits, and participating interest in the State’s internal investment pool held by the State Treasurer. The amount held in the State’s internal investment pool is reported at fair value. The SDSTA has access to the entire amount of their cash resources on demand. Accordingly, equity in the cash management pool is considered to be cash and cash equivalents for the purpose of the Statement of Cash Flows.

h. Equity Classifications

Equity is classified as net position and is displayed in three components:

1. Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation (if applicable) and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
2. Restricted net position consists of net position with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
3. Unrestricted net position all other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

(1) Summary of Significant Accounting Policies (Concluded)

i. Application of Net Position

It is the SDSTA's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

j. Accrued Leave

Compensated absences consist of vacation and sick leave earned. The vacation leave is earned by full-time employees at the rate of 4.62 hours per pay period, increasing to 6.16 hours per pay period from 4-8 years of service, and 7.69 hours earned after 8 years of service. The vacation leave may accumulate only to a maximum of twice the annual accrual. Upon retirement or resignation, only full-time employees with 180 days of continuous service will be paid for accumulated vacation leave. Sick leave is earned at the rate of 4.32 hours per pay period. Upon termination, some employees are entitled to receive compensation for a portion of their sick leave balance. Those with seven years of service or more will receive compensation at the rate of 25 percent of their balance up to a maximum of 480 hours.

k. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the South Dakota Retirement System (SDRS) and additions to/deletions from SDRS's fiduciary net position have been determined on the same basis as they are reported by SDRS. The SDSTA's contributions and net pension liability (asset) are recognized on an accrual basis of accounting.

l. Leases

We evaluated all current leases to determine if they meet the GASB 87 definition of a lease. For those that did meet the definition of a lease, we concluded they were immaterial for reporting in FY2024. We will analyze this each fiscal year.

m. Asset Retirement Obligation

We report an asset retirement obligation (see note 4). This cost will be evaluated each fiscal year and updated for any changes.

n. Subscription Based Information Technology Arrangements (SBITA's)

We evaluated all current information technology contracts to determine if they meet the GASB 96 definition of a SBITA. For those that did meet the definition of a SBITA, we concluded they were immaterial for reporting in FY2024. We will analyze this each fiscal year.

(2) Deposits and Investments

Deposits

The majority of the SDSTA's cash is on deposit with the State Treasurer. Such funds are invested through the South Dakota Investment Council. Management of the State's internal investment pool is the statutory responsibility of the South Dakota Investment Council (SDIC). The investment policy and required risk disclosures for the State's internal investment pool are presented in the audit report of the South Dakota Investment Council, which can be obtained by contacting the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501. Custodial credit risk is the risk that in the event of a bank failure, the SDSTA's deposits may not be returned to it. The SDSTA does not have a deposit policy for custodial credit risk. None of the SDSTA's deposits were exposed to custodial credit risk.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(2) Deposits and Investments (continued)

Investments

In general, SDCL 1-16H-18 permits funds to be invested in (a) direct obligations of, or obligations the principal of the interest on which are fully guaranteed or insured by, the United States of America; or (b) obligations of any solvent insurance company or other corporation or business entity if rated in the two highest classifications established by a standard rating service or insurance companies or a nationally recognized rating agency; or (c) short term discount obligations of the Federal National Mortgage Association; or (d) obligations of any state of the United States or any political subdivision, public instrumentality, or public authority of any state of the United States, which obligations are not callable before the principal is to be paid, are fully secured as to both sufficiency and timely payment by, and payable solely from, obligations described in (a). The SDSTA did not have any investments as of June 30, 2024.

(3) Changes in Capital Assets

A summary of changes in capital assets for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024
Business-Type Activities:				
Capital Assets, not Being Depreciated:				
Land	\$ 1,924,136	\$ 50,011	\$ -	\$ 1,974,147
Underground	17,936,955	-	-	17,936,955
Archive Materials	70,000	-	-	70,000
Construction Work in Progress (CIP) (see Note 10)	6,192,248	13,238,795	1,784,234	17,646,809
Total Capital Assets, not Being Depreciated	26,123,339	13,288,806	1,784,234	37,627,911
Capital Assets, Being Depreciated:				
DOE Property Transferred	9,000,103	1,533,637	211,148	10,322,592
Automobiles	538,664	179,995	-	718,659
Buildings	17,259,731	69,908	-	17,329,639
Furniture	67,298	-	-	67,298
Computer Equipment	366,435	-	-	366,435
Improvements	55,618,928	505,490	-	56,124,418
Infrastructure	1,885,943	-	-	1,885,943
Machinery and Equipment	9,649,546	26,775	278,512	9,397,809
Total Capital Assets, Being Depreciated	94,386,648	2,315,805	489,659	96,212,793
Total Capital Assets, Before Depreciation	120,509,987	15,604,611	2,273,893	133,840,704
Less Accumulated Depreciation:				
DOE Property Transferred	923,549	607,904	86,112	1,445,340
Automobiles	210,710	72,265	-	282,975
Buildings	2,912,316	358,650	-	3,270,966
Computer Equipment	291,480	35,701	-	327,181
Furniture	65,048	2,249	-	67,298
Improvements	13,057,628	1,354,567	-	14,412,195
Infrastructure	569,805	50,110	-	619,914
Machinery and Equipment	6,119,633	520,195	257,308	6,382,520
Total Accumulated Depreciation	24,150,169	3,001,640	343,420	26,808,389
Capital Assets, Net	\$ 96,359,817	\$ 12,602,971	\$ 1,930,473	\$ 107,032,315

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(4) Long-Term Debt

A summary of changes in long-term debt follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Accrued Compensated Absences	\$ 1,424,996	\$ 1,732,257	\$ 1,176,259	\$ 1,980,994	\$ 990,497
Asset Retirement Obligation	1,196,885	393,519	-	1,590,404	-
Xenon Notes Payable	3,121,190	-	-	3,121,190	-
	<u>\$ 5,743,071</u>	<u>\$ 2,125,776</u>	<u>\$ 1,176,259</u>	<u>\$ 6,692,589</u>	<u>\$ 990,497</u>

Xenon Notes Payable

Loan Agreements with S.D. Community Foundation (SDCF), S.D. State University Foundation (SDSUF), and University of S.D. Foundation (USDF) to purchase Xenon.

Repayment of Xenon Notes Payable

Each Foundation's share of Xenon shall be sold at a time such that the loans will be paid by the maturity date provided by the loan documents. Furthermore, if the SDSTA sells Xenon for more than the cost to purchase it, the Foundations shall be paid the full principal amount payable plus an amount equal to the Average Return times the number of liters of Xenon purchased using Foundation Funds. The "Average Return" means the total price received for the sale of all Xenon owned by SDSTA within the Project minus the amount paid to all Foundations providing funding, with the difference then divided by the total number of liters sold. Furthermore, if the SDSTA fails to pay any payment required on or before the due date, the Foundations may declare the entire remaining balance immediately due and payable.

The loans are 13 year, unsecured non recourse loans with 2.5% simple interest paid quarterly. The SDCF note is due on October 1, 2028. The SDSUF and USDF notes are due December 31, 2028.

Also see Note 8. \$ 3,121,190

The annual requirements to amortize long-term debt outstanding as of June 30, 2024, are as follows:

	Xenon Notes Payable	
	Interest	Principal
2025	\$ 78,030	\$ -
2026	78,030	-
2027	78,030	-
2028	78,030	-
2029	32,780	3,121,190
Total	<u>\$ 344,899</u>	<u>\$ 3,121,190</u>

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(4) Long-Term Debt (Continued)

Asset Retirement Obligation (ARO)

South Dakota Science and Technology Authority has deemed there would be costs associated with closing the SURF facility, if abandoning the site would occur. Outside regulatory agencies that would be involved with oversight of the closure would be the U.S. Environmental Protection Agency, and the South Dakota Department of Agriculture and Natural Resources. The capital assets on SDSTA’s financial statements that would be included in the asset retirement obligation are land, above ground and underground infrastructure, and buildings. We used a team of internal experts to develop the estimate including: mining engineers, mechanical engineers, construction managers, heavy equipment experts, all with expertise in mining, underground, and environmental industries. The methods and assumptions used by these experts were to estimate hours associated with completing the below tasks using a current average salary and benefit rate, plus any associated contractor fees. Using these assumptions, they have determined the below actions would need to be taken and associated costs incurred:

SDSTA Estimate:		
SURF Site Closure Cost		
Project 1.	Shutdown Dewatering System	\$ 19,662
Project 2.	Secure Surface to UG Access Points	120,926
Project 3.	Remove Underground Hazardous Materials	168,560
Project 4.	Underground Inspection/Documentation	257,482
Project 5.	Utility Reduction	8,739
Project 6.	Secure Surface Area(s) and Building	119,662
Project 7.	Secure Yates Shaft Entrance	120,885
Project 8.	Secure Ross Shaft Entrance	120,885
Project 9.	Secure Oro Hondo Shaft Entrance	82,385
Project 10.	Secure 5 Shaft Entrance	142,770
Project 11.	Remove Hoists from Service	31,210
Project 12.	Remove Hazardous Material from Surface	79,156
	Contingency	318,081
	Grand Total	\$ 1,590,404

Per our land donation agreement from Homestake Mining Company in 2006, we assumed all liability for closure, and were obligated to restrict \$1,000,000 for such an event; SDSTA complied with this agreement. Since then, interest has accrued and been restricted by SDSTA; current restricted and separately reported cash on hand for site abandonment is \$1,641,824.

For calculating useful life of this liability, we correlate to our relationship with LBNF/DUNE (Long Based Neutrino Facility/Deep Underground Neutrino Experiment). This relationship is expected to continue until 2045 per the Snowmass/P5 (Particle Physics Project Prioritization Panel), thus we deem a conservative useful life of 30 years.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

(5) Xenon

Xenon on hand is valued at a purchase cost per liter with additional freight, customs, and analysis charges. Total Xenon purchased to date is \$8,687,833 as shown by the detail below.

<u>Fiscal Year</u>	<u># of Liters</u>	<u>Total Cost</u>	<u>Average Cost/Liter</u>
2014	20,000	\$332,855	\$16.64/liter
2016	200,000	1,273,808	6.37/liter
2017	600,295	3,433,693	5.72/liter
2018	260,000	1,473,544	5.67/liter
2019	300,000	1,650,450	5.50/liter
2020	140,000	770,000	5.50/liter
2023	(45,274)	(246,517)	5.89/liter
Total on Hand	1,475,021	\$8,687,833	\$ 5.89/liter

(6) Retirement/Pension Plan

Plan Information:

All employees, working more than 20 hours per week during the year, participate in the South Dakota Retirement System (SDRS). SDRS is a hybrid defined benefit plan designed with several defined contribution plan type provisions and is administered by SDRS to provide retirement benefits for employees of the State of South Dakota and its political subdivisions. The SDRS provide retirement, disability, and survivor benefits. The right to receive retirement benefits vests after three years of credited service. Authority for establishing, administering, and amending plan provisions are found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at <http://sdrs.sd.gov/publications.aspx> or by writing to the SDRS, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731.

Benefits Provided:

SDRS has four classes of members: Class A general members, class B public safety and judicial members, Class C Cement Plant Retirement Fund members, and Class D Department of Labor and Regulation members.

Members that were hired before July 1, 2017, are Foundation members. Class A Foundation members and Class B Foundation members who retire after age 65 with three years of contributory service are entitled to an unreduced annual retirement benefit. An unreduced annual retirement benefit is also available after age 55 for Class A Foundation members where the sum of age and credited service is equal to or greater than 85 or after age 55 for Class B Foundation judicial members where the sum of age and credited service is equal to or greater than 80. Class B Foundation public safety members can retire with an unreduced annual retirement benefit after age 55 with three years of contributory service. An unreduced annual retirement benefit is also available after age 45 for Class B Foundation public safety members where the sum of age and credited service is equal to or greater than 75. All Foundation retirement benefits that do not meet the above criteria may be payable at a reduced level. Class A and B eligible spouses of foundation members will receive a 60 percent joint survivor benefit when the member dies.

Members that were hired on/after July 1, 2017, are Generational members. Class A Generational members and Class B Generational judicial members who retire after age 67 with three years of contributory service are entitled to an unreduced annual retirement benefit. Class B Generational public safety members can retire with an unreduced annual retirement benefit after age 57 with three years of contributory service. At retirement, married Generational members may elect a single-life benefit, a 60 percent joint and survivor benefit, or a 100 percent joint and survivor benefit. All Generational retirement benefits that do not meet the above criteria may be payable at a reduced level. Generational members will also have a variable retirement account (VRA) established, in which they will receive up to 1.5 percent of compensation funded by part of the employer contribution. VRA's will receive investment earnings based on investment returns.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(6) Retirement/Pension Plan (Continued)

Legislation enacted in 2017 established the current COLA process. At each valuation date:

- Baseline actuarial accrued liabilities will be calculated assuming the COLA is equal to the long-term inflation assumption of 2.25%.
- If the fair value of assets is greater or equal to the baseline actuarial accrued liabilities, the COLA will be:
 - The increase in the 3rd quarter CPI-W, no less than 0.5% and no greater than 3.5%.
- If the fair value of assets is less than the baseline actuarial accrued liabilities, the COLA will be:
 - The increase in the 3rd quarter CPI-W, no less than 0.5% and no greater than a restricted maximum such that, that if the restricted maximum is assumed for future COLA's, the fair value of assets will be greater or equal to the accrued liabilities.

Legislation enacted in 2021 reduced the minimum COLA from 0.5 percent to 0.0 percent.

All benefits except those depending on the Member's Accumulated Contributions are annually increased by the Cost-of-Living Adjustment.

Contributions:

Per SDCL 3-12, contribution requirements of the active employees and the participating employers are established and may be amended by the SDRS Board. Covered employees are required by state statute to contribute the following percentages of their salary to the plan; Class A Members 6.0% of salary; Class B Judicial Members, 9.0% of salary; and Class B Public Safety Members, 8.0% of salary. State Statute also requires the employer to contribute an amount equal to the employee's contribution. The SDSTA's share of contributions to the SDRS for the fiscal years ended June 30, 2024, 2023, and 2022, equal to required contributions each year, were as follows: \$1,060,468, \$962,630, and \$880,457, respectively.

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions:

As of June 30, 2022, SDRS is 100.1% funded and accordingly has a net pension asset. The proportionate share of the components of the net pension asset of the South Dakota Retirement System for the SDSTA as of the measurement period ending June 30, 2023, and reported by the SDSTA as of June 30, 2024, are as follows:

Proportionate share of pension liability	\$	90,133,123
Less Proportionate share of net pension restricted for pension benefits		90,193,833
Proportionate share of net pension liability (asset)	<u>\$</u>	<u>(60,711)</u>

At June 30, 2024, the SDSTA reported a liability (asset) of \$ (60,711) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, and the total pension liability (asset) used to calculate the net pension asset was based on a projection of the SDSTA's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2023, the SDSTA's proportion was 0.62200700% which is an increase of 0.0074670% from its proportion measured as of June 30, 2022.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

(6) Retirement/Pension Plan (Continued)

For the year ended June 30, 2024, the SDSTA recognized pension expense of \$108,756. At June 30, 2024, the SDSTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience.	\$ 1,720,873	\$ -
Changes in assumption.	2,075,613	3,034,084
Net Difference between projected and actual earnings on pension plan investments.	404,191	-
Changes in proportion and difference between SDSTA contributions and proportionate share of contributions.	(9,988)	11,353
SDSTA contributions subsequent to the measurement date.	1,060,468	-
TOTAL	\$ 5,251,158	\$ 3,045,437

\$1,060,468 reported as deferred outflow of resources related to pensions resulting from the SDSTA's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year Ended June 30:

2025	\$ 813,050
2026	(923,260)
2027	1,171,439
2028	84,023
TOTAL	\$ 1,145,253

Actuarial Assumptions:

The total pension liability (asset) in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 %
Salary Increases	Graded by year of service, from 7.66% at entry to 3.15% after 25 years of service.
Discount Rate	6.50% net of plan investment expense. This is composed of an average inflation rate of 2.50% and real returns of 4.00%
Future COLAs	1.91%

All mortality rates are based on Pub-2010 amount-weighted mortality tables, projected generationally with improvement scale MP-2020.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(6) Retirement/Pension Plan (Continued)

Active and Terminated Vested Members:

- Teachers, Certified Regents, and Judicial: PubT-2010
- Other Class A Members: PubG-2010
- Public Safety Members: PubS-2010

Retired Members:

- Teachers, Certified Regents, and Judicial Retirees: PubT-2010, 108% of rates above age 65
- Other Class A Retirees: PubG-2010, 93% of rates through age 74, increasing by 2% per year until 111% of rates at age 83 and above.
- Public Safety Retirees: PubS-2010, 102% of rates at all ages

Beneficiaries:

- PubG-2010 contingent survivor mortality table

Disabled Members:

- Public Safety: PubS-2010 disabled member mortality table
- Others: PubG-2010 disabled member mortality table

The actuarial assumptions used in the June 30, 2023, valuation was based on the results of an actuarial experience study for the period of July 1, 2016, to June 30, 2022.

Investment portfolio management is the statutory responsibility of the South Dakota Investment Council (SDIC), which may utilize the services of external money managers for management of a portion of the portfolio. SDIC is governed by the Prudent Man Rule (i.e., the council should use the same degree of care as a prudent man). Current SDIC investment policies dictate limits on the percentage of assets invested in various types of vehicles (equities, fixed income securities, real estate, cash, private equity, etc.). The long-term expected rate of return on pension plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2023 (see the discussion of the pension plan’s investment policy) are summarized in the following table using geometric means:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Public Equity	56.3%	3.8%
Investment Grade Debt	22.8%	1.7%
High Yield Debt	7.0%	2.7%
Real Estate	12.0%	3.5%
Cash	1.9%	0.8%
Total	<u>100%</u>	

Discount Rate:

The discount rate used to measure the total pension liability (asset) was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that matching employer contributions will be made at rates equal to the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(6) Retirement/Pension Plan (Concluded)

Sensitivity of (asset) to changes in the discount rate:

The following presents the SDSTA’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.50% as well as what the SDSTA’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount</u> <u>Rate</u>	<u>1%</u> <u>Increase</u>
SDSTA’s proportionate share of the net pension liability (asset)	\$12,443,555	\$ (60,711)	\$(10,286,814)

Pension Plan Fiduciary Net Position:

Detailed information about the plan’s fiduciary net position is available in the separately issued SDRS financial report.

(7) Risk Management

The SDSTA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There were no insurance claims exceeding insurance coverage during the past three years. During the period ended June 30, 2024, the SDSTA managed its risks as follows:

Building Structure Charges:

The buildings and permanent structures owned by the SDSTA are not covered by commercial insurance. However, the recently erected MSF and the SLHVC is covered by commercial insurance.

Personal Property Insurance:

The SDSTA purchases insurance for the contents of the administration building from a commercial insurance carrier. However, the contents of the SDSTA’s other buildings are not insured.

Employee Health Insurance:

The SDSTA purchases health insurance for its employees from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Liability Insurance:

The SDSTA purchases liability insurance for risks related to torts, theft or damage of property, errors and omissions of public officials, employee practices liability coverage, employee dishonesty, cybersecurity, and professional engineers’ coverage through its participation in the South Dakota Authority Captive Insurance Company, a component unit of the State of South Dakota. Additional liability coverage including auto liability coverage and environmental liability is purchased from commercial insurance carriers. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Worker’s Compensation:

For the policy renewal date of January 1, 2023, through January 1, 2024, the SDSTA continued to purchase workers’ compensation through a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(7) Risk Management (Continued)

Unemployment Benefits:

The SDSTA provides coverage for unemployment benefits by paying into the Unemployment Compensation Fund established by state law and managed by the State of South Dakota.

(8) Significant Commitments, Contracts, and Subsequent Events

On December 23, 2009, the SDSTA received \$20,000,000 designated as Sanford Gift No.2. Gift No.2 was originally established for the construction of the Sanford Center for Science Education. Two amendments to the Homestake Gift Agreement were signed in June 2010 and October 2011, respectively, whereby it was agreed to use \$15 million of this \$20 million for infrastructure and safety upgrades at the Underground Davis Campus and for replacing steel and other rehabilitation of the Ross Shaft. In early August 2012, the SDSTA signed a third amendment to the Gift Agreement and received the remaining \$15 million of Gift No.2 called for by Section 2 of the Gift Agreement. The Gift No.2 balance of \$20 million was to be held in a restricted fund whereby the principal was not to be expended until a written approval of a business and operational plan for the Sanford Center for Science Education was received from Mr. Sanford. Furthermore, the third amendment allowed the SDSTA to utilize and expend interest and other earnings on Gift No.2 restricted funds. In May, 2013, the SDSTA signed a fourth amendment to the Gift Agreement whereby it was agreed to expend up to \$7,000,000 of Gift No.2 for the construction or remodeling of the Yates Dry Building (located at SURF), the remodeling or replacement of the Lead Homestake Visitor's Center and the remodeling of Jonas Hall (located on the campus of Black Hills State University in Spearfish, SD). This authorization was conditioned on the SDSTA raising \$1.5 million from other sources for the Black Hills State University project and \$1 million for the SURF Homestake Visitor's Center (SLHVC) in Lead. The SDSTA secured a \$2 million Future Fund grant from the State of South Dakota in October 2013 and an additional \$500,000 was received in July 2014 from Great Plains Education Foundation that satisfied this monetary obligation. Both outside facilities agreed in writing to incorporate and use the name "Sanford" in the naming of the facilities. Operating agreements are in place which provide for the ongoing operations of the respective facilities by the Homestake Visitor Center, Inc. and Black Hills State University. Given the construction budget of the SLHVC and the Jonas Science Building renovation costs, it was not possible to undertake the upgrades to the Yates Dry Building. These details were reported in the Fifth Amendment to the Homestake Gift Agreement in February 2015. Furthermore, any part of Gift No.2 not used for the three construction projects may be used for the construction and operation of additional underground laboratory space at SURF to accommodate other experiments, and for related infrastructure to access or support the new laboratory space through the shafts. After the above projects were finished, approximately \$1,000,000 remained. On June 23, 2016, the sixth amendment was signed allowing the SDSTA to use the remaining funds to purchase real estate known as "Ellison Hill" and to conduct needed environmental assessments and remediation of the property. This will provide needed storage and construction material laydown space for the LBNF and DUNE projects. The "Ellison Hill" property was purchased in May 2017. The cost of this remediation was shared equally by the SDSTA and Homestake Mining Company per the purchase agreement.

Remediation of the property was completed in November 2017. At fiscal year-end 2024, a balance of \$10 remained as Gift No. 2 funds. This will be transferred to the SDSTA's operating account.

The SDSTA's long-term cooperative agreement with Homestake Mining Company of California continues. The SDSTA agrees to combine Homestake's wastewater from Grizzly Gulch with the mine wastewater, as well as treat, and discharge the water. For the first year of this agreement, Homestake agreed to pay the SDSTA an amount ranging from \$.58 to \$.84 per 1000 gallons based on average total gallons treated per minute per month. Revenue from this agreement for fiscal years 2024 and 2023 were \$225,078 and \$123,902, respectively. Revenue was higher this last year due continued operation of the deep well pump. The terms of the agreement were amended in September 2020 adjusting the price per 1000 gallons to \$.75 and extending this price and the contract to September 30, 2030. Estimated revenues for the fiscal year 2025 are at \$240,000.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024

(8) Significant Commitments, Contracts, and Subsequent Events (Continued)

A lease between the SDSTA and DOE for land (above ground) and space (underground) for the LBNF was signed on March 29, 2016. The term of the lease goes through April 30, 2036, but shall remain in force thereafter from year to year without further notice but shall in no event extend beyond a total of 65 years. Additional amendments to this lease executed in June 2017 and May 2018 (Amendment #1 and Amendment #2) added additional space in the Ross Dry Facility in support of the Long Baseline Neutrino Facility. An easement was signed with Homestake Mining Company for the construction and maintenance of the Rock Conveyor System for the transportation of excavated rock to the Open Cut (open mine pit) owned by Homestake. The LBNF will include a large experimental facility underground at the 4850'L. Waste rock excavated from that level will be deposited into the Open Cut. An additional easement was negotiated with the City of Lead across their property to construct, maintain, and operate this overhead conveyance system.

Homestake Mining Company agreed with the signing of the Third Amendment to the Property Donation Agreement in August 2015 to release \$2,500,000 from the Indemnification Fund for the SDSTA to fund the captive insurance company. The original appropriation for the indemnification fund found at 2004 SD Session Laws, Chapter 14, Section 1 was revised by the State Legislature per Legislative Session 2015 HB 1186, to allow the use of up to \$2,500,000 to provide initial capital and pay expenses for the SDSTA's purposes in the captive insurance company.

Letter Agreement #1586 was signed in August 2015 between the GOED and the SDSTA whereby the State is granting up to \$6,000,000 between July 14, 2015, and September 30, 2018. The State has chosen to engage in a partnership with the SDSTA, the South Dakota Community Foundation, the South Dakota State University Foundation, and the University of South Dakota Foundation to assist with the costs of infrastructure/laboratory upgrades, procurement of xenon for the LUX-ZEPLIN (LZ) dark matter experiment, and interest payments to these foundations. The full \$6,000,000 has been received from the State as well as \$2,000,000 each from the South Dakota Community Foundation, the University of South Dakota Foundation, and the South Dakota State University Foundation. Loan agreements are in place between the SDSTA and the three foundations for a total of \$6,000,000 to be used for the purchase of xenon for the future LZ experiment. The loans extend to the last quarter of 2026. They are unsecured nonrecourse loans with 2.5% simple interest to be paid quarterly to each lender. The loans will be repaid at the end of the LZ experiment (approximately October 2026) from the sale proceeds of the xenon previously purchased. A total of 1,475,021 liters of xenon are on hand for experiment use. The processed xenon has all been received at SURF and is being used in the LZ experiment.

On November 15, 2023, the SDSTA signed a Promissory Note with the First Interstate Bank for \$5,000,000. This agreement represents a variable rate revolving line of credit. Collateral for this line of credit includes the SDSTA's Account Receivable. The SDSTA has not drawn down any funding from this line of credit. The maturity date is October 31, 2024, at which time we will renew for another one-year term.

The State of South Dakota appropriated \$13 million of general fund moneys through Senate Bill 35 during the 2023 legislative session, for the purposes of expanding laboratory space at the Sanford Underground Research Facility. The SDSTA has contracted with Thyssen Mining Inc. to complete this project. At June 30, 2024, total expended is \$8,267,091.

On July 19, 2024, Sanford Underground Research Facility Foundation received a charitable donation from Thyssen Mining Inc. of the Rock Conveyor System with an appraised value of \$16,500,000. This asset will be transferred to the SDSTA on January 1, 2028.

On September 30, 2019, the SDSTA transitioned to a five-year Cooperative Agreement with the DOE's Office of Science – Integrated Support Center. A five-year extension was approved on September 16, 2024

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2024

(9) Significant Contingencies - Litigation

At June 30, 2024, the SDSTA engaged in no lawsuits.

(10) Construction Work in Process

The SDSTA accumulates the costs of construction projects in Construction Work in Progress until the project is completed and/or placed in service. Some of the ongoing improvement projects are capitalized as they progress. As of June 30, 2024, construction work in progress was at \$17,646,809.

(11) Continuing Operations

On September 30, 2019, the SDSTA transitioned to a five-year Cooperative Agreement totaling to date \$122,133,728 with the DOE's Office of Science – Integrated Support Center. Additionally, SDSTA has been awarded \$31,333,813 in Infrastructure Improvement Projects (IIPs) with \$19,644,990 spent through FY2024; \$3,835,968 has been budgeted in FY2025. The federal fiscal year 2025 proposed operating budget is \$31,441,768. DOE has requested SDSTA submit a proposal to continue operations via a Cooperative Agreement with the Office of Science for the periods 2025-2029, the award will be an extension of the current CA totaling \$208 million with final approval on September 16, 2024.

LBNF/DUNE Logistics Support Services was renewed in August 2024 and will continue with Fermi National Accelerator Laboratory (FNAL) through December 31, 2026, to include general site services through September 30, 2026. Additionally, SDSTA support for the LZ experiment operations through a DOE grant have been extended to February 2025.

(12) Related Party Transactions

SDSTA entered into a contract for marketing consulting services with Turner Lee Consulting & Design, which is owned and operated by a SURF Foundation Board member on July 26, 2022, and terminated on July 25, 2023. The consultant reports to the SDSTA Executive Director. No payments were made in FY2024.

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

(13) Blended Component Unit Condensed Financial Information

**SANFORD UNDERGROUND RESEARCH FACILITY FOUNDATION
CONDENSED STATEMENT OF NET POSITION
JUNE 30, 2024**

ASSETS

Current Assets

Cash in Local Bank	\$	59,176
Contributions Receivable		18,500
Total Current Assets		77,676

TOTAL ASSETS	\$	77,676
---------------------	-----------	---------------

NET POSITION

Restricted for:

Davis-Bachall	\$	15,000
Interns		29,207
Public Outreach		17,465
Visitor Center		12,500
Unrestricted Net Position		3,505

TOTAL NET POSITION	\$	77,676
---------------------------	-----------	---------------

**CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
JUNE 30, 2024**

Restricted Revenue

Garden	\$	4,500
Interns		22,214
Public Outreach		49,100
STEM Education		113
Visitor Center		12,500
Miscellaneous and Unrestricted Revenue		4,293
Total Revenue		92,720

Expenses

Payments to Primary Government	\$	654,714
Total Expenses		654,714

Change in Net Position	(561,995)
-------------------------------	------------------

Net Position -- Beginning of Year	639,670
--	----------------

Net Position -- End of Year	\$ 77,676
------------------------------------	------------------

**CONDENSED STATEMENT OF CASH FLOWS
JUNE 30, 2022**

Cash Provided from Operating Activities		
Cash Received from Donations	\$	74,220
Cash Payments for Operating Activities		(654,714)
Net Decrease in Cash and Cash Equivalents		(580,495)

Cash and Cash Equivalents at Beginning of Year	639,670
--	---------

Cash and Cash Equivalents at End of Year	\$ 59,176
--	------------------

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the Proportionate Share of the Net Pension Liability (Asset) and
Schedule of the SDSTA Contributions

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

South Dakota Retirement System

Last 10 Fiscal Years *

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
SDSTA's proportion of the net pension liability (asset)	0.6220070%	0.6145400%	0.6177040%	0.5665885%	0.4949484%	0.4444633%	0.4881662%	0.5027360%	0.5089089%	0.5287996%
SDSTA's proportionate share of net pension liability (asset)	\$ (60,711)	\$ (58,078)	\$ (4,730,555)	\$ (24,607)	\$ (52,451)	\$ (10,366)	\$ (44,302)	\$ 1,698,193	\$ (2,158,428)	\$ (3,809,788)
SDSTA's covered employer payroll	\$ 15,829,925	\$ 14,431,476	\$ 13,727,913	\$ 12,193,592	\$ 10,237,119	\$ 8,995,993	\$ 9,596,007	\$ 9,256,007	\$ 9,042,866	\$ 8,888,749
SDSTA's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.38%	0.40%	34.46%	0.20%	0.51%	0.12%	0.46%	18.35%	23.87%	42.86%
Plan fiduciary net position as a percentage of the total net pension liability (asset)	100.10%	100.10%	105.52%	100.04%	100.09%	100.02%	100.10%	96.89%	104.10%	107.30%

* The amounts presented for each fiscal year were determined as of the measurement date of the collective net pension liability (asset) which is 6/30 of previous fiscal year.

SCHEDULE OF THE AUTHORITY CONTRIBUTIONS

South Dakota Retirement System

Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,060,468	\$ 962,630	\$ 880,457	\$ 841,062	\$ 746,095	\$ 631,417	\$ 554,398	\$ 595,112	\$ 573,626	\$ 557,420
Contributions in relation to the contractually required contribution	\$ 1,060,468	\$ 962,630	\$ 880,457	\$ 841,062	\$ 746,095	\$ 631,417	\$ 554,398	\$ 595,112	\$ 573,626	\$ 557,420
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SDSTA's covered-employee payroll	\$ 17,195,333	\$ 15,829,925	\$ 14,431,476	\$ 13,727,913	\$ 12,193,592	\$ 10,237,119	\$ 8,995,993	\$ 9,596,007	\$ 9,256,007	\$ 9,042,866
Contributions as a percentage of covered-employee payroll	6.17%	6.08%	6.10%	6.13%	6.12%	6.17%	6.16%	6.20%	6.20%	6.16%

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the Proportionate Share of the Net Pension Liability (Asset) and
Schedule of the SDSTA Contributions (Continued)

Changes from Prior Valuation

The June 30, 2023, Actuarial Valuation reflects no changes to the plan provisions or actuarial methods and one change to the actuarial assumptions from June 30, 2022, Actuarial Valuation.

The details of the changes since the last valuation are as follows:

Benefit Provision Changes

During the 2023 Legislative Session no significant SDRS benefit changes were made and emergency medical services personnel prospectively became Class B Public Safety Members.

Actuarial Assumption Changes

The SDRS COLA equals the percentage increase in the most recent third calendar quarter CPI-W over the prior year, no less than 0% and no greater than 3.5%. However, if the Fair Value Funded Ratio (FVFR) assuming the long-term COLA is equal to the baseline COLA assumption (currently 2.25%) is less than 100%, the maximum COLA payable will be limited to the increase that if assumed on a long-term basis, results in a FVFR equal to or exceeding 100%.

As of June 30, 2022, the FVFR assuming the long-term COLA is equal to the baseline COLA assumption (2.25%) was less than 100% and the July 2023 SDRS COLA was limited to a restricted maximum of 2.10%. For the June 30, 2022 Actuarial Valuation, future COLAs were assumed to equal the restricted maximum COLA assumption of 2.10%.

As of June 30, 2023, the FVFR assuming future COLAs equal to the baseline COLA assumption of 2.25% is again less than 100% and the July 2024 SDRS COLA is limited to a restricted maximum of 1.91%. The July 2024 SDRS COLA will equal inflation, between 0% and 1.91%. For this June 30, 2023, Actuarial Valuation, future COLAs were assumed to equal the restricted maximum COLA of 1.91%.

Actuarial assumptions are reviewed for reasonableness annually and reviewed in depth periodically, with the next experience analysis anticipated before the June 30, 2027, Actuarial Valuation and any recommended changes approved by the Board of Trustees are anticipated to be first implemented in the June 30, 2027 Actuarial Valuation.

Actuarial Method Changes

No changes in actuarial methods were made since the prior valuation.

SUPPLEMENTARY INFORMATION

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

Personnel Services	
Employee Salaries	\$ 15,260,531
Employee Benefits	9,790,099
Total Personal Services	25,050,630
Travel	
Meals and Lodging	197,638
Auto and Fleet Services	65,202
Air - Commercial and Charter	44,532
Incidentals to Travel	8,025
Non-Employee Travel	4,401
Total Travel	319,798
Contractual Services	
Equipment Rental	334,686
Contractual - Other	(896,725)
Insurance	1,665,917
Lobbying	240,000
Computer Services	10,539
Telecommunications	130,349
Monitoring and Programming	29,442
Legal Consultant	92,870
Training	119,489
Consultant Fees - Accounting and Auditing	4,781,110
Promotion and Advancement	68,851
Dues and Memberships	69,503
Utilities	2,276,119
Maintenance and Repairs	307,850
Total Contractual Services	9,230,000
Supplies, Materials and Other Operating Expenses	
Maintenance and Repairs	3,152,844
Other Supplies and Equipment	789,490
Other Expenses	518,793
Office Supplies and Equipment	20,225
Licenses and Permits	50,899
Workshop and Registration Fees	22,480
Postage	2,974
Bank Charges	1,686
Total Supplies, Materials and Other Operating Expenses	4,559,392
Depreciation Expense	2,968,113
Total Operating Expenses	\$ 42,127,933

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Pass-Through Numbers	Federal AL Number	Amount
<i>National Science Foundation</i>			
Pass-Through Black Hills State Universtiy STEM Education - K-12 Teacher Professional Development Support	CT004853	41.076	\$ 19,871
<i>National Science Foundation</i>			
Pass-Through Black Hills State Universtiy STEM Education - SURF Education & Outreach Professioanl Development	CT004854	41.076	\$ 4,188
<i>U.S. Department of Energy</i>			
Pass-Through the Regents of the University of California LUX/Zepplin (LZ) Experiment Operations - Engineer/Research Supp.	7650068	81.UNKNOWN	\$ 75,267
<i>U.S. Department of Energy</i>			
Pass-Through Fermi National Accelerator Laboratory SURF(Sanford Underground Research Facility)LBNF/DUNE Support	674969	81.UNKNOWN	\$ 7,262,295
<i>U.S. Department of Energy</i>			
Pass-Through Fermi National Accelerator Laboratory SURF(Sanford Underground Research Facility)LBNF/DUNE Support	654406	81.UNKNOWN	\$ 27,333
<i>U.S. Department of Energy</i>			
Pass-Through Fermi National Accelerator Laboratory SURF(Sanford Underground Research Facility)LBNF/DUNE Support	711484	81.UNKNOWN	\$ 83,452
<i>U.S. Department of Energy</i>			
Pass-Through Fermi National Accelerator Laboratory SURF(Sanford Underground Research Facility)LBNF Prof.Staff Serv.	671265	81.UNKNOWN	\$ 192,924
<i>U.S. Department of Energy</i>			
Pass-Through Battelle Memorial Institute, Pacific Northwest Division Development, Monitoring, and Control of Fracture Thermal Energy Storage in Crystalline Rock (DEMO-FTES)	700997	81.UNKNOWN	\$ 29,932
<i>U.S. Department of Energy</i>			
Office of Science - Chicago Office of Acquisition/Assistance	HEBYAQ8MUEU3	81.049	\$ 30,765,737
<i>U.S. Department of Energy</i>			
Office of Science - Chicago Office of Acquisition/Assistance	HEBYAQ8MUEU3	81.049	\$ 999,098
<i>National Nuclear Security Administration</i>			
Pass-Through South Dakota School of Mines & Technology Small Business Technology Transfer Program	CT001412	81.RD	\$ 13,558
<i>National Nuclear Security Administration</i>			
Pass-Through South Dakota School of Mines & Technology Small Business Technology Transfer Program	CT005350	81.RD	\$ 25,395
<i>National Aeronautics & Space Administration</i>			
Pass-Through South Dakota School of Mines & Technology South Dakota Space Grant Consortium	80NSSC20M0040	43.UNKNOWN	\$ 5,740
Total			\$ 39,504,789

Note: The schedule of expenditures of federal awards is presented on the cash basis of accounting.

Financial Report—CFO Terry Miller

The Financial Report includes the following:

7A. Financial Summaries for January 2024, *attached. (see suggested motion below)*

7B. Request to increase SDSTA line of credit from \$5 million to \$8 million with First Interstate Bank—Chair Casey Peterson, *discussion. (see suggested motion below)*

Recommended Action:

7A. *Motion to accept financial report as presented.*

7B. *Motion to approve increase in line of credit from \$5,000,000.00 to \$8,000,000.00 with First Interstate Bank as presented and to authorize the executive director and SDSTA board chairperson to sign the loan documents.*

Page
intentionally
blank

DIVISION: ALL

BALANCE SHEET

ASSETS

		AS OF 01/31/25

CURRENT ASSETS		
First Interstate Checking	\$	1,749,083.71

Total in Local Checking		1,749,083.71
SD Treas: Indemnification		7,500,000.00
SD Treas: Mine Closure		1,631,104.50
SD Treas: Operating		1,275,910.58
SD Treas: SB35 Appropriation		241,161.70
SD Treas: Experiments		516,269.79

Total with SD Treasurer		11,164,446.57
Billed A/R		1,665,404.96
Unbilled A/R		1,304,090.59
Other A/R		428,542.58
Inventory - Supplies		2,135,473.49
Inventory - Warehouse		398,291.88
Other Current Assets		1,587,893.78

Total Current Assets		20,433,227.56
FIXED ASSETS		
Land, Underground & Other		12,793,484.40
Bldgs & Infrastructure		19,215,582.35
Improvements		63,312,036.57
Work in Progress		11,548,590.23
Computer Equipment		394,495.88
Equipment & Fixtures		9,873,301.85
DOE Property Transfer		18,313,829.22
Accum Depr & Amort		(26,411,742.13)
DOE Prop. Accum Deprec.		(1,896,479.17)

Total Fixed Assets		107,143,099.20
OTHER ASSETS		
Asset Retirement Obligation Deferred Outflows		1,129,637.92
Asset Retirement Obligation Accumulated Depr.		(75,309.20)
Pension Deferred Outflows		5,311,868.62
Xenon Purchased		8,687,833.46

Total Other Assets		15,054,030.80
TOTAL ASSETS	\$	=====
		142,630,357.56
		=====

DIVISION: ALL

BALANCE SHEET

LIABILITIES & EQUITY

		AS OF 01/31/25

CURRENT LIABILITIES		
Accounts Payable	\$	1,552,460.88
Other Payables		651,148.54

Total Accounts Payable		2,203,609.42
Accrued Payroll Liab		2,432,982.98

Total Current Liabilities		4,636,592.40
OTHER LIABILITIES		
LT Xenon Notes Payable		3,121,190.01
Pension Deferred Inflows		3,045,436.77
Asset Retirement Obligation		1,590,404.24

Total Other Liabilities		7,757,031.02
EQUITY		
Restricted: Indemnification		7,500,000.00
Restricted: SB35 Appropriation		241,161.70
Restricted: Mine Closure		1,631,104.50
Restricted: Pension		2,266,431.85
Restricted: Experiment. Int.		516,269.79

Total Restricted Funds		12,154,967.84
Investment in Gen FA		107,143,099.20
Unrestricted Funds		10,938,667.10

Total Equity		130,236,734.14
		=====
TOTAL LIABILITIES & EQUITY	\$	142,630,357.56
		=====

ALL

STATEMENT OF INCOME

FOR THE PERIOD ENDING 1/31/2025

	YR-TO-DATE

REVENUE	
DOE Subcontracts	\$ 27,984,574.43
Checking Interest	2,611.91
Interest Income	141,253.04

TOTAL REVENUE	28,128,439.38
DIRECT COSTS	
Direct Labor	5,997,880.86
Board of Directors	11,964.51
Capital Outlay >\$5K	125,189.87
Contractual Svcs	12,884,054.98
Inventory	220,133.12
Supplies	1,090,721.49
Travel - Domestic	148,986.58
Travel - Foreign	12,355.67
Utilities	1,309,746.67
Other Direct Costs	76,063.98
Unallow/Unbill Costs	126,251.48

TOTAL DIRECT COSTS	22,003,349.21
INDIRECT COSTS	
Fringe Benefits	5,334,917.94
Overhead	7,054,119.91

TOTAL INDIRECT COSTS	12,389,037.85

GROSS PROFIT/LOSS ()FROM OPERATIONS	(6,263,947.68)

OTHER INCOME	
Water Treatment	140,913.49
Miscellaneous Income	26,179.18
Other Operating Income	152,145.00

TOTAL OTHER INCOME	319,237.67
OTHER EXPENSES	
Misc. Expenses & Donations	(2,065,457.24)
Loss (Gain) on Sale of FA	425,434.98
Other Unallowable Expense	460,957.17
Reclass Incr Net Assets	110,782.41

TOTAL OTHER EXPENSES	(1,068,282.68)
	=====
NET INCOME/LOSS ()	\$ (4,876,427.33)
	=====

DIVISION: ALL

COMPARATIVE BALANCE SHEET

ASSETS

	AS OF 01/31/25	AS OF 01/31/24	\$ CHANGE	% CHANGE
CURRENT ASSETS				
First Interstate Checking	\$ 1,749,083.71	\$ 2,408,903.72	\$ (659,820.01)	-27.39%
Total in Local Checking	1,749,083.71	2,408,903.72	(659,820.01)	-27.39%
SD Treas: Indemnification	7,500,000.00	7,500,000.00	-	0.00%
SD Treas: Mine Closure	1,631,104.50	1,567,504.94	63,599.56	4.06%
SD Treas: Operating	1,275,910.58	1,643,238.62	(367,328.04)	-22.35%
SD Treas: SB35 Appropriation	241,161.70	11,775,512.35	(11,534,350.65)	100.00%
SD Treas: Experiments	516,269.79	570,118.85	(53,849.06)	-9.45%
Total with SD Treasurer	11,164,446.57	23,056,374.76	(11,891,928.19)	-51.58%
Billed A/R	1,665,404.96	2,208,454.25	(543,049.29)	-24.59%
Unbilled A/R	1,304,090.59	77,061.99	1,227,028.60	1592.26%
Other A/R	428,542.58	557,365.95	(128,823.37)	-23.11%
Inventory - Supplies	2,135,473.49	3,300,161.33	(1,164,687.84)	-35.29%
Inventory - Warehouse	398,291.88	494,199.59	(95,907.71)	-19.41%
Other Current Assets	1,587,893.78	1,815,759.79	(227,866.01)	-12.55%
Total Current Assets	20,433,227.56	33,918,281.38	(13,485,053.82)	-39.76%
FIXED ASSETS				
Land, Underground & Other	12,793,484.40	12,793,484.40	-	0.00%
Bldgs & Infrastructure	19,215,582.35	19,215,582.35	-	0.00%
Improvements	63,312,036.57	63,312,036.57	-	0.00%
Work In Progress	11,548,590.23	6,039,722.86	5,508,867.37	91.21%
Computer Equipment	394,495.88	366,435.18	28,060.70	7.66%
Equipment & Fixtures	9,873,301.85	10,282,282.28	(408,980.43)	-3.98%
DOE Property Transfer	18,313,829.22	10,395,464.03	7,918,365.19	76.17%
Accum Depr & Amort	(26,411,742.13)	(24,575,050.20)	(1,836,691.93)	7.47%
DOE Prop. Accum Deprec.	(1,896,479.17)	(1,253,411.27)	(643,067.90)	51.31%
Total Fixed Assets	107,143,099.20	96,576,546.20	10,566,553.00	10.94%
OTHER ASSETS				
Asset Retirement Obligation Deferred Outflows	1,129,637.92	1,129,637.92	-	0.00%
Asset Retirement Obligation Accumulated Depr.	(75,309.20)	(37,654.60)	(37,654.60)	100.00%
Pension Deferred Outflows	5,311,868.62	5,823,104.49	(511,235.87)	-8.78%
Xenon Purchased	8,687,833.46	8,687,833.46	-	0.00%
Total Other Assets	15,054,030.80	15,602,921.27	(548,890.47)	-3.52%
TOTAL ASSETS	\$ 142,630,357.56	\$ 146,097,748.85	\$ (3,467,391.29)	-2.37%

DIVISION: ALL

COMPARATIVE BALANCE SHEET

LIABILITIES & EQUITY

	AS OF 01/31/25	AS OF 01/31/24	\$ CHANGE	% CHANGE
CURRENT LIABILITIES				
Accounts Payable	\$ 1,552,460.88	\$ 1,974,299.34	(421,838.46)	-21.37%
Other Payables	651,148.54	4,649.19	646,499.35	13905.63%
	-----	-----	-----	-----
Total Accounts Payable	2,203,609.42	1,978,948.53	224,660.89	11.35%
Accrued Payroll Liab	2,432,982.98	1,697,662.07	735,320.91	43.31%
	-----	-----	-----	-----
Total Current Liabilities	4,636,592.40	3,676,610.60	959,981.80	26.11%
OTHER LIABILITIES				
LT Xenon Notes	3,121,190.01	3,121,190.01	-	0.00%
Pension Deferred Inflows	3,045,436.77	3,447,916.22	(402,479.45)	-11.67%
Asset Retirement Obligation	1,590,404.24	1,196,884.99	393,519.25	32.88%
	-----	-----	-----	-----
Total Other Liabilities	7,757,031.02	7,765,991.22	(8,960.20)	-0.12%
	-----	-----	-----	-----
TOTAL LIABILITIES	12,393,623.42	11,442,601.82	951,021.60	8.31%
EQUITY				
Restricted: Indemnificati	7,500,000.00	7,500,000.00	-	0.00%
Restricted: SB35 Appropriation	241,161.70	11,775,512.35	(11,534,350.65)	100.00%
Restricted: Mine Closure	1,631,104.50	1,567,504.94	63,599.56	4.06%
Restricted: Pension	2,266,431.85	2,375,188.27	(108,756.42)	-4.58%
Restricted: Experim. Int.	516,269.79	570,118.85	(53,849.06)	-9.45%
	-----	-----	-----	-----
Total Restricted Funds	12,154,967.84	23,788,324.41	(11,633,356.57)	-48.90%
Investment in Gen FA	107,143,099.20	96,576,546.20	10,566,553.00	10.94%
Unrestricted Funds	10,938,667.10	14,290,276.42	(3,351,609.32)	-23.45%
	-----	-----	-----	-----
TOTAL EQUITY	130,236,734.14	134,655,147.03	(4,418,412.89)	-3.28%
	=====	=====	=====	=====
TOTAL LIABILITIES & EQUITY	\$ 142,630,357.56	\$ 146,097,748.85	\$ (3,467,391.29)	-2.37%
	=====	=====	=====	=====

COMPARATIVE STATEMENT OF INCOME

FOR THE PERIOD ENDING 01/31/2025

	YEAR TO DATE	PRIOR YEAR TO DATE	\$ CHANGE	% CHANGE
REVENUE				
DOE Subcontracts	\$ 27,984,574.43	\$ 21,162,107.11	\$ 6,822,467.32	32.24%
Checking Interest	2,611.91	5,034.42	(2,422.51)	-48.12%
Interest Income	141,253.04	208,749.69	(67,496.65)	-32.33%
TOTAL REVENUE	28,128,439.38	21,375,891.22	6,752,548.16	31.59%
DIRECT COSTS				
Direct Labor	5,997,880.86	5,444,983.65	552,897.21	10.15%
Board of Directors	11,964.51	7,092.91	4,871.60	68.68%
Capital Outlay >\$5K	125,189.87	1,398,482.00	(1,273,292.13)	100.00%
Contractual Svcs	12,884,054.98	3,961,881.43	8,922,173.55	225.20%
Inventory	220,133.12	165,636.67	54,496.45	32.90%
Supplies	1,090,721.49	1,351,602.64	(260,881.15)	-19.30%
Travel - Domestic	148,986.58	103,466.10	45,520.48	44.00%
Travel - Foreign	12,355.67	12,773.21	(417.54)	-3.27%
Utilities	1,309,746.67	1,212,647.26	97,099.41	8.01%
Other Direct Costs	76,063.98	160,365.63	(84,301.65)	-52.57%
Unallow/Unbill Costs	126,251.48	132,907.45	(6,655.97)	-5.01%
TOTAL DIRECT COSTS	22,003,349.21	13,951,838.95	8,051,510.26	57.71%
INDIRECT COSTS				
Fringe Benefits	5,334,917.94	5,335,955.50	(1,037.56)	-0.02%
Overhead	7,054,119.91	6,419,544.30	634,575.61	9.89%
TOTAL INDIRECT COSTS	12,389,037.85	11,755,499.80	633,538.05	5.39%
GROSS PROFIT/LOSS ()	(6,263,947.68)	(4,331,447.53)	(1,932,500.15)	517.81%
OTHER INCOME				
Water Treatment	140,913.49	160,139.06	(19,225.57)	-12.01%
Miscellaneous Income	26,179.18	22,615.50	3,563.68	15.76%
Other Operating Income	152,145.00	101,389.49	50,755.51	50.06%
TOTAL OTHER INCOME	319,237.67	284,144.05	35,093.62	12.35%
OTHER EXPENSES				
Misc. Expenses & Donations	(2,065,457.24)	(3,182,895.17)	1,117,437.93	-35.11%
Loss (Gain) on Sale of FA	425,434.98	15,282.62	410,152.36	2683.78%
Other Unallowable Expense	460,957.17	344,790.64	116,166.53	33.69%
Reclass Incr Net Assets	110,782.41	216,724.98	(105,942.57)	-48.88%
TOTAL OTHER EXPENSES	(1,068,282.68)	(2,606,096.93)	1,537,814.25	-59.01%
NET INCOME/LOSS ()	\$ (4,876,427.33)	\$ (1,441,206.55)	\$ (3,435,220.78)	238.36%

South Dakota Science & Technology Authority
Available Resources
1/31/2025

Cash Total Checking	\$	1,749,084
Cash With State Treasurer	\$	<u>11,164,447</u>
Total Cash	\$	12,913,530
Less: Restricted Funds		
Indemnification/Mine Closure	\$	(9,131,105)
SB35 Appropriation	\$	(241,162)
Experiments (Xenon, Interest, Infrastructure)	\$	(516,270)
Total Cash Available for Infrastructure Upgrades and Authority Operations	\$	3,024,994
Plus: Accounts Receivable Billed	\$	1,665,405
FY21 and FY22 Indirect True up in A/R above	\$	712,770
Transfer request from the SB35 Appropriation	\$	97,788
Accounts Receivable Unbilled	\$	1,304,091
Less: Current Liabilities (Accounts Payable & Accrued Payroll)	\$	(4,636,592)
Available Cash and Receivables	\$	<u><u>2,168,455</u></u>

SDSTA Operating Budget Summary FY2025

Actual vs Budget
January 2025 & YTD

	January 2025	Budget	\$ Over/Under Budget	% of Budget	Actual YTD	YTD Budget	\$ Over/Under Budget	% of Budget	% Remaining
									100%
SDSTA (Authority) Direct Charges									
Board of Directors	\$179	\$2,410	\$2,231	7.42%	\$12,613	\$16,870	\$4,257	74.77%	25.23%
Executive Office	\$95,835	\$65,316	(\$30,519)	146.73%	\$558,361	\$458,915	(\$99,446)	121.67%	-21.67%
SURF Institute	\$17,110	\$14,598	(\$2,512)	117.21%	\$177,971	\$139,102	(\$38,869)	127.94%	-27.94%
Science Center E & O	\$573	\$250	(\$323)	229.05%	\$69,308	\$51,750	(\$17,558)	133.93%	-33.93%
SURF Foundation	\$26,626	\$30,786	\$4,160	86.49%	\$175,316	\$215,530	\$40,214	81.34%	18.66%
Science Liaison	\$1,782	\$0	(\$1,782)	100.0%	\$708	\$0	(\$708)	100%	NA
SLHVC (Visitor Center)	\$23,921	\$28,375	\$4,454	84.3%	\$200,097	\$193,860	(\$6,237)	103.22%	-3.22%
Subtotal	\$166,026	\$141,735	(\$24,291)	117.14%	\$1,194,373	\$1,076,027	(\$118,346)	111.00%	-11.00%
Federal/State Funding - Direct Charges									
FRA C#671265 Prof. St.Services	\$9,514	\$11,128	\$1,614	85.49%	\$94,818	\$77,897	(\$16,921)	121.72%	-21.72%
FRA C#674969 Logs Support and / C#713179 BSI Logs Support	\$149,562	\$301,020	\$151,458	49.69%	\$1,462,381	\$2,107,140	\$644,759	69.40%	30.60%
Fermi C#711484 Gen Site Services	\$10,783	\$42,718	\$31,935	25.24%	\$98,591	\$299,024	\$200,433	32.97%	67.03%
Fermi C#711513 Electrical Study	\$35,238	\$35,238	\$0	100.0%	\$35,238	\$35,238	\$0	100.00%	0.00%
Office of Science Coop.Agree	\$1,440,901	\$1,857,664	\$416,763	77.57%	\$10,874,312	\$11,136,647	\$262,335	97.64%	2.36%
Office of Science IIP Projects	\$454,143	\$454,143	\$0	100.0%	\$6,797,349	\$6,797,349	\$0	0.00%	0.00%
LBNL LZExp.Operat.C#7650068 & DE-SC0022857	\$46,718	\$53,288	\$6,571	87.67%	\$348,696	\$373,018	\$24,322	93.48%	6.52%
Battelle Mem. Inst - DEMO-FTES	\$401	\$1,958	\$1,557	20.49%	\$15,253	\$13,707	(\$1,546)	111.28%	-11.28%
MJD (Majorana) SDSM&T CT005350 CT008480	\$2,196	\$2,008	(\$188)	109.35%	\$14,445	\$14,056	(\$389)	102.76%	-2.76%
BHSU E & O - CT004853 & CT004854	\$4,538	\$10,158	\$5,620	44.67%	\$29,110	\$56,724	\$27,614	51.32%	48.68%
* Kiewit/Thyssen/DakotaT.	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.00%	100.00%
* Caterpillar Inc.	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.00%	100.00%
Subtotal	\$2,153,993	\$2,769,324	\$615,330	77.78%	\$19,770,193	\$20,910,800	\$1,140,607	94.55%	5.45%
Indirect Expenses									
Indirect Charges Personnel	\$594,492	\$689,022	\$94,531	86.28%	\$3,107,603	\$4,595,151	\$1,487,549	67.63%	32.37%
Indirect Charges Other	\$507,607	\$666,740	\$159,133	76.13%	\$4,289,885	\$4,974,659	\$684,774	86.23%	13.77%
Subtotal	\$1,102,099	\$1,355,763	\$253,663	81.29%	\$7,397,487	\$9,569,810	\$2,172,323	77.30%	22.70%
Totals	\$3,422,118	\$4,266,821	\$844,702	80.2%	\$28,362,053.25	\$31,556,636.96	\$3,194,584	89.88%	10.12%
* Private Corporations (Commercial Group)									

SURF Foundation—Ms. Annie Averitt

SURF Foundation update.

Recommended Action:
Informational.

Page
intentionally
blank

Executive Director's Report—Mr. Mike Headley

The Executive Director's Report includes the following:

- 9A. Declaration of surplus—End-of-life projector, *informational*.
- 9B. SDSTA quarterly update—Director Headley, *presentation*.
- 9C. Top-Down Maintenance update—SDSTA Chief Operating Officer Wendy Straub, *presentation*.
- 9D. The Institute for Underground Science at SURF update—The Institute Program Manager Stacie Granum, *presentation*.

(See recommended motion below.)

Recommended Action:

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

Page
intentionally
blank


Declaration of Surplus Property

The South Dakota Science and Technology Authority (SDSTA) owns the listed item below that has reached end-of-life. It is fully depreciated, operational, and will be designated as surplus for donation:

- Hitachi Projector
 - Model: CP-WU9411 (SN: F4H000066): Donation to Homestake Opera House

Having no further use for this property, I hereby declare the listed item to be Surplus Property.

Dated at Lead, South Dakota this 8th day of January 2025.


Mike Headley (Jan 8, 2025 08:15 MST)
Mike Headley
SDSTA Executive Director

Revision History

Rev	Date	Section	Paragraph	Summary of Change	Authorized by
01	10/30/2023	NA	NA	Initial Release	CCR

Page intentionally
blank



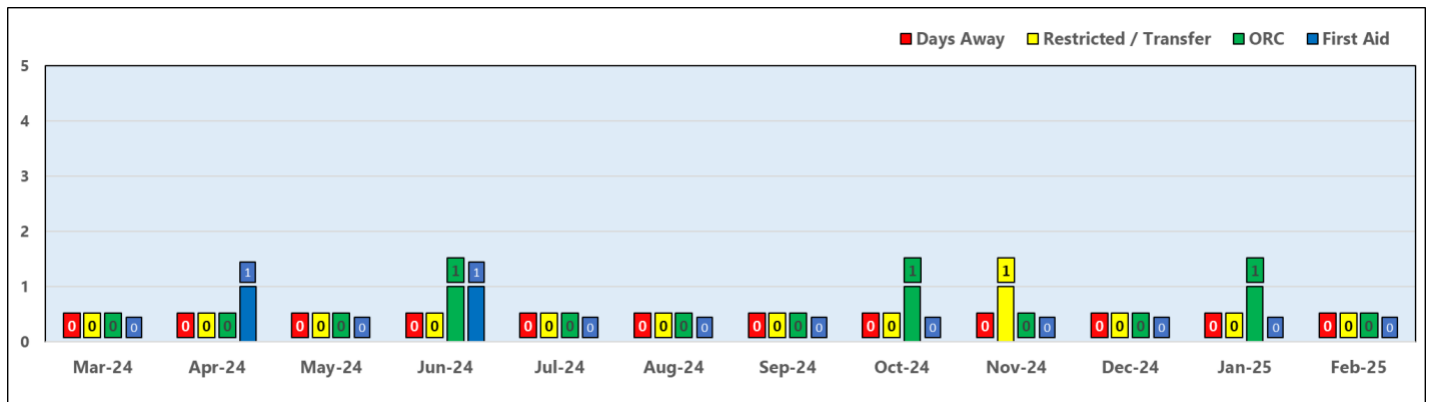
December 2024 – February 2025 Progress Report

*Submitted on March 12, 2025, to the
South Dakota Science and Technology Authority Board of Directors*

*Mike Headley
SDSTA Executive Director
SURF Laboratory Director*

Environment, Safety and Health (ESH) Status

Health and Safety Status



SDSTA Rolling 12 Months – Days Away Restricted or Transferred Rate 1.05

December 2024 thru February 2025: Recordable Cases

- 1/26/25: Other Recordable Case – Employee debris in eye

December 2024 thru February 2025: First Aid Cases

- N/A

ESH Support

- Amelia Pearson – Training Specialist
- Michelle Andresen – ESH Experiment and Construction Safety Specialist

Work Accomplishments

- Updates to the Integrated Management System (IMS) procedures, Crisis Communications Standard, Fire Protection and Prevention Standard, Lockout Tagout Standard, Spill Reporting Standard, Severe Weather Management Standard, and Safeguard and Security Standard were approved.
- ESH completed a site inspection of the 4100 level with the leadership from Pacific Northwest National Laboratory.
- A plan has been developed for ergonomic assessments for new hires that will supplement the existing formal process. This will address an Environment, Safety, Health Advisory Committee recommendation.
- ESH hosted the Q4 South Dakota Office of Risk Management compliance visit on the 4100 level. No deficiencies were found.
- SDSTA conducted a tabletop exercise with Fermi Forward Discovery Group to practice the crisis communications procedures, including notifications to stakeholders. This exercise was a success with some valuable lessons learned.
- The Q4 underground emergency evacuation drill was conducted. All persons were accounted for and safely evacuated via the Ross.
- ERT completed the quarterly inspections on all refuge chambers and resource bins.
- Air monitoring and samples were taken for the dust being generated by the Yates Shaft maintenance. Results for both total and respirable dust were below the OSHA Permissible Exposure Limits (PEL). The results show that silica levels remained below both the OSHA action level and the OSHA PEL. All sample results remained below detectable limits.
- The 2024 OSHA 300 form has been completed and posted.
- The SDSTA completed the required annual Management Review for the Integrated Management System.
- The Emergency Response Team (ERT) completed MSHA refresher and trained on rope equipment, escapeways from the underground, and advanced medical techniques.
- The ERT hosted the Lead Fire Department for site orientation/familiarization and training.
- The SDSTA secured a third-party contractor to provide occupational health services. Potential registered nurse candidates are being evaluated.

- The 4850 level Ross Campus refuge chamber standard operating process was updated to reflect the first phase of recommissioning the Compact Accelerator System Performing Astrophysical Research (CASPAR) experiment.
- Improvements of anchorage points for fall protection at the 4850 level Ross Station were completed.
- The Department of Homeland Security conducted an access assessment of the SURF entrance points. They provided positive feedback on both SURF’s access control processes and its strong safety culture. An initial report is forthcoming and will assess additional areas once the snow is no longer a hindrance.
- The Well-Being Team hosted a potluck focused on mindful eating for SDSTA personnel.

Upcoming Activities/Trainings

- Q2 2025 SD ORM compliance visit
- Master Rigger Training
- Internal First Aid/CPR/AED training

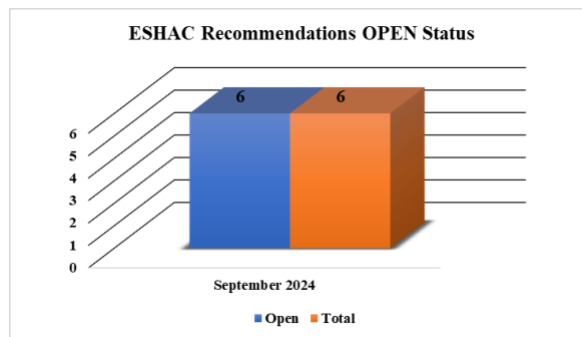
Wellness Initiatives

- March – Gratitude initiative
- May – Mental Health First Aid Classes

Environmental Support

- All monthly Discharge Monitoring Reports as required by the National Pollutant Discharge Elimination System Permit were prepared and submitted to the South Dakota Department of Agriculture and Natural Resources (SDDANR). All water discharge was within permit limits.
- The CY2024 Water Use Report was submitted to the SDDANR Water Rights Permit Administrator. The quantity of water pumped, as well as the pumping rate were within permitted limits.
- The CY2024 Tier II Report (Emergency Planning and Community Right-To-Know Act) was submitted to the SDDANR, the State Emergency Response Commission, the Local Emergency Planning Committee, and the Lead Fire Department.
- All Spill Prevention Control and Countermeasure inspections were completed.
- A Semi-Annual Storm Water Inspection was completed.

Third Party Review Recommendations Status



Quality Assurance / Quality Control Status

Work Accomplishments

- Change Control Request (CCR) submittals and approval/pending (11/16/2024 – 2/13/2025), reference table below.
 - Initiated CCRs – 48
 - Approved CCRs – 44
 - Pending CCRs – 5
- SDSTA documents for the Integrated Management System as of 2/13/2025 – total of 769.

CCR No.	Title	Status	Approval Date
1027	Revised Contractor Log	Approved	11/15/2024
1028	IMS Procedures Update	Approved	11/26/2024
1029	SOP 143 E&O Student Hoistroom Tours	Approved	11/19/2024
1030	Archive SOU Document	Approved	11/25/2024
1031	Fire Prevention and Protection Standard	Approved	11/26/2024
1032	Pipe Marking and Labels Standard	Approved	12/17/2024
1033	PPE Guidelines for Common Tasks	Approved	11/26/2024
1034	C-CURE 9000 Troubleshooting Steps	Approved	12/2/2024
1035	SOU SOP Conversions	Approved	12/4/2024
1036	H&S SOPs Initial Releases	Approved	12/4/2024
1037	SDSTA Spill Reporting	Approved	12/17/2024
1038	SPCC Map Revisions	Approved	12/9/2024
1039	Removing Product from IMSM	Approved	12/17/2024
1040	Decommissioned Property Standard	Approved	12/17/2024
1041	Building Automation Systems Standard	Approved	12/17/2024
1042	Compensation Confirmation	Approved	12/10/2024
1043	Engineering Document Number Change	Approved	12/17/2024
1044	IMS Org Chart Update	Approved	12/17/2024
1045	IMSM & QA-AC Audit Updates	Approved	12/17/2024
1046	H&S SOPs	Approved	12/13/2024
1047	Specified Manufacturers of Industrial Control System Components	Approved	12/17/2024
1048	H&S SOPs Initial Releases	Approved	12/13/2024
1049	Lockout-Tagout Standard	Approved	12/17/2024
1050	New FI Form	Approved	12/17/2024
1051	SPCC Plan and Supporting Documents Update	Approved	12/20/2024
1052	Curriculum Unit Standard	Approved	1/22/2025
1053	Position Description Update	Approved	1/22/2025
1054	Advisory Committee Charters Update	Approved	1/22/2025
1055	SDSTA Manual Update	Approved	12/20/2024
1056	IT Work Instruction Updates	Approved	12/30/2024
1057	Preapproval Request Form Title Update	Approved	1/3/2025
1058	Mileage and Travel Expense Reports	Approved	1/3/2025
1059	Safeguard and Security Standard	Approved	1/22/2025
1060	First Report and Incident Investigation Update	Approved	1/13/2025
1061	IMSM Update	Approved	1/22/2025
1062	Engineering Document Update	Approved	1/22/2025
1063	Severe Weather Management Standard	Approved	1/22/2025
1064	Administrative Service Documents Updates	Approved	1/24/2025
1065	Compressed Gas Cylinder Recycling SOP	Approved	1/28/2025
1066	ESH Safety Requirements Contract Documents	Approved	1/29/2025
1067	4850L Ross ERP Map Rev 3	Approved	2/3/2025
1068	User Association Charter	Pending	
1069	Facility Access Standard	Pending	
1070	Inspection Form Update	Pending	
1071	Experiment Planning Statement	Approved	2/7/2025
1072	QA/QC Document Update	Approved	2/10/2025
1073	Community Relations SOPs	Pending	
1074	QA-QC WI Updates	Approved	2/10/2025
1075	Training MOU	Pending	

Approved and Pending Change Control Requests from November 15, 2024 to February 10, 2025

- Completed projects
 - Power Pole Replacement
 - Access Control Project (Phase II/III)
- Other completed activities
 - Internal Process Audits
 - Community Relations Internal Audit
 - Human Resource Internal Audit
 - Quality Assurance/Quality Control Internal Audit
 - Surface Operation and Utilities Internal Audit
 - Internal IMSM Audits
 - P-710 Resource Management Internal Audit
 - P-715 Control of Monitoring and Measuring Equipment Internal Audit
 - P-870 Control of Nonconforming Outputs Internal Audit
 - P-910 Monitoring, Measuring, Analysis and Evaluation Internal Audit
 - P-1020 Nonconformity and Corrective Action Internal Audit
- Nonconformances and Corrective Actions created (11/16/2024 – 2/13/2025)
 - Typical nonconformances - 4
 - Opportunities for improvement (external and internal audit) nonconformances - 20
 - Corrective Actions - 1

Current/Upcoming Activities

- Upcoming projects and other activities
 - Accounting and Finance Internal Audit
 - Administrative Service Internal Audit
 - Communications Internal Audit
 - Engineering Internal Audit
 - Q1 IMS Internal Audit (IMSM-(P-400)-173251 Organizational Context, IMSM-(P-500)-173252 Leadership, IMSM-(P-600)-173253 Planning for the Integrated Management System, IMSM-(P-610)-173254 Risk Management Planning, and IMSM-(P-710)-173259 Resource Management)
- In-Process projects and other activities
 - 3650L Pump Room Rehabilitation Project
 - WWTP RBC Replacement
 - Completion of Saddle Torquing - five locations
 - Dewatering Control System
 - Deep Well Replacement
 - Yates Hoist Upgrade
 - Yates Complex Electrical Upgrade
 - COTO log reviews (continuous)

Surface and Underground Operations Status

Yates Shaft

Work Accomplishments

- ARUP completed geotechnical inspection and issued report. ARUP agreed with SDSTA short term approach.
- Tested legacy pipe from 4100L – 4850L for asbestos; none detected.
- Dust mitigation efforts in place, including ventilation changes and sprinkler/mister installation.
- Changed out several shaft guides in the south cage compartment.
- Painted walls on Yates Ramp painted by Ross Shaft crew.

Upcoming Activities

- Paint doors and floor in preparation of Yates re-opening.
- Complete return to operations checklist for safe operations of the Yates Shaft.
- Inspection of Yates sump.
- Return to operations on the 4850L.

Ross Shaft

Work Accomplishments

- Mobilized 3650L pump contractor Harrison Western.
- Mobilized deep well contractor Hydro Resources.
- Transported two muckers to the 3950L in preparation of mucking the Oro Hondo ventilation shaft.
- Successfully completed the L-beam test move to the 4850L and back to the surface.
- Mobilized contractor for the 3650L pump project.
- Completed inspections on chairs (cage stabilizing mechanism) at key stations in preparation of the new double decker cage.

Upcoming Activities

- Building Site Infrastructure (BSI) mobilization.
- Plan for remaining saddle bolt torquing. Saddle #5 will require a power outage and is required prior to the installation of argon piping in the Ross Shaft.
- Receive and install the new skip cage.

Hoist Maintenance

Work Accomplishments

- Yates cage hoist ropes cut.
- Received quote for Ross Cage hoist clutch non-destructive testing. Submitted change order paperwork for Seimag service contract.
- Supported deep well installation.

Upcoming Activities

- Non-destructive testing on the Ross Cage hoist clutch components.
- Plan for long term repairs on the Ross Cage hoist clutch.

Underground Hazard Mitigation

Work Accomplishments

- Completed mobilizing Load/Haul/Dumps (LHDs) to the 3950L.
- Installed ground support on the 3950L in preparation for mucking out the Oro Hondo Shaft.
- Completed multiple Annual Level Inspections (ALIs).
- Began demobilizing Fletcher Bolter from the 4850L.
- Installed airflow monitor at the 4850L Ross Station.
- Implemented temporary ventilation controls to reduce dust from Yates Shaft entering the LBNF/DUNE spaces.

Upcoming Activities

- Continue supporting DEMO-FTS on the 4100L.
- Complete setup of University of Wisconsin 3D DAS project in the 4850L Expansion Drift.
- Continue preparation work on the 3950L for Oro Hondo Shaft cleanout.
- Complete installation of air doors at former blast wall locations (4850L East Drift and #6 Winze).
- Complete quarterly Ventilation Surveys and update Annual Ventilation Plan.
- Continue 2025 ALIs.

Surface Operations and Utilities (SOU) Support

Facility Maintenance (Surface and 4850L) and Mobile Equipment

Work Accomplishments

- Re-commissioned HVAC equipment for 4850L Ross Science area(s).
- Facilities Technician Sarah Wortman accepted the role of Building and Grounds Foreman as Dan Regan prepares for retirement.
- Worked with shaft crews and UMC to prepare LHD loader(s) for use on 3950L.
- Removed snow and ice from property as required during winter season.

Upcoming Activities

- Planning clean-up activities at Big-X area after Yates Shaft Rehabilitation work is completed.

Electrical / Cyber Infrastructure / Dewatering

Work Accomplishments

- Successfully replaced deep well pump.
- Supported new 3D DAS project in 4850L bypass drift.
- Installed new leaky feeder head unit(s).
- Worked with engineering to prepare for pumphroom controls upgrades.

Upcoming Activities

- Industrial controls and Supervisory Control and Data Acquisition (SCADA) upgrades will commence in March of 2025.

Wastewater Treatment Plant (WWTP)

Work Accomplishments

- Worked through WWTP operations in cold weather without warmer deep well water.
- Another rotating biological contactor (RBC) bearing failed in January.
- Supported startup of new deep well pump.

Upcoming Activities

- Working toward commissioning the moving bed biofilm reactor (MBBR) system once 3650L pumphroom is completed in April.

Operations Integration and Maintenance Planning

Work Accomplishments

- Created monthly inspection in ManagerPlus for the Rock Handling System.
- Updated Leaky Feeder preventive maintenance in ManagerPlus.
- Began regular cycle counts of inventory items in the ROC Warehouse.
- Conducted ManagerPlus training for new hires and position changes.

Upcoming Activities

- Assisting with surplus request documentation process via Manager Plus work orders.
- Assisting with new IMS objective (past due work orders) by meeting with departments and creating weekly reports.
- Assisting with updating battery substation preventive maintenance.

Engineering Support

Work Accomplishments

- Yates Shaft Rehabilitation: An Integrated Project Team (ITP) was organized by DOE to progress the project through Critical Decision Zero (CD-0) approval; team members are comprised of SDSTA and DOE. Achieving CD-0 approval would formally establish the rehabilitation as a DOE-approved project. A Cost analysis and schedule were developed to align with the planned acquisition strategy. These costs were programmed over the 6-year schedule to include DOE review milestones to better inform fund sourcing activities.
- SURF 4850L Laboratory Expansion: Remaining funds were utilized to acquire equipment and materials to support clearing lower sections of the Oro Hondo shaft ventilation pathway to support future cavern ventilation.
- Yates Hoists Upgrades: The design phase of the project kick-off meeting with Stantec was held in January. The scope of the design phase is to complete a conceptual design study and to develop request for proposal (RFP) documents for a Design Build hoist rehabilitation package for both the Yates Cage and Skip hoists.
- Yates Complex Electrical Distribution Rehabilitation: The A/E firm (Stantec) performed a site visit in January to investigate options for the 30% conceptual design. The project's kickoff meeting was conducted at the same time.
- 3650L Pump Room Rehabilitation: All legacy piping and electrical gear and transformers on the 3650L and 3500L were demolished. The new pumphroom piping is 90% complete. The new pump/motor/skid were transported to pumphroom and leveled, grouted, and aligned. The new piping from pumphroom to the shaft is 50% complete.

- 1250L Pump Room Rehabilitation 95% design was received and reviewed. SDSTA has asked for a resubmission of the 95% with all the lessons learned from the 3650L project.
- Ross Campus Restrooms: A contract was awarded for the 4850L WWTP and for the procurement of four restroom pods. A 95% design is completed for the Restroom piping.
- WWTP RBC Replacement: A side stream pump and piping were installed. The final electrical/control system is currently being installed. Final commissioning is scheduled for April 2025.
- A task order has been issued to Albertson Engineering to complete the design of five projects for upgrades at the Ross Headframe. Currently, drawings are being reviewed for concrete replacement, SE door enlargement, and sheave relocation.
- SLHVC Roof Replacement: Submittals are being reviewed for roofing materials with the architect and RCS Construction. Work is planned to begin in May 2025.
- E&O Conceptual Design: The task order was awarded to Avid4. The design team was on site in February to facilitate a requirements discussion with stakeholders and continue their site investigation.
- Brownfield Grant: The RFP for a Qualified Environmental Professional (QEP) was issued. Proposals are currently being evaluated for cost reasonableness.
- Electrical Distribution Rehabilitation Phase 1: Purchase Orders for power cable have been issued to two cable vendors. Bids for switchgear and transformers have been received and equipment selected. A recommendation for award has been submitted to the Contracts and Procurement Office.
- The Electrical Coordination Study of the entire SURF distribution systems was completed in January.
- LiDAR scanned the interior of the Yates Hoist Building for Yates Hoist Upgrade project.
- Nitrogen Generator Operations Cost Investigation: Working with the Operations team, a plan was developed to instrument the Yates Shaft Compressed Air System, along with the compressed air inlet to the nitrogen generator to be able to develop a cost estimate for the operation of the generator.

Science Support Status

- The SURF Scientific Strategic Plan (Non-Physics) is advancing – the charge has been finalized, and external experts are joining Steering Committee discussions starting in March.
- The SURF User Association charter was updated to extend the term of office for Executive Committee members to three years among other items. Executive Committee elections are planned for March for open positions.
- Registration opened in January for the XVIII International Conference on Interconnections between Particle Physics and Cosmology (PPC 2025) being held Jun 23-28 in Deadwood, SD, and initial plenary invitations were sent starting in early February. CETUP* 2025 registration has reached capacity for the 4-week summer program.
- The Experiment Planning Statement form was updated (part of the SURF Experiment Implementation Program).
- General Services Agreements for FY25 are complete for most experiments (LBNE/DUNE still in review).
- Plans are advancing for the SURF exhibit booth at the American Physical Society (APS) Global Physics Summit March 17-20, including a new SURF science video. Approximately 14,000 scientists are expected to attend.
- The updated SDSTA Nuclear Regulatory Commission (NRC) license was received naming Markus Horn as Radiation Safety Officer, and an NRC site inspection is planned for mid-March.
- Interruptions: The 4850L travel route was modified due to ventilation changes for mitigation of dust from Yates Shaft rehabilitation activities. SDSTA personnel installed a line reactor on the MJD mill motor to mitigate electrical noise observed by the neighboring LZ (data suggest a 25% reduction). Service contractors with SDSTA support are investigating Davis Campus HVAC issues.

LUX-ZEPLIN—LZ

- Stable data taking continues (> 530 live days and counting), with brief interruptions due to a failed outer detector power supply and degassing pump (both replaced) as well as facility water supply issues that impacted electronics cooling. Current analysis efforts are focused on the low-mass WIMP region, with a new result expected this year.
- The neutron calibration campaign started in February and is expected to be completed by the end of March (some hardware issues have slightly prolonged the campaign duration); non-essential activities are on hold during the calibration campaign as access to the cavern is prohibited during neutron production. The schedule for regular calibration activities was adjusted for the January (planned) Lawrence Berkeley National Lab (LBNL) high performance computing outage.
- A xenon recovery workshop was held at SURF in February to train onsite personnel in emergency procedures.

- An important xenon recovery compressor milestone was achieved – first time in three years with two functioning compressors at same time. Progress continues with xenon (Xe) circulation compressor maintenance, including new check valve bodies from the vendor and PSL.
- The underground nitrogen generator is now in production use, and preliminary radon levels are ~3x lower than standard liquid nitrogen (LN) boiloff (oxygen levels are also low, less than 1 ppm).
- A motor issue with one of the two cryocooler units is being addressed in coordination with the manufacturer.
- A new water testing lab is being sought to provide higher sensitivities for degradation monitoring. An issue with the water softener system for outer detector was resolved.
- Chamkaur Ghag (University College London) stepped down in January as the LZ Spokesperson after two years of service, replaced by Rick Gaitskell (Brown University, former LUX spokesperson).

MAJORANA DEMONSTRATOR—MJD

- Tantalum (Ta)-180m data collection continues.
- Electroforming continues with four baths at the Davis Campus. A mandrel with copper (Cu) was removed from electroforming bath #4 and a new mandrel was set. Another mandrel has been resurfaced for future use.
- Los Alamos National Lab (LANL) personnel were onsite in February to deliver assay samples, provide cross-training on detector operations, and conduct a property inventory (affidavit signed by SDSTA).
- Preparations are underway for leaching of small plastic parts (test tubes, pipettes, graduated cylinders).
- Crates of Lead (Pb) were shipped to LANL late 2024. In February, the University of North Carolina (UNC) organized transportation for the MAJORANA Low-background Broad Energy Germanium Detector at Kimballton germanium (MALBEK Ge) detector and several pallets of Pb bricks.
- Electroformed cryostat #1 (used in the Ge-76 neutrinoless double-beta decay campaign) and additional pallets of Pb have been purchased by DArk Matter In CCDs at Modane (DAMIC-M) and will be shipped to France this spring.
- An electrowinning batch was completed in February. A shipment of acid from SD Mines was delivered underground and transferred into the Davis Campus clean space.
- DOE Office of Nuclear Physics is not moving forward with the nEXO ton-scale neutrinoless double-beta decay experiment (or the smaller-scale CUPID detector). LEGEND-1000 is proceeding, nominally sited at Laboratori Nazionali del Gran Sasso (LNGS).

Low-Background Counting

Black Hills State University Underground Campus—BHUC:

- Regular operations continue, with BHSU personnel and support from SDSTA. Demand for counting has increased. Recent samples including a re-assay of LZ gadolinium (Gd) (outer detector), shotcrete liner material for LBNF/ DUNE and LANL metal alloy samples (niobium, chromium, and titanium) part of the Pacific Northwest National Lab (PNNL) cosmogenic study.
- A proposal was submitted for European funding to promote collaboration between global underground labs, including low-background counting (North-south EXchange for Underground Science – NEXUS).
- SDSTA engineers are planning to connect BHUC counters to the Davis Campus gaseous nitrogen generator to further reduce LN consumption (and transportation) underground.
- Ge-IV personnel are planning a trip to SURF in March to attempt to recover detector performance.
- BHSU and SDSTA personnel continue efforts on Ross Campus cleaning (cleanliness protocols have been in effect for > 1 month). Repair options are being pursued for a damaged rail switch at the BHUC south entrance.
- The migration from the Davis Campus back to the Ross Campus cleanroom is expected to begin this summer (a planned pause in MJD machining activities appears to align with the timeline for disassembly work).

Compact Accelerator System for Performing Astrophysical Research—CASPAR

- Experiment and SDSTA cleaning efforts advanced to a point in February allowing for removal of the plastic covering the accelerator beamline. An Authorization To Proceed request is in preparation for initial activities.
- With the water supply restored, the Ross Campus chiller system operated for a short time before seals failed. SDSTA personnel addressed the issue, but some cleaning activities were slightly delayed.

- During the University of Notre Dame trip in February, some beamline support systems were installed, including pumps, gauges, and communications cabling. Notre Dame personnel are returning in March.
- Findings from an ESH walkthrough are being addressed.

Geothermal—Demonstration of Fracture Thermal Energy Storage (DEMO-FTES) and Center for Understanding Subsurface Signals and Permeability (CUSSP)

- DEMO-FTES: Hot water injection continues at the 4100L testbed, with initial fluid recovery better than expected. A brief power outage in December interrupted water flow, and a facility water supply interruption in January damaged a packer, which was repaired during a trip in early March. New pumps were also installed in March in preparation for switching to cold water injection for heat recovery. Three or four hot/cold cycles are planned.
- CUSSP: Personnel from the Colorado School of Mines are planning a trip to inspect drill core for fracture zones.

Other Current Research Activities

Physics

- LBNF/DUNE: Radon measurements were performed in three caverns, and initial results are as expected. A support letter was provided for a DUNE-related DOE Established Program to Stimulate Competitive Research (EPSCoR) Implementation Grant proposal from SD Mines.
- Neutrons: Equipment setup is complete at 4850L #4 Winze Wye space. After a delay with shipping paperwork, an americium–beryllium (AmBe) source was transported to SURF, and characterization measurements will start in early March.
- Other: Geological data and maps were shared with a UK group pursuing muon tomography studies.

Biology

- Deep Mine Microbial Observatory (DeMMO): Two support letters were provided for NASA funding opportunities.
- Other: The global underground lab community (DULIA-Bio) is planning a comparison experiment using desiccated yeast to study DNA damage.

Geology

- 3D DAS (distributed acoustic sensing): Specialized optical fiber was installed by SDSTA personnel in the new 4850L Expansion Drift, and University of Wisconsin-Madison representatives are onsite in early March to connect monitoring equipment.

Engineering

- Thermal Breakout: RE/SPEC personnel returned to the 4100L in February to resume planning efforts for installing a custom heater unit.
- Environmental Monitoring: Airflow monitoring equipment was removed from the 4850L 17 Ledge Shop area in conjunction with SDSTA Operations staff.
- Other: Discussions held with NIOSH representatives regarding User Agreement for upcoming studies at SURF.

Quarterly Work Plan Variances

- The quarter (November - January) ended with a CA contract-to-date underrun of \$1.7M.
- November had an overrun of \$576K. This was primarily from November having three payrolls in the month.
- December had an underrun of \$426K. This was primarily due to a labor underrun from time off and holidays, as well as a non-labor underrun from assets budgeted but not purchased.
- January had an underrun of \$549K. This was primarily due to a labor underrun from four holidays paid in the month, as well as a non-labor underrun from the deep well pump repair that was budgeted and not completed by month end.
- Note: Currently unpurchased CA assets are at \$700K for the year.

Financial Status

Included in the Financial Report are the following:

- Cooperative Agreement SURF Services FY2025 (federal fiscal year) SPA Curve as of January 2025 (included as Appendix A at the end of the report)
- Financial Summary (included as Appendix B at the end of the report)
 - 1) Balance Sheet as of January 2025

- 2) Comprehensive Statement of Income as of January 2025
- 3) Comparative Balance Sheet – January 2025 vs. January 2024
- 4) Comparative Statement of Income – January 2025 vs. January 2024
- 5) Available Resources as of January 2025
- 6) Operating Budget Summary

Cooperative Agreement (CA) SURF Services FY2024 Scheduled Performed Actual (SPA) Curve

- The SPA curve presented in Appendix A provides a summary of the CA-SURF Services Award No. DE-SC0020216 scheduled financial performance compared to the actual costs. The report shows funding through January 2025 along with information related to Funded-to-Date dollars, Scheduled dollars, and Actual dollars by month. Actual dollars represent actual invoices for the months sent to the DOE Office of Science for reimbursement. For January, the invoices totaled \$2,229,230 which is lower than the anticipated reimbursements of \$2,777,902 by \$548,672. Cumulative expenses are at \$131,206,199 which is lower than the budgeted \$132,960,692 by \$1,754,493.

Balance Sheet Items

- Cash in Local Checking—Total on hand in January 2025 was \$1,749,084; up from last month by \$88,889. Funds on hand were necessary to pay operating expenses including employee salaries, medical/life/vision insurance, and other items.
- Cash with State Treasurer—Total balance of \$11,164,447; this amount decreased from last month by \$212,006 with the use of the cash provided by Senate Bill 35 (SB35) for the 4850L underground expansion Phase A.
- Billed Accounts Receivable (A/R)—Billed A/R represents any open invoices based on contracts from sources such as the DOE Office of Science, LBNL, Fermilab, other smaller contracts from other universities/private entities, and Barrick-Homestake Mining Company. Total is at \$1,665,405; down from last month by \$293,404. This balance also includes a true-up of our FY2021, FY2022, and FY2023 indirect and employee benefit costs from the rate used and billed compared to the final approved rate. Included in the balance are open invoices for the following: \$607,509 from Fermilab primarily from the contract for Ross Shaft Logistics Support; \$1,003,863 from the DOE for the Cooperative Agreement and the LZ project; \$17,850 from LBNL for the LZ project; \$5,742 from SD Mines for the MAJORANA DEMONSTRATOR (MJD) project; \$11,142 from the Pacific Northwest National Laboratory for the DEMO-FTES project; \$7,181 from Barrick-Homestake Mining Company for electricity usage and water treated; and \$12,118 from BHSU for Education and Outreach grants.
- Unbilled A/R—Current balance is \$1,304,091. The unbilled A/R represents items that have not been billed on various contracts, primarily for payroll expenses at the end of January paid in February. January’s balance increased \$1,302,259 from December.
- Other A/R—Current balance of \$428,543. This balance represents Interest Receivable and Miscellaneous Accounts Receivable. The balance increased by \$17,677. Activity for this month includes recording the interest accrual for January.
- Inventory/Supplies—Balance at \$2,135,473 for fixed assets being stored but not in service. This balance decreased from last month by \$265,266. SDSTA surplused a couple of items that were no longer useful and placed one asset into service.
- Inventory Warehouse/Personal Protective Equipment (PPE)—Current balance of \$398,292. This balance represents: the warehouse inventory that was purchased by SDSTA prior to federal funding, the warehouse inventory purchased with federal funds, and an inventory category for the SLHVC inventory. The balance decreased from last month by \$5,879 due to a SLHVC inventory adjustment. All three inventories have separate account balances that are tracked, yet they are summarized on the balance sheet under one category.
- Other Current Assets—This listing on the balance sheet represents the balances of both prepaid insurance—\$1,155,708 and prepaid other – \$432,186. Total balance of \$1,587,894 increased from last month by \$635,513. This increase is primarily due to liability insurance being purchased in January.
- Fixed Assets—Current balance is \$107,143,099. Fixed assets activity since last month included recording a portable diesel generator, LT270 Komatsu loader, and surplusing three assets. The net decrease of \$346,875 since last month includes depreciation on fixed assets. Note: depreciation for the DOE Property Transfer items is separated as this amount will not be included in SDSTA’s indirect cost recovery on contracts.
- Asset Retirement Obligation Deferred Outflows (ARO)—SDSTA deemed there would be costs associated with closing SURF, if abandoning the site would occur. Outside regulatory agencies involved with oversight of the

closure would be the U.S. Environmental Protection Agency and the South Dakota Department of Agriculture and Natural Resources. The capital assets on SDSTA's financial statements that would be included in the ARO are land, above ground and underground infrastructure, and buildings. SDSTA used a team of internal experts to develop the estimate including mining engineers, mechanical engineers, construction managers, heavy equipment experts; all with expertise in mining, underground, and environmental industries. The methods and assumptions used by these experts were to estimate hours associated with completing all necessary tasks using a current average salary and benefit rate, plus any associated contractor fees. The ARO balance is \$1,129,638 and is depreciated over an estimated useful life of 30 years.

- Pension Deferred Outflows—This designation on SDSTA's Balance Sheet reflects the requirements related to the Governmental Accounting Standards Board (GASB) No. 68 and No. 71 in reference to pensions. SDSTA is required to report the net pension asset or liability on the face of our financials along with related deferred inflows and outflows. The State's retirement system is now fully funded. The Net Pension Asset is a restricted asset. Thus, the equity created is also restricted. The balance Pension Deferred Outflows shown as a noncurrent asset is \$5,311,869 created by the FY2024 financial entries.
- Xenon Purchased—Balance of \$8,687,833 represents the value of xenon purchased for use by experiments. The xenon inventory is considered a non-current asset and includes all the purchases through fiscal year 2024.
- Total Assets—Total of \$142,630,358. This balance has increased from last month by \$920,909 which represents the net activity as listed above.
- Accounts Payable—Our total Accounts Payable balance of \$2,203,609 at the end of the month compared to last month has increased by \$801,143.
- Accrued Payroll Liabilities—Current balance of \$2,432,983 has increased by \$397,982 from last month. This represents the net change between earned vacation and vacation taken and other changes in employee benefit-related liabilities.
- Long Term Xenon Notes Payable—This designation represents \$2M of funding received from the South Dakota Community Foundation, \$2M received from the University of South Dakota Foundation, and \$2M received from the South Dakota State University Foundation. The \$6,000,000 was designated for purchasing xenon for experiment use at SURF. The balance is currently \$3,121,190 after SDSTA made a principal payment this past year with the proceeds from the sale of a small portion of the xenon.
- Pension Deferred Inflows—This classification reflects the requirements of GASB No. 68 and No. 71, as discussed earlier. The balance of \$3,045,437 represents our portion of the difference between projected and actual earnings on pension plan investments with the South Dakota Retirement System.
- Asset Retirement Obligation (ARO)—This is an estimated liability for costs associated with closing SURF, if abandoning the site would ever occur. The ARO balance is \$1,590,404 and is adjusted annually.
- Total Liabilities—Total Liabilities increased by \$1,199,124 (from \$11,194,499 to \$12,393,623), which reflects the net activity listed above.
- Total Equity—This decreased to \$130,236,734 from the previous months \$130,514,950.
- Total Liabilities & Equity—This increased to \$142,630,358 from the previous month of \$141,709,448.

Statement of Income Items

- On the SDSTA's Statement of Income, the DOE Subcontracts are consolidated into one line on the report. Included in this amount are various subcontracts from LBNL, Fermi National Accelerator Laboratory (FNAL), the Cooperative Agreement with the DOE Office of Science, as well as small contracts for the MJD project with SD Mines and E&O grants with BHSU. Total revenue through January is \$27,984,574.
- Interest income recorded for the current fiscal year on State Funds is at \$141,253. This represents interest accruing at 2.00% on the cash held by the state on behalf of the SDSTA.
- Direct Costs are then listed on the Statement of Income. The classifications for Unallowable Costs and Indirect Costs are listed as well on this report to follow the federal contracting format. Direct Costs/ Unallowable Costs are at \$22,003,349 for the current fiscal year. Indirect Costs including fringe benefits are at \$12,389,038. Costs are higher than revenue by \$6,263,948.
- Other Income is at \$319,238 which primarily represents miscellaneous income received from scrap metal receipts and amounts from Barrick.
- Miscellaneous Expenses and Donations is at \$2,065,457 for current year fixed assets that were purchased on federal funds through the Cooperative Agreement and sales at the SLHVC.
- Loss (Gain) on Sale of Fixed Assets is at \$425,435 for the current year.

- Net Income through July is at a loss of \$4,876,427, primarily from expenses related to the 4850L underground expansion Phase A project. This project will be capitalized in FY2025.

Comparative Balance Sheet

- Total in Local Checking is lower by \$659,820 from this time last year.
- Total Cash with State Treasurer is lower by \$11,891,928 from this time last year as funds received from the State in SB35 is being spent on the 4850L underground expansion Phase A project. Operating funds were used for normal operating costs, and funds were used from the Experiment fund for the Xenon interest on the notes payable.
- Total Current Assets are lower than last year by \$13,485,054 primarily from the cash received from SB35 being spent on the 4850L underground expansion Phase A project.
- Total Fixed Assets are higher by \$10,566,553 when comparing the two-time frames. The biggest change was in fixed assets purchased on the Cooperative Agreement federal funds – an increase of \$7,918,365 primarily from finalizing the Oro Hondo Ventilation System, Yates Hoistroom roof replacement, and various other assets purchased. Work in Progress accounted for the second largest change – an increase of \$5,508,867 primarily from the 4850L underground expansion Phase A project, the RBC replacement construction project, and the 3650L pumphouse rehabilitation project. Accumulated depreciation is also part of this balance – an increase of \$2,479,760.
- Asset Retirement Obligation Deferred Outflows is being reported for \$1,129,638. An accumulated depreciation amount is also being included for this item, currently at \$75,309.
- Pension Deferred Outflows is being reported at \$5,311,869 based on the fiscal year 2024 entries.
- Xenon purchased stayed the same as last year at \$8,687,833.
- In summary, Total Assets have decreased by \$3,467,391.
- Total Current Liabilities are higher by \$959,982 when comparing the two-time frames. Total Current Liabilities is higher due to Other Payables balance being higher due to borrowing funds to pay liability insurance costs and from Accrued Payroll Liabilities being higher for leave balances.
- Other Liabilities—LT Xenon Notes Payable - \$3,121,190 remained the same; Pension Deferred Inflows - \$3,045,437 decreased by \$402,479; and Asset Retirement Obligation - \$1,590,404 increased by \$393,519.
- Total Restricted Funds are lower by \$11,633,357, primarily due to the spending the restricted SB35 appropriation for the 4850L underground expansion Phase A project.
- Investment in General Fixed Assets has increased by \$10,566,553 for the various additions of fixed assets primarily projects purchased on federal funds, the 4850L underground expansion Phase A project work in progress, and depreciation being reported.
- Unrestricted Funds are lower by \$3,351,609 when comparing the two-time frames.
- Total Equity has decreased by \$4,418,413 from this time last year.
- In summary, Total Liabilities & Equity have decreased by \$3,467,391.

Comparative Profit/Loss

- Total Revenue for year-to-date January 2025 compared to year-to-date January 2024 has increased by \$6,752,548. This increase is primarily the increase in activity on DOE subcontracts. Direct Costs and Indirect Costs for year-to-date January 2025 compared to this time last year shows a combined increase of \$8,685,048. Net Income/Loss for the comparative time periods shows a decrease of \$3,435,221.

Available Resources

- This report reflects SDSTA’s available cash/accounts receivable after noting the restricted cash balances in the Indemnification, Mine Closure, SB35 appropriation, and funds held for Experiments—interest for investors. This report reflects available cash and (short term) accounts receivable as compared to current liabilities including accrued payroll liabilities. After noting current obligations, \$2,168,455 is available. It is also important to note that the accrued payroll liabilities include accrued vacation and sick pay. Therefore, the report reflects SDSTA’s available resources compared to current obligations.

Operating Budget Analysis

- This report is separated into three sections: SDSTA-funded activities, Federal-, State-, and Commercial-funded activities and Indirect expenses that benefit various activities. Total operating expenses are under budget for

January by \$844,702. This is primarily due to the CA, Ross Logistics Support, and General Site Services, as well as expenses for indirect services, all lower than budgeted.

- Year-to-date figures are under budget by \$3,194,584.

Human Resources Status

Work Accomplishments:

- Implemented Compensation Philosophy Policy approved by SDSTA Board of Directors on 12/13/24.
- Conducted separate Manager and Employee trainings on Compensation Philosophy and Strategy.
- Initiated first ever company-wide annual cost-of-living increase effective 12/21/24.
- Researched and registered for Washington State business license, tax, and worker's compensation accounts.
- Onboarded new Director of SURF Foundation, Annie Averitt.
- Facilitated Chief Operating Officer selection process.
- Made offer of employment to Chief Operating Officer, Wendy Straub (accepted).
- Made offer of employment to Chief of Staff, Mandy Knight (accepted).
- Made offer of employment to Senior Administrative Assistant, Rebecca Wilcox (accepted).
- Published and distributed newly formatted Position Descriptions to all employees for signature.
- Conducted Benefits Renewal analysis and negotiation; prepared for Open Enrollment.
- Created and distributed first ever Total Reward Statements for 2024.

Data:

- **Headcount:** 196
 - Regular Full-Time: 183
 - Regular Part-Time: 6
 - Non-Benefit Part-Time: 6
 - Temporary: 0
- **Hires:** 5
 - 2 Infrastructure Technicians
 - 1 Industrial Electrician
 - 1 Yates Superintendent
 - 1 SURF Foundation Director
- **Terms:** 6
 - 1 Retirement
 - 3 Voluntary
 - 2 Involuntary
- **Turnover:** 3.1%
- **Annual Tenure:** 7.9 years
- **Position Changes:** 8
 - 3 Promotions
 - 5 Title Changes due to reorganization
- **Pay Type:**
 - Salary: 31.8% (62)
 - Hourly: 68.2% (133)
- **Gender:**
 - Male: 75.4% (147)
 - Female: 24.6% (48)



**SANFORD
UNDERGROUND
RESEARCH
FACILITY**

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

Professional Staff Services – Subcontract No. 607915

Long-Baseline Neutrino Facility (LBNF) and Deep Underground Neutrino Facility (DUNE)

- Cold Box Cryogenic System Cost Estimate: Working with the LBNF/DUNE Cryogenics Team, a cost estimate was developed for the Far Detectors and Cryogenics (FDC) Infrastructure Budget Review.



**SANFORD
UNDERGROUND
RESEARCH
FACILITY**

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

LZ Operations Phase I – Subcontract No. 7525117

Other Experiment Support

LUX-ZEPLIN (LZ)

- Xenon compressor maintenance: A site visit was conducted with collaborators and Fluitron personnel for training. Progress is being made on circulation compressor maintenance and process changes to make this easier in the future. Custom lifting fixture, maintenance stand and tooling have been designed and are being manufactured.
- The recovery compressor head replacement is completed. The unit is fully functional and integrated into LZ operations.
- A four-day long xenon recovery workshop was held at SURF. The xenon recovery code and procedures were reviewed and revised.
- Nitrogen generator use was approved by the collaboration. The system has been supplying nitrogen for over a month and experiencing approximately a 4x reduction in liquid nitrogen usage.
- A new plan for a more reliable Xenon Circulation Compressor QA testing has been finalized.



Indirect Funded Activities Status

Contracts Status

Department of Energy (DOE) subcontracts to SDSTA

U.S. Department of Energy, Office of Science

- SDSTA received modification No. 43 on the Cooperative Agreement for Incremental Funding.

Fermi Forward Discovery Group

- SDSTA received a new contract No. 717402 LBNF Ross Headframe Miscellaneous Engineering Projects.
- SDSTA received a Supplemental Agreement No. 6 on contract No. 671265 Professional Staff Services in Support of LBNF for Additional Services and Additional Funding related to Geotechnical Monitoring.
- SDSTA received a Supplemental Agreement #2 on contract No. 711513 LBNF/DUNE-US SDSTA Electrical Coordination Study for Extended Contract Time.
- SDSTA reconciled and released any future claims on contract No. 654406 LBNF-US SDSTA Ross Shaft Logistics Support.

Lawrence Berkely National Lab

- None

Pacific Northwest National Lab

- None

Refer to Table 1 below for a summary of contracts awarded by SDSTA from December to February.

Contract No.	Contractor/Vendor	Type	Project
2023-31	Sander	CO#2	Add Metal Roll Off
2024-29	Graybar	NEW	Switchgear
2024-30	Graybar	NEW	Transformers
2023-36	Meltwater	NEW	4 Newswire Bundle - 12M
2024-20	Stantec	NEW	A/E Consulting Services
2024-24	Axis Risk Services	NEW	On-Site Occupational Nurse (3YRS)
2024-18	B&T	NEW	Modular Restroom
2024-20	Stantec	TSK#1	Yates Hoist Upgrades
2024-20	Stantec	TSK#2	Yates Electrical Rehabilitation
26756	Jenner Equipment	NEW	2 Compact Loaders
2023-18	Safety Kleen	CO#1	Add FNAL Office
2024-20	Stantec	CO#1	Update Rates
2020-07	Avid4 Engineering	TSK#9	E&O Building Design
2024-31	Hydro Resources	NEW	Deep Well Pump Replacement
2023-18	True Clean	CO#1	Add Scope
2023-09	Harrison Western	CO#3	Sump Modification
2024-22	TSP	NEW	A/E Consulting Services
2022-53	Amick Sound	CO#2	Add Service for January 2025
2023-05	RCS	FINAL	Issued Acceptance Letter
2024-21	West Plains Engineering	NEW	A/E Consulting Services
2022-41	Albertson's Engineering	TSK#9	Ross Cover Design
2023-40	HOA Solutions	CO#3	No Cost Time Extension 4.1.25
2023-31	Sander Sanitation	CO#3	Name Change
2019-28	Jacob's Welding	CO#45	Flat Bar
26982	Marco	NEW	CISCO Switches, Power Supplies & Memory Cards
2023-09	Harrison Western	CO#4	Add Scope & Extend 3.7.25
2024-23	Avid4 Engineering	New	A/E Consulting Svc for Infrastructure (IDIQ)
2025-03	Rylan Sprague	NEW	2025 Contract for Consulting Services

Table 1 Summary of contracts awarded by SDSTA December 2024 – February 2025

Purchase Orders (POs): 540 POs were issued December 1 – February 28 totaling **\$1,390,437.28**.

Warehouse Inventory: Warehouse inventory as of February 28, 2025 totaled **\$287,762.93**.

Community Relations Status

- Planning for the summer season at Čhaŋgléška Wakháň is underway—Deep Roots speakers and performers will be scheduled from June-September.
- Čhaŋgléška Wakháň will be utilized as an event space during Neutrino Day this year, featuring indigenous speakers and performers.
- Community Relations is continuing to plan a clean-up event at SURF. Čhaŋgléška Wakháň, the Sanford Lab Homestake Visitor Center (SLHVC) flower beds, and administration parking lot will be tended to on June 11, in preparation for Neutrino Day.
- Community Relations will have its first intern this summer. The position will focus on garden tours and educational experiences related to the garden.
- Community Relations staff attended the January 2025 DUNE collaboration meeting at CERN and presented on Black Hills history—an area of interest for many collaborators.
- Community Relations and the Institute are working alongside Fermilab staff to provide information on SURF events and area tourism options for DUNE collaborators and contractors.
- Community Relations is working with the Phoebe Apperson Hearst Library in Lead to host two storytimes at Čhaŋgléška Wakháň. Each story will be connected to a STEM activity.
- Community Relations continues work alongside Communications and Science to develop onboarding best practices for new researchers, collaborators, and contractors to provide necessary information about SURF practices and community offerings in Lead and the surrounding area.
- Community Relations will continue to work alongside the Northern Hills Master Gardeners for assistance and guidance with Čhaŋgléška Wakháň and its plants in the 2025 season.
- The SLHVC flower beds will be updated and replanted this spring. Plants were purchased from South Dakota State University’s Native Plant Initiative. All the plants are native to South Dakota and will add to learning opportunities at the SLHVC.
- Community Relations has joined Goal 1, Science Communication, of the EPSCoR Collaborations for Optimizing Research Ecosystems (E-CORE) funding opportunity through the National Science Foundation.

Education and Outreach (E&O) Status

K-12 Education and Outreach

Professional Development (PD)

- In December 2024 through February 2025, the E&O team facilitated a total of 655 people hours of professional development for educators. Professional development highlights are listed below.
- The E&O team collaborated with the Center for the Advancement of Math & Science Education (CAMSE) staff at Black Hills State University (BHSU) to design and facilitate a three-day Creating Powerful Problem-solvers workshop funded by the SD Established Program to Stimulate Competitive Research (EPSCoR) Collaborations for Optimizing Research Ecosystems (E-CORE) grant. The workshop was held in February in conjunction with the SD state math and science teachers conference (SD STEM) in Huron and engaged 44 educators, including pre-service educators, current classroom teachers, and university faculty.
- In February 2025, E&O along with Outreach & Culture provided a 2-hour professional development session about the science of SURF and connecting to student learning to 53 high school science teachers in the Sioux Falls School District.
- At the annual SD STEM conference in Huron in February 2025, E&O presented three sessions showcasing the science of SURF and its curriculum units. E&O team members also hosted a booth in the exhibit hall that enabled many great conversations with educators from across South Dakota.

Curriculum units

- In December 2024 through February 2025, eight curriculum units were utilized and returned from districts in South Dakota, impacting the science learning of 617 students for approximately 5,706 student contact hours.

- There are currently six curriculum units out in South Dakota classrooms with a total of 435 students estimated to be impacted.

Classroom presentations

- In December 2024 through February 2025, presentations were made in 32 K-12 schools in South Dakota and Wyoming inspiring 5,821 students for 5,317 student contact hours.

Field Trips

- In December 2024 through February 2025, there were two field trips serving 25 students for 57 student contact hours.
- SURF’s main field trip season starts in March, and currently all available field trip slots are filled with new requests being directed to the Fall 2025 field trip season.

Undergraduate

- In December 2024 through February 2025, E&O team members worked with pre-service educators (16 from University of South Dakota (USD) and 21 from South Dakota State University (SDSU)) to engage with a SURF curriculum unit and talk about best practices in science teaching.
- In December 2024, the USD pre-service educators who worked with E&O earlier in the month, took a SURF engineering challenge into their local middle school to practice engaging students with an inquiry-based activity. USD pre-service educators worked with 300 students in the Vermillion Middle School, and their experience will be used to not only forward their own practice as future teachers, but also to inform E&O staff of successes and challenges when using the materials in the field.

Other

- In December 2024 through February 2025, E&O staff members, along with support from the SURF science team, hosted activity booths at the Kadoka Schools Science Fair and the Sturgis-Brown High School Career Fair, interacting with approximately 261 total students.
- Refer to Table 1 below for the annual numbers from fiscal year 2016 to present.

Table 1. K-12 Students: Fiscal year final numbers (July 1 – June 30)

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025*
Curriculum Units	934	3504	2286	3598	3236	3384	3718	2554	3965	3422
Presentations	8734	8157	6304	6704	3704	2005	14038	12799	10281	10663
Field trips	595	660	796	1117	254	58	485	972	966	544
Other	10	891	825	1055	918	298	1468	1596	1368	1146
Total	10273	13212	10211	12474	8112	5745	19709	17921	16580	15775

*Numbers include data from July 1 – February 28, 2025

Communications Status

- Communications completed brand updates for the organization including collateral material and signage.
- Planning for Neutrino Day, July 12, 2025, continues to move forward.
- Communications provided technical support for the January All Hands meeting, Deep Talks, Deeper Talks, and various other programs and speaking engagements.
- Communications created compelling assets for use at conferences and speaking events.
- Communications completed the installation of a new augmented reality (AR) experience at the SLHVC.
- Communications participated with ESH and Fermilab in a robust tabletop exercise.
- Communications participated in Lead and Deadwood development meetings, chamber events, and community events.

Community Outreach/Media/Site Visits/Presentations

- February 5 – SURF hosted a legislative reception in Pierre.
- February 7 – Communications presented at Turtle Soup in Rapid City.

- February 21 – Communications presented on science communication at SURF to two classes at South Dakota Mines.
- February 25-27 – Communications participated in the SD Governor’s Office of Economic Development (GOED) Conference.

Upcoming Community Outreach/Media/Site Visits/Presentations

Video, Web, Graphics

- [Dale Curran Dewatering Exhibit Video](#)
- [Yates’s Top Down Maintenance](#)
- [Neutrino Day 2025 Promo Video](#)
- [Teacher Feature: Courtney Justice](#)
- [SURF AiR 2025: Chris Combs](#)
- [Matt Kapust Employee Feature](#)
- [Julie Ewing Employee Feature](#)
- [Will Hover Employee Feature](#)
- [Dale Curran Employee Feature](#)
- [Brooke Anderson Employee Feature](#)
- [ESH Mandatory Access Policies Video](#)
- [AR at the SLHVC Video](#)
- [Deeper Talks February](#)
- [Deeper Talks January](#)
- [Medicine Wheel Meaning: Marty Two Bulls, Jr.](#)
- [Medicine Wheel Meaning: Amy Sazue](#)
- [Institute One Year Anniversary Video](#)
- [2025 SURF Economic Impact Video](#)
- [SURF Expansion Walk Through Video](#)
- [Deeper Talks December](#)

News Coverage

- Our media tracking platform, Meltwater, shows SURF received 802 media mentions between Dec. 1, 2024 and Feb. 28, 2025. The platform calculates this media coverage has an advertising value equivalency of \$12.7 million.
- National and international press coverage includes MSN.com, Yahoo News, the Associated Press and Phys.org among the top media outlets covering SURF.
- Major stories include the DUNE coverage, LUX-ZEPLIN (LZ) coverage, MAJORANA DEMONSTRATOR (MJD) coverage, and other local news stories.
- Multiple interviews and news stories were completed with local media, including SDPB, Black Hills Pioneer, and others.
- The top social media posts about SURF during this timeframe included an article by [LiveScience on DUNE](#) with a reach of 9.1 million.

A sampling of the many news articles mentioning SURF since Dec. 1, 2024.

- [Germanium detectors help ORNL physicists unlock the mysteries of the universe](#), Feb. 19, 2025, Oak Ridge National Lab and other outlets
- [New SURF Foundation director brings vision to life](#), Feb. 13, 2025, Black Hills Pioneer
- [Combs named artist in residence at Sanford Underground Research Facility](#), Feb. 19, 2025, Black Hills Pioneer
- [RESEARCH: Student Explores New Method for Breaking Down Plastic Waste](#), Jan. 16, 2025, Chem Analyst News
- [Innovative Research by SD Native Grace Davis Targets Polystyrene Pollution](#), Jan. 15, 2025, KXLG Radio news
- [Deep Underground Neutrino Experiment \(DUNE\): Deciphering the Universe’s Mysteries](#), Jan. 3, 2025, Securities.io
- [DUNE explained](#), Dec. 21, 2024, Black Hills Pioneer
- [The Mysterious Science Experiment That Could Answer Why We Exist](#), Dec. 15, 2024, University of Cincinnati / SciTechDaily
- [Engineering the flow SDSU models liquid argon inside DUNE](#), Dec. 7, 2024, Black Hills Pioneer

Information Technology Status

Projects

- Completed installation and configuration of upgraded Power Distribution Units for the Administration Building server room.
- Identified a solution for JotForm to C-CURE 9000 integration for the SARF 2.0 project.
- IT Systems Administrator Heather Essink and Senior Systems Administrator James Mitchell attended Minestar training to better understand the Minestar software and hardware. Training including, but not limited to, setting up new network nodes, basic troubleshooting, and software familiarization.
- The IT team attended the Northern Tier Network (Internet2) Winter meeting.
- In accordance with IT review requirements for software installed on SDSTA devices, IT deployed system policy to prevent the installation of applications from the Microsoft Store.
- Deployed PhishFirewall, a security training program for end users. This new program aims to better align with executive philosophy regarding training, as well as increasing user engagement and decreasing user frustration.
- Deployed CrowdStrike, a replacement for SDSTA's antivirus with the intention of flagging fewer false-positives and providing more accurate detections.
- Deployed six new underground switches and replaced five back haul cabinet switches for the Minestar system.
- Signed a new contract with Bluepeak to get 500 MB internet circuit installed at Ross Dry network closet for Disaster Recovery network redundancy.
- Attended in-person and virtual meetings with Cybersecurity & Infrastructure Security Agency (CISA), Department of Homeland Security (DHS), FBI, InfraGard and Cybersecurity Council of South Dakota.
- IT conducted a review of their offboarding checklist to ensure accounts and data have been consistently revoked from offboarded users.
- IT Support Technician Brook Hanson assessed IT survey data and identified a pattern of excessive Duo pushes across site. System policy was implemented to prevent repeated Duo pushes while on-site, successfully increasing quality of life for end users.
- Constructed ISO compliant IT asset maps of the underground levels with links to assets in Manager+.
- Cleaned up network cables at the 1700L Ross Station.
- Completed quarterly server updates with no issues.
- Configured the Fortigate EMS server for Fortigate VPN.
- Updated firmware on all network devices.
- Ran yearly network and VPN report for Science Director Jaret Heise.

Upcoming projects

- Replace remaining back haul cabinet switches and deploy new cabinet switches.
- Deploy switches for PLC/Dewatering project both underground and surface.
- Perform penetration testing of external SDSTA network to determine external risk from threat actors.
- Deploy SARF 2.0.
- Continue researching solution for Privileged Identity Management for SDSTA employees. This solution would replace the current username/password credentials used for computer and network access.
- Finalize Disaster Recovery solution, verify backup/restore procedures, and review documentation.
- Fully deploy Fortigate virtual private network (VPN) to replace existing Ivanti VPN.

December 2024 – February 2025 Events

- The Visitor Registration Monthly Reports were submitted electronically to the SD Fusion Center/Homeland Security utilizing the SURF database reporting tool. The Monthly Foreign National Visits Reports and Restricted Party Screening Audits were generated and distributed. The Administrative Services team registered 211 visitors from December 1 to February 28. Access badge requests were processed and monthly badging reports distributed.



Number of New Visitors, Users and Contractors On-Site

Administrative Services Activities

- Rebecca Wilcox, part-time SLHVC Guest Support Associate has been selected as the Senior Administrative Assistant and starts on March 17. The onboarding process will begin to transition daily activities from Mandy Knight, as Mandy moves into her new role as Chief of Staff.
- Senior Multimedia Designer Matt Kapust is finalizing the JotForm-based SURF Access Request Form (SARF 2.0) and is 90% complete. IT Senior Systems Administrator James Mitchell has identified a solution for JotForm to C-CURE 9000 integration. SARF 2.0 deployment to a small test group is anticipated at the end of March.
- The January 24 SURF Winter Social at Jacobs Brewhouse in Deadwood was a huge success with ~140 employees and guests attending. Events and meetings onsite have remained steady through winter. The Administrative Services team provided support for the following:
 - Dec 9 – SD Office of Risk Management site visit
 - Dec 11 – SURF Foundation board meeting
 - Dec 13 – SDSTA board of directors meeting held at Lewis-Burke Associates in Washington, D.C.
 - Dec 16 – SURF's 4th Annual Cookie Contest
 - Dec 17 – SD Army National Guard site visit
 - Dec 18 – U.S. Air Force Office of Special Investigations (OSI) site visit/surface tour, SLHVC
 - Jan 9 – “Celebrating the First Milestones of The Institute for Underground Science at SURF” event
 - Jan 13 – EOS quarterly summit with consultant Mike Roth
 - Jan 22 – SURF All Hands Meeting at the ROC
 - Jan 24 – Iverson Productions site visit; SDSTA Winter Social at Jacob's Brewhouse in Deadwood
 - Feb 24 – Cybersecurity and Infrastructure Security Agency/Department of Homeland Security site visit
- SDSTA Board of Directors support—The quarterly meeting was held on December 13, 2024, at the office of Lewis-Burke Associates in Washington, D.C. The Board approved a new Compensation Philosophy Policy—The SDSTA Policy and Procedures Manual was updated and distributed to the SDSTA team. Board materials and meeting minutes were posted to the Boards & Commissions portal. Preparations began for the next quarterly meeting on March 20 to be held at SURF. Also, planning began for the SURF Foundation quarterly board meeting with Director Annie Averitt.
- In addition, the SDSTA team is preparing for upcoming events and site visits including: The Entrepreneurial Operating System (EOS) quarterly summit with consultant Mike Roth on April 3 and SURF All Hands on April 9. Logistics planning continues with The Institute Program Manager Stacie Granum and Science team for the 2025 Center for Theoretical Underground Physics and Related Areas* (CETUP*) workshop to be held in Lead June 9- July 11 (70 participants registered) and the XVIII International Conference on the Interconnection between Particle Physics and Cosmology (PPC) (~100-150 participants expected). The Neutrino Day planning committee continues to meet in preparation for the free annual science festival on July 12.



**SANFORD
UNDERGROUND
RESEARCH
FACILITY**

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

SANFORD LAB HOMESTAKE VISITOR CENTER

Sanford Lab Homestake Visitor Center (SLHVC) Status

	2023	2024
<i>Visitation</i>	57,317	58,136
<i>States</i>	50	50
<i>Countries</i>	33	42
<i>Buses</i>	139	137
<i>Events</i>	121	124

Data comparison for visits in CY2023 and CY2024

- The SLHVC continues to provide needed space for SURF and community groups, as evidenced by recent reservations, including:
 - LZ xenon recapture workshop
 - Monthly KAJV All Hands meeting
 - Monthly Lead Area Chamber of Commerce meetings
 - Monthly Northern Hills Prospectors meetings
- A variety of activity tables were set up throughout the SLHVC for families to enjoy while attending Winterfest. The Chamber advertised the SLHVC’s participation, leading to around 300 guests at throughout the festival.
 - The SLHVC hosted the Lead Area Chamber of Commerce’s VIP fireworks party and concert.
- The 2024-2025 Deep Talks season continued with a variety of programmatic options.
 - In December, Deep Talks celebrated Nobel Day with a Nobel Day Trivia event.
 - In January, the Institute held a one-year anniversary celebration.
 - In February, Deep Talks partnered with PBS to host a screening of NOVA’s *Decoding the Universe: Cosmos* documentary.
- The SLHVC worked with the Education and Outreach team to welcome a homeschool group for a field trip focusing on the SURF Underground Dewatering Exhibit and other SLHVC-specific activities.
- With assistance from the Communications team, the SLHVC has been recruiting and booking summer bus tours for the summer and fall seasons.
- The Community Relations team partnered with SDPB to host a screening of the documentary *Tatanka: A Way of Life* at the SLHVC.
- Planning is underway for the 17th annual Neutrino Day event, to be held on July 12, 2025. All sites have been reserved, and initial Save the Dates sent.
- The SLHVC recognized International Day of Women and Girls in Science with a variety of youth activities, which were well-received by visitors and lead to long conversations and repeat visitation.
- Thanks to the Communications and Surface Ops teams, a new augmented reality experience has been installed in the cage at SLHVC, allowing for visitors to gear up as if they are going underground, showcasing Personal Protective Equipment (PPE) similar to what scientists and miners wear when working underground.
- The SLHVC partnered with the Lead Area Chamber of Commerce to host a booth and attend the Governor’s Conference on Tourism in Pierre, emphasizing Neutrino Day and other opportunities for visitors.
- The science team continues to support monthly Ask-a-Scientist events at the SLHVC.
- The SLHVC developed a merchandise purchasing plan for the 2025 busy season and is working with vendors to fulfill merchandise needs



**SANFORD
UNDERGROUND
RESEARCH
FACILITY**

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

**SURF FOUNDATION
501(c)(3)**

SURF Foundation Status

Work Accomplishments

- **Leadership Transition and Strategic Engagement**
 - Annie Averitt started as SURF Foundation Director in January and began engaging with key stakeholders.
 - Annie met with SURF Executive Leadership, attended the legislative session in Pierre with Director Headley, and connected with board members, donors, and partners.
- **Grants and Fundraising**
 - Submitted a grant proposal to the Heising-Simons Foundation in support of CETUP* 2025.
 - Launched the Neutrino Day fundraising campaign and secured \$9,500 in pledges toward the ~\$30,000 goal.
- **Corporate and External Partnerships**
 - Hosted a discovery call with a technology leader and SURFF board member Justin Varland regarding partnership opportunities.
 - Plans were initiated for visits to the San Francisco Bay Area with Director Headley to strengthen relationships with industry leaders and potential individual supporters. An upcoming visit has been coordinated on March 17, with a broader visit planned for April or May.
 - Worked with Communications and Education & Outreach teams to refine the project and presentation.
- **Outreach and Public Affairs Activities**
 - Represented SURF Foundation at various community events.
 - Celebrated Crow Peak Brewing as a 10-year sponsor of Deep Talks during the January event, marking the first anniversary of Institute programming.
- **Internal Processes and Compliance**
 - Reviewed the donor database and, after evaluating alternative platforms, renewed the existing system for another year.
 - Submitted various charitable registrations regarding compliance requirements.
 - Completed updates to the 2023-2024 990 form, pending final approval before submission.



**SANFORD
UNDERGROUND
RESEARCH
FACILITY**

SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

The Institute for Underground Science at SURF

The Institute Status

Outreach and Programming

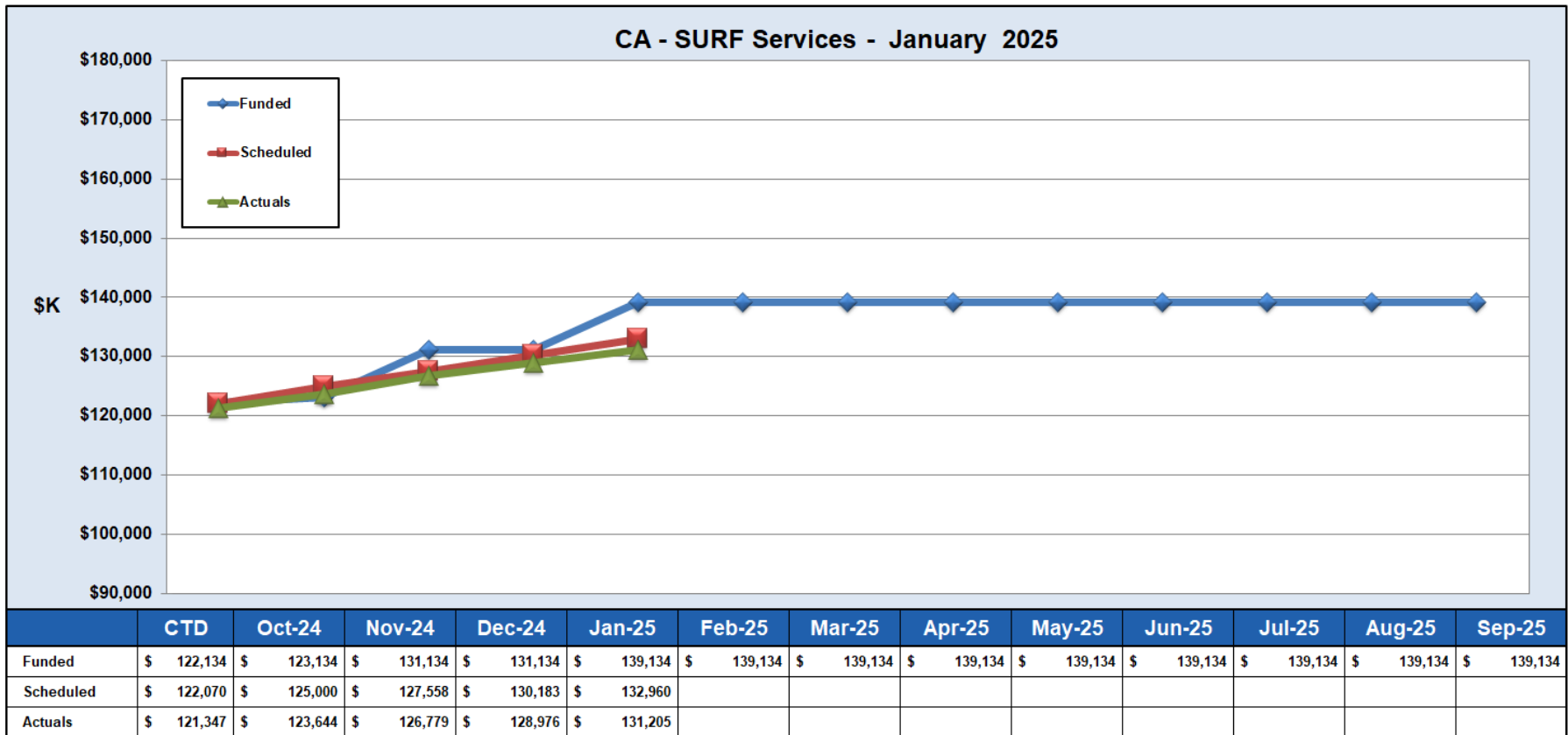
Work Accomplishments

- Deeper Talks: SURF Seminar Series
 - The monthly talk series featured Dr. Tanvi Govil (biology, SD Mines) in December, Dr. Maurice Garcia-Sciveres (physics/LZ, Lawrence Berkeley National Lab) in January, and Dr. Oliver Buchmueller (quantum, Imperial College London/CERN) in February.
 - December's talk had lower participation in part due to weather, while January and February had an average increase of 24% in participation. Overall, there were six different countries, and 18 universities represented in the participation.
- Davis-Bahcall Scholars Program
 - Forty-three applications were received, and nineteen candidates advanced to the interview stage. Interviews will be held the week of March 3, selecting eight finalists and two alternates. The four-week program runs from June 16 to July 14.
- CETUP* (Center for Theoretical Underground Physics and Related Areas) Workshop
 - CETUP* will be held June 9 to July 12, in Lead, SD.
 - The maximum number of registrations, seventy, has been confirmed, with participants representing nineteen different countries.
 - The workshop focuses on community outreach, student mentorship, and enhancing science communication to engage the media and public. Plans are underway to expand student day opportunities and other activities to foster participant and community engagement.
- Quantum Partnership Workshop
 - Planning is underway for the 2025 workshop, scheduled for July 21 to 23, with an expanded three-day agenda and more regional focus for participation.
 - The Quantum Initiative Discussion Group continues to meet virtually on a bi-monthly basis and has expanded to include participation from nine different states throughout the Midwest region.
- The Institute 1-Year Anniversary event
 - The Institute's one-year anniversary event took place on January 9 and was a success, with 84 participants—58 attending in person and 26 joining virtually.
- International Conference on the Interconnection between Particle Physics and Cosmology (PPC)
 - Registration is now open for this conference, which is expected to attract approximately 100 to 150 scientists from both experimental and theoretical particle physics and cosmology.
 - Planning for speakers and logistics is ongoing for the conference, scheduled for June 23 to 28, between the CETUP* workshop sessions.
- 5-Year Program Plan
 - A draft is being developed for the 5-Year Institute programming plan, focusing on scalable programming with regional, national, and international reach to grow the intellectual community and inspire innovation.
- Fundraising efforts
 - Efforts include a January grant submission to the Heising-Simons Foundation to support the CETUP* workshop.
 - Discussions with the new Foundation Director Annie Averitt are ongoing to explore funding opportunities for The Institute's vision and programs.



APPENDIX

**Business Services Department
Appendix A**



DOE SDSTA Fiscal Year 2025 SPA Curve

Financial Summaries - Appendix B

REPORT DATE 2/21/2025

SOUTH DAKOTA SCIENCE & TECHNOLOGY

PAGE 0001

DIVISION: ALL

BALANCE SHEET

ASSETS

		AS OF 01/31/25
CURRENT ASSETS		
First Interstate Checking	\$	1,749,083.71

Total in Local Checking		1,749,083.71
SD Treas: Indemnification		7,500,000.00
SD Treas: Mine Closure		1,631,104.50
SD Treas: Operating		1,275,910.58
SD Treas: SB35 Appropriation		241,161.70
SD Treas: Experiments		516,269.79

Total with SD Treasurer		11,164,446.57
Billed A/R		1,665,404.96
Unbilled A/R		1,304,090.59
Other A/R		428,542.58
Inventory - Supplies		2,135,473.49
Inventory - Warehouse		398,291.88
Other Current Assets		1,587,893.78

Total Current Assets		20,433,227.56
 FIXED ASSETS		
Land, Underground & Other		12,793,484.40
Bldgs & Infrastructure		19,215,582.35
Improvements		63,312,036.57
Work in Progress		11,548,590.23
Computer Equipment		394,495.88
Equipment & Fixtures		9,873,301.85
DOE Property Transfer		18,313,829.22
Accum Depr & Amort		(26,411,742.13)
DOE Prop. Accum Deprec.		(1,896,479.17)

Total Fixed Assets		107,143,099.20
 OTHER ASSETS		
Asset Retirement Obligation Deferred Outflows		1,129,637.92
Asset Retirement Obligation Accumulated Depr.		(75,309.20)
Pension Deferred Outflows		5,311,868.62
Xenon Purchased		8,687,833.46

Total Other Assets		15,054,030.80
 TOTAL ASSETS		
	\$	142,630,357.56
=====		

DIVISION: ALL

BALANCE SHEET

LIABILITIES & EQUITY

		AS OF 01/31/25

CURRENT LIABILITIES		
Accounts Payable	\$	1,552,460.88
Other Payables		651,148.54

Total Accounts Payable		2,203,609.42
Accrued Payroll Liab		2,432,982.98

Total Current Liabilities		4,636,592.40
OTHER LIABILITIES		
LT Xenon Notes Payable		3,121,190.01
Pension Deferred Inflows		3,045,436.77
Asset Retirement Obligation		1,590,404.24

Total Other Liabilities		7,757,031.02
EQUITY		
Restricted: Indemnification		7,500,000.00
Restricted: SB35 Appropriation		241,161.70
Restricted: Mine Closure		1,631,104.50
Restricted: Pension		2,266,431.85
Restricted: Experiment. Int.		516,269.79

Total Restricted Funds		12,154,967.84
Investment in Gen FA		107,143,099.20
Unrestricted Funds		10,938,667.10

Total Equity		130,236,734.14
		=====
TOTAL LIABILITIES & EQUITY	\$	142,630,357.56
		=====

ALL

STATEMENT OF INCOME

FOR THE PERIOD ENDING 1/31/2025

	YR-TO-DATE

REVENUE	
DOE Subcontracts	\$ 27,984,574.43
Checking Interest	2,611.91
Interest Income	141,253.04

TOTAL REVENUE	28,128,439.38
DIRECT COSTS	
Direct Labor	5,997,880.86
Board of Directors	11,964.51
Capital Outlay >\$5K	125,189.87
Contractual Svcs	12,884,054.98
Inventory	220,133.12
Supplies	1,090,721.49
Travel - Domestic	148,986.58
Travel - Foreign	12,355.67
Utilities	1,309,746.67
Other Direct Costs	76,063.98
Unallow/Unbill Costs	126,251.48

TOTAL DIRECT COSTS	22,003,349.21
INDIRECT COSTS	
Fringe Benefits	5,334,917.94
Overhead	7,054,119.91

TOTAL INDIRECT COSTS	12,389,037.85

GROSS PROFIT/LOSS ()FROM OPERATIONS	(6,263,947.68)

OTHER INCOME	
Water Treatment	140,913.49
Miscellaneous Income	26,179.18
Other Operating Income	152,145.00

TOTAL OTHER INCOME	319,237.67
OTHER EXPENSES	
Misc. Expenses & Donations	(2,065,457.24)
Loss (Gain) on Sale of FA	425,434.98
Other Unallowable Expense	460,957.17
Reclass Incr Net Assets	110,782.41

TOTAL OTHER EXPENSES	(1,068,282.68)
	=====
NET INCOME/LOSS ()	\$ (4,876,427.33)
	=====

DIVISION: ALL

COMPARATIVE BALANCE SHEET

ASSETS

	AS OF 01/31/25	AS OF 01/31/24	\$ CHANGE	% CHANGE
CURRENT ASSETS				
First Interstate Checking	\$ 1,749,083.71	\$ 2,408,903.72	\$ (659,820.01)	-27.39%
Total in Local Checking	1,749,083.71	2,408,903.72	(659,820.01)	-27.39%
SD Treas: Indemnification	7,500,000.00	7,500,000.00	-	0.00%
SD Treas: Mine Closure	1,631,104.50	1,567,504.94	63,599.56	4.06%
SD Treas: Operating	1,275,910.58	1,643,238.62	(367,328.04)	-22.35%
SD Treas: SB35 Appropriation	241,161.70	11,775,512.35	(11,534,350.65)	100.00%
SD Treas: Experiments	516,269.79	570,118.85	(53,849.06)	-9.45%
Total with SD Treasurer	11,164,446.57	23,056,374.76	(11,891,928.19)	-51.58%
Billed A/R	1,665,404.96	2,208,454.25	(543,049.29)	-24.59%
Unbilled A/R	1,304,090.59	77,061.99	1,227,028.60	1592.26%
Other A/R	428,542.58	557,365.95	(128,823.37)	-23.11%
Inventory - Supplies	2,135,473.49	3,300,161.33	(1,164,687.84)	-35.29%
Inventory - Warehouse	398,291.88	494,199.59	(95,907.71)	-19.41%
Other Current Assets	1,587,893.78	1,815,759.79	(227,866.01)	-12.55%
Total Current Assets	20,433,227.56	33,918,281.38	(13,485,053.82)	-39.76%
FIXED ASSETS				
Land, Underground & Other	12,793,484.40	12,793,484.40	-	0.00%
Bldgs & Infrastructure	19,215,582.35	19,215,582.35	-	0.00%
Improvements	63,312,036.57	63,312,036.57	-	0.00%
Work In Progress	11,548,590.23	6,039,722.86	5,508,867.37	91.21%
Computer Equipment	394,495.88	366,435.18	28,060.70	7.66%
Equipment & Fixtures	9,873,301.85	10,282,282.28	(408,980.43)	-3.98%
DOE Property Transfer	18,313,829.22	10,395,464.03	7,918,365.19	76.17%
Accum Depr & Amort	(26,411,742.13)	(24,575,050.20)	(1,836,691.93)	7.47%
DOE Prop. Accum Deprec.	(1,896,479.17)	(1,253,411.27)	(643,067.90)	51.31%
Total Fixed Assets	107,143,099.20	96,576,546.20	10,566,553.00	10.94%
OTHER ASSETS				
Asset Retirement Obligation Deferred Outflows	1,129,637.92	1,129,637.92	-	0.00%
Asset Retirement Obligation Accumulated Depr.	(75,309.20)	(37,654.60)	(37,654.60)	100.00%
Pension Deferred Outflows	5,311,868.62	5,823,104.49	(511,235.87)	-8.78%
Xenon Purchased	8,687,833.46	8,687,833.46	-	0.00%
Total Other Assets	15,054,030.80	15,602,921.27	(548,890.47)	-3.52%
TOTAL ASSETS	\$ 142,630,357.56	\$ 146,097,748.85	\$ (3,467,391.29)	-2.37%

DIVISION: ALL

COMPARATIVE BALANCE SHEET

LIABILITIES & EQUITY

	AS OF 01/31/25	AS OF 01/31/24	\$ CHANGE	% CHANGE
CURRENT LIABILITIES				
Accounts Payable	\$ 1,552,460.88	\$ 1,974,299.34	(421,838.46)	-21.37%
Other Payables	651,148.54	4,649.19	646,499.35	13905.63%
	-----	-----	-----	-----
Total Accounts Payable	2,203,609.42	1,978,948.53	224,660.89	11.35%
Accrued Payroll Liab	2,432,982.98	1,697,662.07	735,320.91	43.31%
	-----	-----	-----	-----
Total Current Liabilities	4,636,592.40	3,676,610.60	959,981.80	26.11%
OTHER LIABILITIES				
LT Xenon Notes	3,121,190.01	3,121,190.01	-	0.00%
Pension Deferred Inflows	3,045,436.77	3,447,916.22	(402,479.45)	-11.67%
Asset Retirement Obligation	1,590,404.24	1,196,884.99	393,519.25	32.88%
	-----	-----	-----	-----
Total Other Liabilities	7,757,031.02	7,765,991.22	(8,960.20)	-0.12%
	-----	-----	-----	-----
TOTAL LIABILITIES	12,393,623.42	11,442,601.82	951,021.60	8.31%
EQUITY				
Restricted: Indemnificati	7,500,000.00	7,500,000.00	-	0.00%
Restricted: SB35 Appropriation	241,161.70	11,775,512.35	(11,534,350.65)	100.00%
Restricted: Mine Closure	1,631,104.50	1,567,504.94	63,599.56	4.06%
Restricted: Pension	2,266,431.85	2,375,188.27	(108,756.42)	-4.58%
Restricted: Experim. Int.	516,269.79	570,118.85	(53,849.06)	-9.45%
	-----	-----	-----	-----
Total Restricted Funds	12,154,967.84	23,788,324.41	(11,633,356.57)	-48.90%
Investment in Gen FA	107,143,099.20	96,576,546.20	10,566,553.00	10.94%
Unrestricted Funds	10,938,667.10	14,290,276.42	(3,351,609.32)	-23.45%
	-----	-----	-----	-----
TOTAL EQUITY	130,236,734.14	134,655,147.03	(4,418,412.89)	-3.28%
	=====	=====	=====	=====
TOTAL LIABILITIES & EQUITY	\$ 142,630,357.56	\$ 146,097,748.85	\$ (3,467,391.29)	-2.37%
	=====	=====	=====	=====

COMPARATIVE STATEMENT OF INCOME

FOR THE PERIOD ENDING 01/31/2025

	YEAR TO DATE	PRIOR YEAR TO DATE	\$ CHANGE	% CHANGE
REVENUE				
DOE Subcontracts	\$ 27,984,574.43	\$ 21,162,107.11	\$ 6,822,467.32	32.24%
Checking Interest	2,611.91	5,034.42	(2,422.51)	-48.12%
Interest Income	141,253.04	208,749.69	(67,496.65)	-32.33%
TOTAL REVENUE	28,128,439.38	21,375,891.22	6,752,548.16	31.59%
DIRECT COSTS				
Direct Labor	5,997,880.86	5,444,983.65	552,897.21	10.15%
Board of Directors	11,964.51	7,092.91	4,871.60	68.68%
Capital Outlay >\$5K	125,189.87	1,398,482.00	(1,273,292.13)	100.00%
Contractual Svcs	12,884,054.98	3,961,881.43	8,922,173.55	225.20%
Inventory	220,133.12	165,636.67	54,496.45	32.90%
Supplies	1,090,721.49	1,351,602.64	(260,881.15)	-19.30%
Travel - Domestic	148,986.58	103,466.10	45,520.48	44.00%
Travel - Foreign	12,355.67	12,773.21	(417.54)	-3.27%
Utilities	1,309,746.67	1,212,647.26	97,099.41	8.01%
Other Direct Costs	76,063.98	160,365.63	(84,301.65)	-52.57%
Unallow/Unbill Costs	126,251.48	132,907.45	(6,655.97)	-5.01%
TOTAL DIRECT COSTS	22,003,349.21	13,951,838.95	8,051,510.26	57.71%
INDIRECT COSTS				
Fringe Benefits	5,334,917.94	5,335,955.50	(1,037.56)	-0.02%
Overhead	7,054,119.91	6,419,544.30	634,575.61	9.89%
TOTAL INDIRECT COSTS	12,389,037.85	11,755,499.80	633,538.05	5.39%
GROSS PROFIT/LOSS ()	(6,263,947.68)	(4,331,447.53)	(1,932,500.15)	517.81%
OTHER INCOME				
Water Treatment	140,913.49	160,139.06	(19,225.57)	-12.01%
Miscellaneous Income	26,179.18	22,615.50	3,563.68	15.76%
Other Operating Income	152,145.00	101,389.49	50,755.51	50.06%
TOTAL OTHER INCOME	319,237.67	284,144.05	35,093.62	12.35%
OTHER EXPENSES				
Misc. Expenses & Donations	(2,065,457.24)	(3,182,895.17)	1,117,437.93	-35.11%
Loss (Gain) on Sale of FA	425,434.98	15,282.62	410,152.36	2683.78%
Other Unallowable Expense	460,957.17	344,790.64	116,166.53	33.69%
Reclass Incr Net Assets	110,782.41	216,724.98	(105,942.57)	-48.88%
TOTAL OTHER EXPENSES	(1,068,282.68)	(2,606,096.93)	1,537,814.25	-59.01%
NET INCOME/LOSS ()	\$ (4,876,427.33)	\$ (1,441,206.55)	\$ (3,435,220.78)	238.36%

South Dakota Science & Technology Authority
Available Resources
1/31/2025

Cash Total Checking	\$	1,749,084
Cash With State Treasurer	\$	<u>11,164,447</u>
Total Cash	\$	12,913,530
Less: Restricted Funds		
Indemnification/Mine Closure	\$	(9,131,105)
SB35 Appropriation	\$	(241,162)
Experiments (Xenon, Interest, Infrastructure)	\$	(516,270)
 Total Cash Available for Infrastructure Upgrades and Authority Operations	 \$	 3,024,994
Plus: Accounts Receivable Billed	\$	1,665,405
FY21 and FY22 Indirect True up in A/R above	\$	712,770
Transfer request from the SB35 Appropriation	\$	97,788
Accounts Receivable Unbilled	\$	1,304,091
Less: Current Liabilities (Accounts Payable & Accrued Payroll)	\$	(4,636,592)
 Available Cash and Receivables	 \$	 <u>2,168,455</u>

SDSTA Operating Budget Summary FY2025

Actual vs Budget
January 2025 & YTD

	January 2025	Budget	\$ Over/Under Budget	% of Budget	Actual YTD	YTD Budget	\$ Over/Under Budget	% of Budget	% Remaining
									100%
SDSTA (Authority) Direct Charges									
Board of Directors	\$179	\$2,410	\$2,231	7.42%	\$12,613	\$16,870	\$4,257	74.77%	25.23%
Executive Office	\$95,835	\$65,316	(\$30,519)	146.73%	\$558,361	\$458,915	(\$99,446)	121.67%	-21.67%
SURF Institute	\$17,110	\$14,598	(\$2,512)	117.21%	\$177,971	\$139,102	(\$38,869)	127.94%	-27.94%
Science Center E & O	\$573	\$250	(\$323)	229.05%	\$69,308	\$51,750	(\$17,558)	133.93%	-33.93%
SURF Foundation	\$26,626	\$30,786	\$4,160	86.49%	\$175,316	\$215,530	\$40,214	81.34%	18.66%
Science Liaison	\$1,782	\$0	(\$1,782)	100.0%	\$708	\$0	(\$708)	100%	NA
SLHVC (Visitor Center)	\$23,921	\$28,375	\$4,454	84.3%	\$200,097	\$193,860	(\$6,237)	103.22%	-3.22%
Subtotal	\$166,026	\$141,735	(\$24,291)	117.14%	\$1,194,373	\$1,076,027	(\$118,346)	111.00%	-11.00%
Federal/State Funding - Direct Charges									
FRA C#671265 Prof. St.Services	\$9,514	\$11,128	\$1,614	85.49%	\$94,818	\$77,897	(\$16,921)	121.72%	-21.72%
FRA C#674969 Logs Support and / C#713179 BSI Logs Support	\$149,562	\$301,020	\$151,458	49.69%	\$1,462,381	\$2,107,140	\$644,759	69.40%	30.60%
Fermi C#711484 Gen Site Services	\$10,783	\$42,718	\$31,935	25.24%	\$98,591	\$299,024	\$200,433	32.97%	67.03%
Fermi C#711513 Electrical Study	\$35,238	\$35,238	\$0	100.0%	\$35,238	\$35,238	\$0	100.00%	0.00%
Office of Science Coop.Agree	\$1,440,901	\$1,857,664	\$416,763	77.57%	\$10,874,312	\$11,136,647	\$262,335	97.64%	2.36%
Office of Science IIP Projects	\$454,143	\$454,143	\$0	100.0%	\$6,797,349	\$6,797,349	\$0	0.00%	0.00%
LBNL LZExp.Operat.C#7650068 & DE-SC0022857	\$46,718	\$53,288	\$6,571	87.67%	\$348,696	\$373,018	\$24,322	93.48%	6.52%
Battelle Mem. Inst - DEMO-FTES	\$401	\$1,958	\$1,557	20.49%	\$15,253	\$13,707	(\$1,546)	111.28%	-11.28%
MJD (Majorana) SDSM&T CT005350 CT008480	\$2,196	\$2,008	(\$188)	109.35%	\$14,445	\$14,056	(\$389)	102.76%	-2.76%
BHSU E & O - CT004853 & CT004854	\$4,538	\$10,158	\$5,620	44.67%	\$29,110	\$56,724	\$27,614	51.32%	48.68%
* Kiewit/Thyssen/DakotaT.	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.00%	100.00%
* Caterpillar Inc.	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.00%	100.00%
Subtotal	\$2,153,993	\$2,769,324	\$615,330	77.78%	\$19,770,193	\$20,910,800	\$1,140,607	94.55%	5.45%
Indirect Expenses									
Indirect Charges Personnel	\$594,492	\$689,022	\$94,531	86.28%	\$3,107,603	\$4,595,151	\$1,487,549	67.63%	32.37%
Indirect Charges Other	\$507,607	\$666,740	\$159,133	76.13%	\$4,289,885	\$4,974,659	\$684,774	86.23%	13.77%
Subtotal	\$1,102,099	\$1,355,763	\$253,663	81.29%	\$7,397,487	\$9,569,810	\$2,172,323	77.30%	22.70%
Totals	\$3,422,118	\$4,266,821	\$844,702	80.2%	\$28,362,053.25	\$31,556,636.96	\$3,194,584	89.88%	10.12%
* Private Corporations (Commercial Group)									

Communications Department Photo Appendix C



Top: The central utility cavern for the Deep Underground Neutrino Experiment (DUNE).

Center left: Dr. Bill Roggenthen aims his light down the drift on the 4100 Level location of the Enhanced Geothermal Systems (EGS) Collab site.

Center right: Media Relations Manager Mike Ray interviews Director Mike Headley underground for a video produced for the American Physical Society (APS) conference in March.

Bottom right: Henry Kenny dons a virtual hard hat in a new augmented reality (AR) experience in the cage exhibit at the Sanford Lab Homestake Visitor Center.



Page intentionally
blank

SDSTA Policies—Mr. Mike Headley

Attached are the following updated SDSTA policies and procedures reviewed by legal counsel and recommended for approval:

- SDSTA Manual Section 2 “Employee Handbook”
 - Equal Opportunity Employer Policy (*Updated PY title, removed “Affirmative Action” to align with SDSTA’s generalized EEO responsibility under the Civil Rights Act*)
 - Equal Opportunity Policy-Procedure (*Updated PP title, removed “Affirmative Action” to align with SDSTA’s generalized EEO responsibility under the Civil Rights Act; no changes to Veteran and Disability protections*)
 - Flexible Work Options Policy (*Updated timing of agreement reviews and clarified expectations of computer equipment for teleworkers*)
 - Flexible Work Options Policy-Procedure (*Updated timing of agreement reviews and clarified expectations of computer equipment for teleworkers*)
 - Leave Policy (*Section F: Paid Parental Leave - clarified 12-month employment eligibility*)
 - Use of SDSTA Technology Resources and Internet Policy-Procedure (*Updated IT manager title*)

- Request to retire the Diversity, Equity, and Inclusion Policy

Recommended Action:

Motion to approve the following policies and procedures: Equal Opportunity Policy, Equal Opportunity Policy-Procedure, Flexible Work Options Policy, Flexible Work Options Policy-Procedure, Leave Policy, Use of SDSTA Technology Resources and Internet Policy and retire the Diversity, Equity, and Inclusion Policy, as presented.

Page
intentionally
blank

Equal Opportunity and Affirmative Action Policy, updated for approval at March 20 board meeting

The South Dakota Science and Technology Authority (SDSTA) is an equal opportunity employer committed to the development of a diverse workforce. WeSDSTA fosters a work community where every individual feels welcomed, valued, respected, and heard.~~and shall take affirmative action as called for by applicable laws to employ and to advance in employment all persons.~~ And it is prohibited to discriminate on the basis of race, color, creed, religion, sex, sexual orientation, gender identity, ancestry, national origin, age (40 years of age or older), disability, genetic information or political affiliation ~~is prohibited~~. If an employee believes he or she has been denied equal opportunity or discriminated against, the employee should immediately notify their supervisor, Human Resources, or the Executive Director.

The South Dakota Science and Technology Authority (“SDSTA”) is an equal opportunity employer committed to the development of a diverse workforce. WeSDSTA fosters a work community where every individual feels welcomed, valued, respected and heard. SDSTA~~and~~ takes affirmative action as called for by applicable laws and Executive Orders to employ and to advance in employment all persons regardless of their status as individuals with disabilities or protected veterans and bases all employment decisions only on valid job requirements.

Subsection A of theThe practices and procedures set forth herein comprise the SDSTA’s written Affirmative Action Program for Veterans and Individuals with Disabilities (“AAP”) when applicable. The SDSTA Human Resources officeAdministrator is responsible for designing, implementing, and annually reviewing the SDSTA’s AAP. Additional copies of this AAP are available in the Employee Handbook or upon request.

A. Persons protected against discrimination

The Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212, (VEVRAA) prohibits discrimination against protected veterans, including pre-Jobs for Veterans Act (“JVA”) veterans. Disabled veterans, recently separated veterans, active duty wartime or campaign badge veterans, and Armed Forces Service Medal (AFSM) veterans are protected veterans under VEVRAA.

Section 503 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 793) prohibits discrimination against individuals with disabilities.

Terms used in this subsection A are defined as follows:

1. Veteran—person who served in the active military, naval, or air service of the U.S., and who was discharged or released therefrom under conditions other than dishonorable.
2. Disabled veteran—defined as (1) a veteran of the U.S. military, ground, naval or air service who is entitled to compensation (or who, but for the receipt of military retired pay, would be entitled to compensation) under laws administered by the Secretary of Veteran Affairs, or (2) a person discharged or released from active duty because of a service-connected disability.
3. Armed Forces Service Medal (AFSM) veteran—one who, while serving on active duty in the U.S. military, ground, naval, or air service, participated in a U.S. military operation for which an AFSM was awarded pursuant to Executive Order 12985 (61 FR 1209).
4. Recently separated veteran—veteran separated during the three-year period beginning on the date of such veteran’s discharge or release from active duty in the U.S. military, ground, naval, or air service.

5. Other protected veteran—a person who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized, under the laws administered by the U.S. Department of Defense.
6. Qualified disabled veteran—a disabled veteran who has the ability to perform the essential functions of the employment position with or without reasonable accommodation.
7. Individual with a Disability—defined as any person who, generally, (1) has a physical or mental impairment that substantially limits one or more of such person’s major life activities; (2) has a record of such impairment or (3) is regarded as having such impairment. An individual with disability is “substantially limited” if he or she is unable to perform a major life activity that the average person in the general population can perform, or is significantly restricted as to the condition, manner, or duration under which a person can perform a particular major life activity as compared to the condition, manner, or duration under which the average person could perform that same activity.
8. Qualified individual with a disability—an individual with a disability as defined above who meets the requisite skill, experience, education, and other job-related requirements of the employment position such individual holds or desires, and who is capable of performing the essential functions of the position, with or without reasonable accommodation.
9. Physical or mental impairment—defined as (1) any physiological disorder, or condition, cosmetic disfigurement or anatomical loss affecting one or more body systems such as neurological, musculoskeletal, special sense organs, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, immune, circulatory, hemic, lymphatic, skin, and endocrine; or (2) any mental or psychological disorder, such as an intellectual disability (formerly termed mental retardation), organic brain syndrome, emotional or mental illness, and specific learning disabilities.
10. Major life activities include, but are not limited to, caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, sitting, reaching, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, interacting with others, and working.

B. Personnel policies and practices

Employment policies, practices and procedures include careful, thorough and systematic consideration of the skills and qualifications of applicants and employees for decisions regarding hiring, promotion, participation in training opportunities, and other personnel actions.

Procedures and practices are systematically reviewed to ensure:

- Job descriptions accurately reflect job functions and the physical, mental and emotional capacity to perform assigned tasks competently, and in a manner that does not unreasonably threaten safety, health or property, including participation in emergency procedures applicable to their work location;
- Information requested on job applications and other pre-employment forms is job-related;

- Selection methods are job-related and consistent with business necessity; Qualified individuals are treated in a nondiscriminatory manner when hiring, promotion, transfer, and termination actions occur;
- Instruction to SDSTA personnel and management on proper interview techniques includes EEO/AA training;
- Personnel decisions are made on the basis of an individual's capacity to perform his/her duties and responsibilities and the reasonableness of any necessary job accommodation;
- Consistency with applicable and current legal requirements;
- Administration without regard to an employee's or applicant's status as a disabled veteran or individual with a disability;
- Policy and compliance information is posted on company bulletin boards at strategic locations throughout the property;
- Applicants and employees may voluntarily self-identify, discuss their status as a protected veteran or individual with a disability, or request an accommodation by contacting their supervisor or Human Resources;
- Modifications to existing or the development of new procedures identified as necessary to ensure equal employment opportunity/~~affirmative action~~ are implemented in the ~~Affirmative Action Program (AAP)~~;
- Employees and applicants will not be subject to harassment because of disability or their status as a protected veteran; and
- Employees and applicants are aware of the SDSTA's policy prohibiting retaliation because they have objected to discrimination, engaged or may engage in filing a complaint, assisted in a review, investigation, or hearing or have otherwise sought to obtain their legal rights under any federal, state, or local EEO law regarding individuals with disabilities or protected veterans.

C. Recruitment

Employment opportunities are advertised on the Sanford Lab website, ~~in local newspapers, electronic job boards~~ and/or with the South Dakota Department of Labor & Regulations network. All ~~printed~~ employment advertisements state that "The SDSTA is an Equal Opportunity/~~Affirmative Action~~ employer committed to the development of a diverse workforce. Applicants are invited to self-identify as an individual with a disability or as a protected veteran. Forms are available ~~on the Sanford Lab website or~~ upon request from Human Resources.

In accordance with the Americans with Disabilities Act ("ADA"), the SDSTA neither requires medical examinations nor makes inquiries as to whether an applicant is an individual with a disability or as to the nature or severity of such disability prior to an employment offer. However, the regulations allow, and SDSTA may make, pre-employment inquiries regarding the ability of an applicant to perform job-related functions.

The SDSTA administers pre-placement health reviews following an offer of employment. Such health reviews are classification-specific, and are designed to ensure that qualifications are job-related, consistent with business necessity, ensure safe performance of the job, comply with regulatory requirements, limits health risk to staff, and minimize the SDSTA's exposure to liability. Fitness for Duty evaluations are conducted to assure work safety.

D. Reasonable accommodations

Every effort is made to provide reasonable accommodations to otherwise qualified applicants and employees who are disabled or become disabled, and who need assistance to perform the essential functions of their position unless doing so would result in undue hardship.

Terms used in this subsection D are defined as follows:

1. "Reasonable accommodation" generally means any change in the work environment or in the way things are customarily done that enables an individual with a disability or disabled veteran to enjoy equal employment opportunities, including (1) modifications or adjustments to a job application process that enable a qualified applicant who is an individual with a disability or protected veteran to be considered for the position such applicant desires; (2) modifications or adjustments to the work environment, or to the manner or circumstances under which the position held or desired is customarily performed, that enable a qualified individual with a disability or qualified disabled veteran to perform the essential functions of that position; or (3) modifications or adjustments that enable a covered entity's employee with a disability or who is a disabled veteran to enjoy equal benefits and privileges of employment as are enjoyed by its other similarly situated employees without disabilities or who are not disabled veterans.
2. "Undue hardship" is defined as an action requiring significant difficulty or expense to be incurred when considered in light of a number of factors, including the nature and cost of the accommodation in relation to the size, resources, nature and structure of the employer's operation. Undue hardship refers not only to financial difficulty, but to reasonable accommodations that are unduly extensive, substantial, or disruptive, or those that would fundamentally alter the nature or operation of the business, including the impact on the ability of other employees to perform their duties and the impact on the facility's ability to conduct business.

Generally, the individual with a disability or disabled veteran must inform the employer that an accommodation is needed. Applicants and employees are invited to self-identify their status as an individual with a disability, as defined in Section 503 of the Rehabilitation Act of 1973, as amended, and/or as a protected veteran under the equal employment opportunity provisions of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, if they wish to benefit under this AAP. Forms are available on the Sanford Lab website or upon request from Human Resources. The applicant or employee is responsible for providing medical documentation to assist in understanding the nature of the employee's functional limitations. When necessary, the SDSTA may require that the employee be examined by an SDSTA-appointed health care provider.

The SDSTA shall keep all information on self-identification confidential, maintain a data analysis file, and shall provide self-identification information to Office of Federal Contract Compliance Programs (OFCCP) upon request.

E. Discrimination, harassment and retaliation prohibited

Discrimination, harassment or retaliation because of an employee's disability or status as a protected veteran is prohibited. Employees and applicants of the SDSTA who believe they have been subjected to discrimination, harassment or retaliation because of disability or their status as a protected veteran may file a complaint as outlined in the SDSTA Equal Opportunity ~~and Affirmative Action~~ Employer Policy. All complaints will be investigated and the appropriate corrective action prescribed for substantiated charges.

F. Enforcement and compliance

Individuals who believe that they have been treated unfairly, have a complaint of harassment or offensive behavior, have been denied equal opportunity or discriminated against are encouraged to immediately notify their supervisor, a higher-level supervisor, ~~the~~ Human Resources Administrator, or the Executive Director before filing a complaint with an external agency such as the Office of Civil Rights (OCR) or Equal Employment Opportunity Commission (EEOC).

All complaints will be investigated. Appropriate corrective action will take place immediately if the investigation supports the charge or violation of policy, and may include disciplinary action up to and including termination. Information will be kept as confidential as possible; however, the SDSTA cannot guarantee complete confidentiality as certain information may have to be revealed to conduct an effective investigation.

G. Subcontractors

The SDSTA will flow down all applicable requirements to subcontractors.

The workplace culture at the Sanford Underground Research Facility (SURF) is rooted in collaboration and continuous discourse regarding our work to provide exceptional service to SURF users. The South Dakota Science and Technology Authority (SDSTA) recognizes flexibility in work schedules and work location helps attract and retain the best workforce possible. This policy establishes guidelines to facilitate flexible work option arrangements for eligible employees in appropriate circumstances to best support the SDSTA mission. These options do not change the basic terms and conditions of SDSTA employment and are not entitlements. Any flexible work arrangements offered or approved are subject to change or revocation at the discretion of the SDSTA.

A. Eligibility

Though flexible work options might be viable alternatives for certain eligible SDSTA employees, it is not a right; it is an option that can be modified or revoked by the SDSTA at any time. The employee must have successfully completed their six-month probationary period before requesting authorization to use flexible work options. In special circumstances, the Executive Director may consider waiving the probationary period for the purposes of flexible work options. For a variety of operational reasons, these flexible work options may not be extended to all employees who meet the minimum eligibility criteria.

Management will determine the specific procedures for evaluating, approving or denying flexible work option requests in a manner consistent with this policy.

B. Flexible Work Options

Flexible work options include flextime and telecommuting. Approval of the use of flextime and telecommuting must be approved by the manager/supervisor. *Reference related Flexible Work Options Policy-Procedure.*

1. Flextime

Flextime allows an employee to request flexibility in start and end times to the workday, or the option of working a full schedule over fewer days. It offers employees some flexibility regarding their daily work schedule, provided it is compatible with their job responsibilities and the SDSTA's operational needs.

An employee who is approved for flextime must complete and sign an SDSTA Flexible Work Options Agreement, which must be reviewed at least annually when and as often as determined by their manager/supervisor.

2. Telecommuting

Telecommuting allows an employee to fulfill job responsibilities at an approved offsite location for one or more days a week on a routine basis. A temporary change to the offsite location shall be approved in advance by the manager/supervisor. The arrangement may cover all or

part of an employee's scheduled hours and may be on an occasional or regular basis. In some situations, a telecommuter may be designated as a remote worker.

The telecommuter usually works from home on specified days and at their primary worksite the remainder of the time, retaining flexibility to meet the needs of their department. The primary SDSTA worksite is the location at 630 E. Summit St, Lead, South Dakota, at which the employee is assigned to perform their work.

An employee who is approved to telecommute must complete and sign an SDSTA Flexible Work Options Agreement, ~~and it~~ must be reviewed ~~at least~~ annually or as often as determined by their manager/supervisor, along with ~~and~~ any other agreements and documents required by the SDSTA ~~may require~~. The employee is responsible to ensure, at their own expense, that their telecommuting worksite is safe and ergonomically appropriate.

The telecommuter is expected to work the approved work schedule as determined by their manager/supervisor and be fully accessible during those hours (by phone and email). The telecommuter must attend required meetings and functions (some of which may be on the primary SDSTA worksite when required), including on days the employee would customarily telecommute.

Remote Worker—*In appropriate circumstances, the SDSTA may hire or transition existing employees to work remotely. A remote worker is an employee who works exclusively off site as part of the terms and conditions of appointment and does not maintain an office at the primary SDSTA worksite. The remote worker must be accessible during regular work hours and participate in meetings when appropriate. Non-exempt staff are not eligible for remote worker designation.*

C. Equipment

Employees must comply with all SDSTA policies and procedures including adequately safeguarding and securing any restricted or confidential information with which they work in accordance with applicable law. Failure to fulfill work requirements will result in immediate revocation of the Flexible Work Options Agreement and/or possible disciplinary action (including termination of employment).

The employee is responsible for all expenses associated with setting up, operating and maintaining the telework site. It is expected ~~the employee will use SDSTA-issued computer~~(s) ~~hardware~~ and/or software for telework when possible.

- SDSTA will not purchase a duplicate computer, peripherals or accessories solely for the purpose of telework.
- SDSTA will not provide support for non-SDSTA-owned computers, peripherals, accessories, hardware and/or software or home internet/phone service.

It is the employee's responsibility to report all lost or stolen IT assets immediately to their manager/supervisor.

In the event the employee terminates employment, or the flexible work option is rescinded, all SDSTA provided equipment, software, data and supplies must be returned to the SDSTA in a safe and secure manner.

D. Work Focus

The telecommuting employee's work focus must be equal to those employees who are working onsite. Flexible work options are not intended to permit employees to have time to work at other jobs, provide dependent or other care during work hours, run their own businesses, or mix vacation and work activities. Engagement in any such activities during expected work time will result in immediate revocation of the Flexible Work Options Agreement and/or possible disciplinary action (including termination of employment).

The employee is required to accurately report time worked including sick leave and vacation leave. Misreporting time worked or leave is a violation of federal law. It can lead to the SDSTA being barred from future federal contracts and funding. Employees misreporting time will be subject to the SDSTA Progressive Discipline process up to and including termination of employment.

Employees requesting sick leave or vacation leave shall use the standard SDSTA leave request process. *Reference Salary and Hourly Payroll Policy and Leave Policy.*

E. Liability

The telecommuter/remote worker will be covered by workers' compensation for job-related injuries that occur in the designated telework location during the defined work period so long as they are otherwise compensable under applicable law. In the case of injury occurring during the defined work period, the employee shall report the injury to the manager/supervisor by the end of the same workday. Workers' compensation will not apply to non-job-related injuries that might occur in the home. SDSTA does not assume responsibility for injury to any persons other than the teleworker at the telework site.

This Policy is not a contract and is not intended to create any obligations on the SDSTA. This Policy may be terminated or changed by the SDSTA at any time, with or without notice.

This procedure describes the flexible work options that managers and supervisors can use to provide opportunities to improve employee attraction, retention, and morale while supporting the SDSTA mission. Flexible work options can also increase productivity, decrease pressure on limited parking and office facilities, and reduce energy usage and air pollution.

A. Applicability

This procedure applies to all SDSTA part-time and full-time employees. However, due to the unique nature of the work performed at Sanford Underground Research Facility (SURF) and the unique requirements for each role, not all employees are eligible to telework.

B. Definitions

Terms used in this procedure mean:

1. Flexible Work Options – options include flextime and telecommuting.
2. Flextime – allows an employee to request flexibility in start and end times to the workday, or the option of working a full schedule over fewer days. It offers employees some flexibility regarding their daily work schedule, provided it is compatible with their job responsibilities and SDSTA's operational needs.
3. Primary SDSTA worksite – the SDSTA/SURF primary location at 630 East Summit Street in Lead, South Dakota, at which employees are assigned to perform their work.
4. Remote Worker – an SDSTA employee who works exclusively off site as part of the terms and conditions of appointment and does not maintain an office at the primary SDSTA worksite.
5. Telecommuting – also known as telework, is a work option in which some or all of an employee's duties are performed away from the primary SDSTA worksite for one or more days a week on a routine basis. The employee usually works from home on specified days and at their primary SDSTA worksite the remainder of the time, retaining flexibility to meet the needs of their department.

C. Responsibilities

1. Director/Manager/Supervisor
 - a. Determines whether flexible work options are appropriate within the department.
 - b. Approves employee Flexible Work Options Agreement and reviews the agreement when and as often as determined by the manager/supervisor. at least annually. Approvals are granted for one year at a time. A copy of the employee's agreement shall be retained in the employee's personnel file.
 - c. Approves any changes in telecommuter's work location or schedule.

- d. Communicates regularly with employee.
- e. Evaluates employee's work on an ongoing basis to ensure that work quality, efficiency, and productivity are not compromised by the telecommuting arrangement.
- f. Schedules weekly department meetings.

2. Employee

- a. Completes and signs SDSTA Flexible Work Options Agreement and any other agreements and documents required by the SDSTA ~~may require~~.
- b. Renewal of Flexible Work Options Agreement must be completed annually or when and as often as determined ~~for approval~~ by the manager/supervisor.
- c. Ensures telecommuting work location is ergonomically appropriate and maintains a safe work environment at their own expense in accordance with U.S. Department of Labor regulations.
- d. Communicates change in work location to manager/supervisor in advance.
- e. Communicates regularly with manager/supervisor.
- f. Complies with all SDSTA policies and procedures.
- g. Accurately reports time worked including sick leave and vacation leave.
 - Requests manager/supervisor approval to use vacation, sick or other leave in the same manner as when working at the primary SDSTA worksite.
 - A non-exempt employee who is approved to telecommute is required to strictly adhere to and accurately report their work hours. Prior approval is required for any overtime worked. *Reference Salary and Hourly Payroll Policy.*
 - Misreporting time worked or leave is a violation of federal law. It can lead to the SDSTA being barred from future federal contracts and funding. Employees misreporting time will be subject to the SDSTA Progressive Discipline process up to and including termination of employment.

Employees requesting sick leave or vacation leave shall use the standard SDSTA leave request process. *Reference Leave Policy.*

D. Eligibility and Expectations

For a variety of operational reasons, flexible work options may not be extended to all employees. Decisions about the suitability of telecommuting are discretionary and approved by the employee's manager/supervisor, in consultation with the Executive Director and Human Resources Administrator.

When considering eligibility, managers/supervisors should take into account the nature of work/job responsibilities. They should also consider the employee's demonstrated conscientiousness about work time and productivity and work habits, including their ability to be self-motivated and have minimal face-to-face daily supervision.

When considering whether remote working is appropriate, managers/supervisors should take into account the nature of the work and whether the department can maintain the quality of their services to accomplish the SDSTA mission.

1. The employee must have successfully completed their six-month probationary period before requesting authorization to use flexible work options. In special circumstances, the Executive Director may consider waiving the probationary period for the purposes of flexible work options.
2. Work Schedule
 - a. A telecommuter is expected to:
 - Adhere to regularly scheduled and approved work hours (determined by the Department) and remain fully accessible during those hours.
 - Attend weekly department meetings and, if needed, check in daily with the manager/supervisor to discuss status and open issues.
 - Be available to come into the office if a business need arises without advance notice. (The manager/supervisor will provide at least 24-hour notice when possible.)
 - b. A remote worker must be accessible during work hours and participate in meetings when appropriate.
3. The telecommuting employee's work focus must be equal to those employees who are working onsite. All work shall be performed according to the same high standards as would normally be expected at the primary SDSTA worksite. The manager/supervisor reserves the right to assign work as necessary at any work site. Failure to fulfill work requirements, both qualitative and quantitative, will result in immediate revocation of the Flexible Work Options Agreement and/or possible disciplinary action including termination of employment.
4. Flexible work options are not intended to permit employees to:
 - a. Have time to work at other jobs.
 - b. Provide dependent or other care during work hours.
 - c. Run their own businesses.
 - d. Mix vacation and work activities.

Engagement in any such activities during expected work time will result in immediate revocation of the Flexible Work Options Agreement and/or possible disciplinary action including termination of employment.
5. An employee whose work cannot be performed at a location away from their primary SDSTA worksite is not eligible to telecommute.
 - a. Most field positions and some office positions will not be eligible for telework due to the nature of the position and inability of the work to be performed remotely.

- b. Managers and supervisors overseeing field staff will not be eligible for telework except in limited circumstances, such as when there is a safety, health, or business need for the employee to work remotely.

E. Safety and Equipment; Information Security

The telecommuter/remote worker shall maintain a safe, secure, and ergonomic work environment and will report work-related injuries to the manager/supervisor by the end of the same workday. The telecommuter/remote worker agrees to hold the SDSTA harmless for injury to others at the telecommute location. The telecommuter/remote worker:

1. Is responsible for providing space, telephone, networking and/or Internet capabilities at the telecommute location and shall not be reimbursed by the SDSTA for these or related expenses except as approved in writing by the Executive Director. Internet access must be via DSL, Cable Modem or an equivalent bandwidth network. SDSTA is committed to supporting telework by offering a Virtual Private Network (vpn) for use at the remote location. However, network access is not guaranteed.
2. Is required to use SDSTA-issued computer(s) ~~hardware~~ and/or software for telework when possible. SDSTA-issued equipment used for telework will be documented on the Flexible Work Options Agreement.
3. Agrees to protect SDSTA-owned equipment, records, and materials from unauthorized or accidental access, use, modification, destruction or disclosure. The precautions described in this procedure apply regardless of the storage media on which information is maintained, the locations where the information is stored, the systems used to process the information or the process by which the information is stored.
4. Agrees to report to manager/supervisor any incidents of loss, damage or unauthorized access immediately.
5. Understands that all equipment, records and materials provided by the SDSTA shall remain the property of the SDSTA.
6. Agrees to return SDSTA-owned equipment, software, data, records and supplies within five (5) business days of termination of the agreement in a safe and secure manner.
7. Is responsible for tax consequences, if any, of this arrangement, and for conformance to any local zoning regulations.

SDSTA will not:

1. Purchase duplicate computers, peripherals, accessories, ~~hardware~~ and/or software solely for the purpose of telework.
2. Reimburse the telecommuter/remote worker for incidental expenses, such as utilities, increases to homeowners' liability insurance premiums, etc. or personal items such as laptop cases, backpacks, etc.

3. Provide inclement weather pay while working at the telework location.
4. Provide support for non-SDSTA-owned computers, [peripherals, accessories, hardware](#) and/or software or home internet or phone service.

B. Travel

Travel between an employee's home and any telecommuting location is considered part of an employee's normal commute and is non-reimbursable. SDSTA will continue to provide telecommuting employees with appropriate reimbursement for approved, SDSTA-related business travel in accordance with its travel reimbursement policies.

C. Liability

The telecommuter/remote worker will be covered by workers' compensation for job-related injuries that occur in the designated telework location, during the defined work period so long as they are otherwise compensable under applicable law. In the case of injury occurring during the defined work period, the telecommuter/remote worker shall report the injury to the manager/supervisor by the end of the same workday. Workers' compensation is unlikely to apply to non-job-related injuries that might occur at the designated telework location. SDSTA does not assume responsibility for injury to any persons other than the telecommuter/remote worker at the designated telework location.

This Procedure and related Policy are not a contract and are not intended to create any obligations on the part of SDSTA. This Procedure and related Policy may be terminated or changed by the SDSTA at any time, with or without notice.

A. Vacation leave

The South Dakota Science and Technology Authority (SDSTA) provides paid vacation leave for eligible employees to rest, relax and recharge and/or attend to nonwork matters and encourages employees to use available vacation time throughout the year.

Eligibility

The organization provides paid vacation leave to regular full-time employees that work 30 or more hours per week. Regular part-time employees who are regularly scheduled to work 20 to 29 hours per week will be eligible for paid vacation accrual on a half-time basis. Non-benefited part-time employees working less than 20 hours per week on a regular basis, and temporary employees are not eligible to accrue vacation. Vacation accrual begins on the first day of regular full and/or part-time employment or transfer into a benefits eligible position.

Accrual

Vacation is accrued according to the schedule in this policy. The amount of vacation accrued is determined by the employee's length of service as of their employment anniversary date or benefits eligibility. Vacation leave does not accrue during an unpaid leave of absence. Employees become eligible for the higher accrual rate on the first day of the pay period in which the employee's anniversary date or benefits eligibility falls. Full-time employment with the State of South Dakota immediately preceding employment with the SDSTA shall count toward the employee's length of service for vacation accrual purposes.

Full-time accrual rates effective 4/1/2023:

Years of Service	Accrual Rate per Bi-Weekly Pay Period	Annual PTO Accrual*	Maximum Accrual**
0-3.99 years	4.62 hours	15 days (120 hours)	30 days (240 hours)
4-7.99 years	6.15 hours	20 days (160 hours)	40 days (320 hours)
More than 8 years	7.69 hours	25 days (200 hours)	50 days (400 hours)

**regular part-time accrual rates are at half the rate in the schedule*

Use and scheduling of vacation

Vacation can be used after it is earned. Vacation may be taken in minimum increments of one-half hour. Employees may not use more vacation leave than they have accumulated or go into the negative. Employees are required to use available vacation leave when taking time off from work to cover up to the employee's regularly scheduled workday. Salary (exempt) employees are required to only request full days of vacation. Unpaid time off is not permitted if there is a vacation balance for which the employee meets eligibility requirements.

Whenever possible, vacation must be scheduled in advance. Requests for vacation leave must be submitted to the employee's supervisor via an electronic Time Off Request in the Human Resources Information System. Vacation is subject to supervisory approval. To ensure that SDSTA's staffing and operational needs are met at all times, SDSTA reserves the right to grant vacation requests at its discretion.

Vacation will be paid at the employee's base rate at the time the leave is taken. Vacation pay does not include overtime or any special forms of compensation such as incentives, bonuses or shift differentials. Paid vacation does not count towards hours worked for purposes of calculating overtime. If a holiday falls during the employee's vacation, the day will be charged to holiday pay, if applicable, rather than to vacation pay.

Vacation leave will be substituted for sick leave when an employee's sick leave balance has been exhausted. Vacation leave may be granted to supplement other permitted and authorized leaves of absence.

Employees will not be required to apply vacation leave for absences coincidental with traveling when the purpose of the trip is specifically for SDSTA business. When SDSTA business is incidental to the trip, vacation leave will be required to be applied for all days absent except when business is being conducted.

Payment upon termination

Upon retirement, resignation or separation, regular full-time employees and/or regular part-time employees will be paid for all accumulated but not used vacation leave. Vacation cannot be used to extend employment beyond the last actual day of work. Employees whose hours regularly drop below 20 hours per week will be paid vacation on the effective date of the change in hours.

Cash out

In November of each year, an employee may make a one-time request to cash out and receive payment for up to forty (40) hours of vacation, provided the employee has a minimum balance of 120 hours of vacation accrual as of the cash out request and 80 hours of vacation remaining immediately following the cash out. Vacation leave that has been preapproved will be considered when the request is made in order to determine if the minimum vacation balance requirement is maintained. Cash-outs shall be processed at the employee's current rate of pay. The employee must submit a "Vacation Cash-Out Request" form to Human Resources by the 15th of November of each year for payment on the first payday in December).

B. Sick leave

The SDSTA provides paid sick leave for eligible employees so health and wellness needs can be addressed without losing pay.

Eligibility

Regular full-time employees accrue 4.32 hours of sick leave per bi-weekly pay period without a maximum limitation. Regular part-time employees accrue 2.16 hours of sick leave per bi-weekly pay period without a maximum limitation. Non-benefited part-time employees working less than 20 hours per week on a regular basis, and temporary employees are not eligible to accrue sick leave.

Accrual

It is the policy of the SDSTA that all sick leave accruals shall commence from the employee's first date of service or transfer into a benefits eligible position.

Use and Scheduling of Sick Leave

Eligible employees may use their paid sick leave for the following reasons:

1. The birth or adoption of an employee's child.
2. The employee's own mental or physical illness, injury or medical condition.
3. The employee's need for medical diagnosis, care or treatment of a physical or mental illness, injury or health condition or need for preventive medical care.
4. To care for or assist a family member who needs treatment for a mental or physical illness, injury or health condition or who needs medical diagnosis, treatment or preventive medical care.
5. If the employee is excluded from work by law, health authorities or business policy due to health concerns.

6. To care for a child whose school or place of care has been closed by order of a public official due to a public health emergency.
7. All other FMLA qualifying reasons.
8. There is no minimum period of employment before sick leave may be used.
9. Requests for sick leave for non-FMLA qualifying events of fewer than 3 consecutive days at a time must be submitted to the employee's supervisor in advance via the Time Off Request in the Human Resources Information System. When the circumstances do not permit the prior submission of requests for sick leave, the request must be submitted as soon as is reasonably possible upon the employee's return to work. SDSTA reserves the right to require documentation from a health care professional to verify the need for sick leave and/or authorizing the employee to return to work. SDSTA shall protect the confidentiality of any documentation received concerning the employee's request for sick leave.
10. Sick leave may be granted to supplement other permitted and authorized leaves of absence.
11. Paid sick leave does not count towards hours worked for purposes of calculating overtime.
12. Sick leave will not be paid out to an employee upon separation of employment unless the employee has been employed with the SDSTA continuously for at least 7 years, measured from the first date of employment. Upon an employee's resignation, retirement or dismissal from employment because of reduction in staff, 25 percent of accumulated sick leave, up to a maximum of 480 hours, will be paid to such employee. The accumulated leave will be paid at the pay rate as of the employee's last date on the payroll. In the case of dismissal other than a reduction in staff, no payment for accumulated sick leave will be made. For the purpose of this subsection, employment with the State of South Dakota immediately preceding employment with the SDSTA shall count toward the 7-year requirement for payment of accumulated sick leave.
13. Effective June 23, 2011, for all new hires, accumulated hours of sick leave can be carried over from the State of South Dakota to the SDSTA only at the discretion of the Executive Director. With approval, only those hours that have not been paid out by the State of South Dakota will be credited as a beginning balance at the SDSTA. Documentation to verify hours not paid by the state must be provided in writing to the SDSTA. These hours will be used only after hours accrued through employment with the SDSTA have been used.
14. Employees who use sick time for an unauthorized reason or abuse the policy are subject to disciplinary action, up to and including termination.
15. FMLA qualifying requests for leave, including sick leave must be submitted to and approved through Human Resources via a Leave of Absence Request form prior to the requested departure time if at all reasonably possible.

C. Personal leave

Eligible employees may use accumulated sick leave for personal leave via a Leave of Absence Request form submittal and approval by Human Resources. The leave may be used for:

1. A death in the immediate family of the employee or the immediate family of the spouse or significant other of the employee. For the purposes of this Policy, the term “immediate family” means father, mother, step-parents, spouse, significant other, children, foster children, step-children, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, siblings, step-siblings, grandparents, grandparents-in-law grandchildren, aunts, uncles, aunts-in-law, uncles-in-law, nieces and nephews.
2. Non-FMLA qualifying temporary care of members of the immediate family of the employee or the employee’s spouse or significant other (see list above).
3. Non-FMLA qualifying birth or adoption of a child.
4. Volunteer police or rescue work.
5. A call to active duty of military reserve or National Guard members.

D. Administrative leave

Administrative leave is an administratively authorized absence from normal duty without loss of pay and benefits or use of other types of leave. Administrative leave may be approved in cases of reaction to natural, human-made or health-related emergencies. An emergency includes but is not limited to: inclement weather, utility failure, fire, terrorism, other forced evacuations or state of emergency. Administrative leave is not an entitlement, and SDSTA is not required to grant it. Only the Executive Director may approve a grant of administrative leave.

E. Family and Medical Leave Act (FMLA)

SDSTA employees may be entitled to a leave of absence under the Family and Medical Leave Act (FMLA). This policy provides employees information concerning FMLA entitlements and obligations employees may have during such leaves. If employees have any questions concerning FMLA leave, they should contact Human Resources.

1. Eligibility

FMLA leave is available to “**eligible employees**”. To be an “**eligible employee**,” the employee must:

- a) have been employed by SDSTA for at least 12 months (which need not be

- consecutive);
- b) have been employed by SDSTA for at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave; and
 - c) be employed at a worksite where 50 or more employees are located within 75 miles of the worksite.

2. Entitlements

As described below, the FMLA provides eligible employees with a right to leave, health insurance benefits and, with some limited exceptions, job restoration.

a) Basic FMLA Leave entitlement

The FMLA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The 12-month period is determined based on a rolling 12-month period measured backward from the date the employee uses their FMLA leave.

Leave may be taken for any one, or for a combination, of the following reasons:

- The birth of a child and to care for a newborn child of the employee;
- The placement of a child for adoption or foster care with an employee;
- To care for the employee's spouse, son, daughter, parent, or in-law who has a **serious health condition**;
- For the employee's own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care, or childbirth) that makes the employee unable to perform one or more of the essential functions of the employee's job; and/or
- Because of any **qualifying exigency** arising out of the fact that the employee's spouse, son, daughter, or parent is a military member on covered active duty or called to covered active-duty status (or has been notified of an impending call or order to covered active duty) in the Reserves component of the Armed Forces for deployment to a foreign country in support of contingency operation or Regular Armed Forces for deployment to a foreign country.

A **serious health condition** is an illness, injury, impairment or physical or mental condition that involves either (i) an overnight stay in a medical care facility, or (ii) continuing treatment by a health care provider for a condition that either prevents employees from performing the essential functions of their job or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than

three (3) consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

b) Additional Military Family Leave entitlement (Injured Servicemember Leave)

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a **covered servicemember** is entitled to take up to 26 weeks of leave during a single 12-month period to care for the servicemember with a serious injury or illness. Leave to care for a servicemember shall only be available during a single-12-month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day an eligible employee takes leave to care for the injured servicemember.

A "**covered servicemember**" is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." **Covered servicemembers** also include a veteran who is discharged or released from military services under condition other than dishonorable at any time during the five years preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a "serious injury or illness" for current Armed Forces members and covered veterans are distinct from the FMLA definition of "serious health condition" applicable to FMLA leave to care for a covered family member.

c) Intermittent leave and reduced leave schedules

FMLA leave usually will be taken for a period of consecutive days, weeks, or months. However, employees also are entitled to take FMLA leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member or

the serious injury or illness of a covered servicemember. Qualifying exigency leave also may be taken on an intermittent basis.

d) No work while on leave

The taking of another job while on family/medical leave or any other authorized leave of absence is grounds for immediate discharge, to the extent permitted by law.

e) Protection of Group Health Insurance benefits

During FMLA leave, eligible employees are entitled to receive group health plan coverage on the same terms and conditions as if they had continued to work, subject to any other requirements set forth in this policy.

f) Restoration of employment and benefits

At the end of FMLA leave, employees generally have a right to return to the same or equivalent positions with equivalent pay, benefits, and other employment terms. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA leave.

g) Notice of eligibility for, and designation of, FMLA leave

Employees requesting FMLA leave are entitled to receive written notice from SDSTA informing them whether they are eligible for FMLA leave and, if not eligible, the reasons why they are not eligible.

When eligible for FMLA leave, employees are entitled to receive written notice of:

1. Their rights and responsibilities in connection with such leave.
2. SDSTA's designation of leave as FMLA-qualifying or non-qualifying, and if not FMLA-qualifying, the reasons why.
3. The amount of leave, if known, that will be counted against the employee's leave entitlement.

SDSTA may retroactively designate leave as FMLA leave with appropriate written notice to employees provided SDSTA's failure to designate leave as FMLA-qualifying at an earlier date did not cause harm or injury to the employee. In all cases where leaves qualify for FMLA protection, SDSTA and employee can mutually agree that leave be retroactively designated as FMLA leave.

3. Employee FMLA Leave obligations

a) Provide notice of the need for leave

Employees who take FMLA leave must timely notify SDSTA of their need for FMLA leave. The following describes the content and timing of such employee notices.

1. Content of employee notice

To trigger FMLA leave protections, employees must inform their manager and/or their supervisor and Human Resources of the need for FMLA-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA leave specifically or explaining the reasons for leave so as to allow SDSTA to determine that the leave is FMLA-qualifying. For example, employees might explain that:

- a medical condition renders them unable to perform the functions of their job;
- they are pregnant or have been hospitalized overnight;
- they or a covered family member are under the continuing care of a health care provider;
- the leave is due to a qualifying exigency caused by a military member being on covered active duty or called to covered active-duty status to a foreign country; or
- if the leave is for a family member, that the condition renders the family member unable to perform daily activities or that the family member is a covered servicemember with a serious injury or illness.

Calling in "sick," without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to SDSTA's questions to determine if absences are potentially FMLA-qualifying.

If employees fail to explain the reasons for FMLA leave, the leave may be denied. When employees seek leave due to FMLA-qualifying reasons for which SDSTA has previously provided FMLA-protected leave, they must specifically reference the qualifying reason for the leave or the need for FMLA leave.

2. Timing of employee notice

Employees must provide 30 days' advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, or the approximate timing of the need for leave is not

foreseeable, employees must provide SDSTA notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees who fail to give 30 days' notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA notice obligations, may have FMLA leave delayed or denied.

- b) Cooperate in the scheduling of planned medical treatment (including accepting transfers to alternative positions) and intermittent leave or reduced leave schedules

When planning medical treatment, employees must consult with SDSTA and make a reasonable effort to schedule treatment so as not to unduly disrupt SDSTA's operations, subject to the approval of the employee's health care provider. Employees must consult with SDSTA prior to the scheduling of treatment to work out a treatment schedule that best suits the needs of both SDSTA and the employees, subject to the approval of the employee's health care provider. If employees providing notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglect to fulfill this obligation, SDSTA may require employees to attempt to make such arrangements, subject to the approval of the employee's health care provider.

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered servicemember, SDSTA may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

When employees seek intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, upon request, employees must advise SDSTA of the reason why such leave is medically necessary. In such instances, SDSTA and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting SDSTA's operations, subject to the approval of the employee's health care provider.

- c) Submit medical certifications supporting need for FMLA Leave (unrelated to requests for Military Family Leave)

Depending on the nature of FMLA leave sought, employees may be required to submit medical certifications supporting their need for FMLA qualifying leave. As described below, there generally are three types of

FMLA medical certifications: an **initial certification**, a **recertification**, and a **return to work/fitness for duty certification**.

It is the employee's responsibility to provide SDSTA with timely, complete, and sufficient medical certifications. Whenever SDSTA requests employees to provide FMLA medical certifications, employees must provide the requested certifications within 15 calendar days after SDSTA's request, unless it is not practicable to do so despite the employee's diligent, good faith efforts.

SDSTA will inform employees if submitted medical certifications are incomplete or insufficient and provide employees at least seven calendar days to cure deficiencies. SDSTA will deny FMLA leave to employees who fail to timely cure deficiencies or otherwise fail to timely submit requested medical certifications.

With the employee's permission, SDSTA's Human Resources may contact the employee's health care provider to authenticate or clarify completed and sufficient medical certifications. If employees choose not to provide SDSTA with authorization allowing it to clarify or authenticate certifications with health care providers, SDSTA may deny FMLA leave if certifications are unclear.

Whenever SDSTA deems it appropriate to do so, it may waive its right to receive timely, complete and/or sufficient FMLA medical certifications.

1. Initial medical certifications

Employees requesting leave because of their own, or a covered relation's, serious health condition, or to care for a covered servicemember, must supply medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family or service member. If employees provide at least 30 days' notice of medical leave, they should submit the medical certification before leave begins. A new initial medical certification will be required on an annual basis for serious medical conditions lasting beyond a single leave year.

If SDSTA has reason to doubt initial medical certifications, it may require employees to obtain a second opinion at SDSTA's expense. If the opinions of the initial and second health care providers differ, SDSTA may, at its expense, require employees to obtain a third, final and binding certification from a health care provider designated or approved jointly by SDSTA and the employee.

2. Medical Recertifications

Depending on the circumstances and duration of FMLA leave, SDSTA may require employees to provide recertification of medical conditions giving rise to the need for leave. SDSTA will notify employees if recertification is required and will give employees at least 15 calendar days to provide medical recertification.

3. Return to work/fitness for duty medical certifications

Unless notified that providing such certifications is not necessary, employees returning to work from FMLA leaves that were taken because of their own serious health conditions that made them unable to perform their jobs must provide SDSTA with medical certification confirming they are able to return to work and the employees' ability to perform the essential functions of the employees' position, with or without reasonable accommodation. SDSTA may delay and/or deny job restoration until employees provide return to work/fitness for duty certifications.

d) Submit certifications supporting need for Military Family Leave

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the covered active duty or call to covered active duty status of a military member, SDSTA may require employees to provide:

1. a copy of the military member's active-duty orders or other documentation issued by the military indicating the military member is on covered active duty or call to covered active duty status and the dates of the military member's covered active duty service; and
2. a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall provide a copy of new active-duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different covered active duty or call to covered active-duty status of the same or a different military member.

When leave is taken to care for a covered servicemember with a serious injury or illness, SDSTA may require employees to obtain certifications completed by an authorized health care provider of the covered servicemember. In addition, and in accordance with the FMLA regulations, SDSTA may request that the certification submitted by employees set forth additional information provided by the employee and/or the covered servicemember confirming entitlement to such leave.

e) Substitute paid leave for unpaid FMLA Leave

Employees taking unpaid FMLA must use their accrued paid time off concurrently; sick leave first, and then vacation leave.

The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leave and the paid time will run concurrently with the employee's FMLA entitlement.

Leaves of absence taken in connection with a disability leave plan or workers' compensation injury/illness shall run concurrently with any FMLA leave entitlement. Upon written request, SDSTA will allow employees to use accrued paid time to supplement any paid disability benefits.

f) Benefits while on FMLA Leave

Sick Leave: Employees do not accrue sick leave while on unpaid FMLA Leave.

Vacation Pay: Employees do not accrue vacation pay while on unpaid FMLA Leave.

Holidays: Employees are not eligible for holiday pay while on FMLA unless they are using accrued sick and/or vacation pay surrounding the paid holiday.

Inclement Weather Pay: Employees are not eligible for inclement weather pay while on FMLA.

SDRS Contributions: SDRS contributions are suspended while on unpaid FMLA Leave.

g) Pay employee's share of health insurance premiums

During FMLA leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless SDSTA notifies employees of other arrangements, whenever employees are receiving pay from SDSTA during FMLA leave, SDSTA will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working.

If FMLA leave is unpaid, employees must pay their portion of the group health premium through a method determined by the SDSTA.

SDSTA's obligation to maintain health care coverage ceases if the employee's premium payment is more than 30 days late. If the employee's payment is more than 15 days late, SDSTA will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date. If employees do not return to work within 30 calendar days at the end of the leave period (unless employees

cannot return to work because of a serious health condition or other circumstances beyond their control), they will be required to reimburse SDSTA for the cost of the premiums SDSTA paid for maintaining coverage during their unpaid FMLA leave.

4. Questions and/or complaints about FMLA Leave

If you have questions regarding this FMLA policy, please contact Human Resources. SDSTA is committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA.

The FMLA makes it unlawful for employers to:

1. interfere with, restrain, or deny the exercise of any right provided under FMLA; or
2. discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA.

If employees believe their FMLA rights have been violated, they should contact Human Resources immediately. SDSTA will investigate any FMLA complaints and take prompt and appropriate remedial action to address and/or remedy any FMLA violation. Employees also may file FMLA complaints with the United States Department of Labor or may bring private lawsuits alleging FMLA violations.

5. Coordination of FMLA Leave with Other State and Federal Laws and Other Leave Policies.

The FMLA does not affect any federal, state, or local law prohibiting discrimination, or supersede any State or local law that provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA leave is either not available or exhausted, please consult SDSTA's Human Resources.

F. Paid parental leave

SDSTA will provide up to eight (8) weeks of paid parental leave to eligible employees following the birth of an employee's child or the placement of a child with an employee in connection with adoption. The purpose of paid parental leave is to enable the employee to care for and bond with a newborn(s) or a newly adopted child. Paid Parental Leave will run concurrently with FMLA Leave, as applicable.

1. Eligibility

Eligible employees must meet the following criteria:

- Have been employed with SDSTA for at least 12 months (the 12 months do not need to be consecutive) [as of the date of the child's/childrens' birth or placement for adoption.](#)
- Have worked at least 1,250 hours during the 12 consecutive months immediately preceding the date the leave would begin.
- Be a full- or part-time, regular employee (temporary employees and interns are not eligible for this benefit).

In addition, employees must meet one of the following criteria:

- Have given birth to a child/children.
- Be a spouse of a woman who has given birth to a child/children.
- Have adopted [or are in placement for adoption of](#) a child/children (the child/children must be age 17 or younger). The adoption of a new spouse's child/children is excluded from this policy.

2. Amount, time frame and duration of paid parental leave

- Eligible employees will receive a maximum of eight (8) weeks of paid parental leave per birth or adoption of a child/children. The fact that a multiple birth or adoption occurs (e.g., the birth of twins or adoption of siblings) does not increase the 8-week total amount of paid parental leave granted for that event. In addition, in no case will an employee receive more than eight (8) weeks of paid parental leave in a rolling 12-month period, regardless of whether more than one birth or adoption event occurs within that 12-month time frame.
- If both parents are SDSTA employees, both are eligible for paid parental leave. The parents may utilize paid parental leave concurrently or consecutively.
- Each week of paid parental leave is compensated at 100 percent of the employee's regular, straight-time weekly pay. Paid parental leave will be paid on a biweekly basis on regularly scheduled pay dates.
- Approved paid parental leave may be taken at any time during the 12-month period immediately following the birth, or placement of a child with the employee for adoption. Paid parental leave may not be used or extended beyond this 12-month time frame.
- Employees must take paid parental leave in one continuous period of leave and must use all paid parental leave during the 12-month time frame indicated above. Any unused paid parental leave will be forfeited at the end of the 12-month time frame.
- Upon termination of the individual's employment at the company, he or she will not be paid for any unused paid parental leave for which he or she was eligible.

3. Coordination with other policies

- Paid parental leave taken under this policy will run concurrently with leave under the FMLA; thus, any leave taken under this policy that falls under the definition of circumstances qualifying for leave due to the birth or placement of a child due to adoption, the leave will be counted toward the 12 weeks of available FMLA leave per a 12-month period. All other requirements and provisions under the FMLA will apply. In no case will the total amount of leave—whether paid or unpaid—granted to the employee under the FMLA exceed 12 weeks during the 12-month FMLA period. Please refer to the Family and Medical Leave Policy for further guidance on the FMLA.
- After the paid parental leave is exhausted, the balance of FMLA leave (if applicable) will be compensated through employees' accrued sick and/or vacation pay. Upon exhaustion of accrued sick and/or vacation pay, any remaining leave will be unpaid leave. Please refer to the Family and Medical Leave Policy for further guidance on the FMLA.
- SDSTA will maintain all benefits for employees during the paid parental leave period just as if they were taking any other company paid leave such as paid vacation leave or paid sick leave.
- If an SDSTA holiday occurs while the employee is on paid parental leave, such day will be charged to holiday pay; however, such holiday pay will not extend the total paid parental leave entitlement.
- An employee who takes paid parental leave that does not qualify for FMLA leave will be afforded the same level of job protection for the period of time that the employee is on paid parental leave as if the employee was on FMLA-qualifying leave.

4. Requests for paid parental leave

- The employee will provide his or her supervisor and the Human Resources (HR) with notice of the request for leave at least 30 days prior to the proposed date of the leave (or if the leave was not foreseeable, as soon as possible). The employee must complete the necessary HR forms and provide all documentation as required by the HR Office to substantiate the request.
- As is the case with all SDSTA policies, the organization has the exclusive right to interpret this policy.

G. Court and jury leave

Full-time employees are eligible for court and jury leave. The employee shall immediately notify the employee's supervisor if the employee expects to be absent from work due to the court and jury obligations. Absences will be administered as follows:

1. Testifying in official capacity—If the employee is subpoenaed by either party to testify in any civil or criminal proceeding because of the employee's official capacity or is instructed by the supervisor to testify in an official capacity without

being subpoenaed, the employee shall receive the employee's regular salary without loss of leave credits and may receive actual expenses according to state rates, but may not receive witness fees. The employee's supervisor and the SDSTA shall determine if the employee is testifying in an official capacity.

2. Subpoenaed to testify in non-official capacity—If an SDSTA employee is subpoenaed to testify in court in a non-official capacity and is not a party to the case, the employee shall receive the employee's regular salary from the SDSTA without loss of leave credits for the time spent testifying during regular working hours and may receive in accordance with SDCL 19-5-1 or any comparable federal law, witness fees and mileage from the party who issued the subpoena. However, the employee may not take court and jury leave for travel time or time when the employee is not reasonably expected to testify regardless of whether the employee has been subpoenaed for that period of time. If the employee is absent from the workplace while not testifying, the employee must use vacation leave or leave without pay. This leave must be requested in advance and is subject to the supervisor's approval.
3. Party or witness not subpoenaed to testify—If an employee is a party to or witness who has not been subpoenaed, the employee must use vacation leave or leave without pay. This leave must be requested in advance and is subject to the supervisor's approval.
4. Service on jury—If an SDSTA employee is summoned to serve on a jury, the employee shall receive the employee's regular salary without loss of leave credits for the time spent on jury duty during regular working hours and shall be entitled to retain the per diem and mileage provided for by SDCL 16-13-46 or any comparable federal law.
5. The Executive Director is the final arbiter of whether an employee is eligible for court and jury leave.

H. Military training leave

Full-time employees are entitled to military training leave of up to 15 days per calendar year. Employees requesting military training leave must obtain a written certification from the commander of their reserve or National Guard unit indicating dates of the training period. This notice is to be submitted to the employee's supervisor at least 15 calendar days prior to the date of the employee's departure for training.

I. Leave of absence without pay

Prior permission must be obtained from the employee's supervisor to take a leave of absence without pay. If an employee has paid leave accumulated, the employee must use that before leave without pay is granted (see the Absenteeism and Tardiness Policy). While on leave without pay, employees will not accumulate leave credits and they must make provisions to pay for their own voluntary payroll deductions.

J. Absence without leave

Unauthorized and unreported absences may result in a deduction of pay and may be cause for disciplinary action. Employees must report the reason for any absence to their supervisor as soon as possible.

K. Exceptions

1. The Executive Director may grant specific employees leave in addition to or different than that provided for in this policy if the Executive Director deems such changes necessary to hire or retain a key employee. All exceptions will be made in writing.
2. Vacation leave granted by the Executive Director may be accumulated to a maximum of twice the annual accrual.

Summary

This Use of SDSTA Technology Resources Policy-Procedure complements the Use of SDSTA Technology Resources Policy and applies to all employees, contractors, and partners who access the SDSTA/Sanford Underground Research Facility (SURF) network and computers. This policy-procedure outlines the guidelines for using SDSTA information technology (IT) systems, including SDSTA's internet connection, network and equipment.

A. Definitions

Terms used in this procedure mean:

1. Cellular phone, cell phone, mobile phone—A portable telephone that can make and receive calls over a radio frequency link while the user is moving within a telephone service area.
2. Email—A method of exchanging messages between people using electronic devices.
3. Internet—A network of networks that consists of private, public, academic, business and government networks of local to global scope.
4. Internet 2—A not-for-profit United States computer networking consortium led by members from the research and education communities, industry and government.
5. Internet traffic—All traffic that goes to or comes from off-site systems which are not connected via remote access services.
6. Non-priority internet traffic—All traffic that is not related to organizational endeavors. i.e.: surfing the web during breaks/lunches.
7. Priority internet traffic—traffic which aligns most closely with the core mission of SDSTA.
8. SDSTA issued equipment—any phones, laptops, tablets or any other electronic equipment, that belongs to SDSTA.

B. Responsibilities

1. Information Technology (IT) ~~Director~~ [Operations Manager](#)
 - a. Assists department directors and supervisors with understanding what is and is not acceptable use of IT system resources.
 - b. Assists in making decisions for restricting access to IT system resources in cases where misconduct has occurred.
 - c. Assists in investigation instances of misconduct with respect to the use of IT systems.
2. Department Director

- a. Understands the processes within this procedure.
 - b. Enforces the content of this procedure throughout the department.
 - c. Assists supervisors and employees with understanding what is and is not acceptable use of IT system resources.
 - d. Assists in investigating instances of misconduct with respect to the use of IT systems.
3. Supervisor
 - a. Ensures personnel under their supervision comply with this procedure.
 - b. Ensures proper documentation is completed in the event of any instances of misconduct with respect to the use of IT systems.

C. Procedure

1. Internet use

All internet use is subject to applicable federal and state laws, as well as the Use of SDSTA Technology Resources Policy. Furthermore, use of the SDSTA internet shall be consistent with the SDSTA's mission and core values. Personal use of the Internet is allowed, provided it does not put excessive load on the network and is tempered with common sense and good judgment. Internet access may be restricted or revoked for individuals using excessive Internet bandwidth or violating any law or SDSTA policy.

The connection from SDSTA to the internet is a very important resource. Access must be protected and prioritized to meet the overall goals of conducting research and business needs. IT reserves the right to prioritize, and if necessary, filter traffic to ensure that the goals of the SDSTA mission are supported. All SDSTA bandwidth should be utilized, but once saturation or near-saturation conditions exist, priority will go to priority internet traffic.

2. Internet traffic

Priority internet traffic will be given priority. Access for Non-priority Internet traffic is not guaranteed. A best effort will be made to allow non-priority internet traffic to transit the business connection to the internet. However, IT reserves the right to further prioritize or filter non-priority internet traffic as necessary to maintain the stability and availability of the internet connection for priority internet traffic.

3. Employee internet usage elements

- a. Appropriate employee internet usage—Employees, contractors, and partners are advised to use SDSTA internet connections for the following reasons:
 - To complete their job duties.
 - To seek out information that they can use to improve their work.
 - To access social media accounts, while conforming to the SDSTA Social Media Policy.

SDSTA does not want to restrict employees' access to websites of their choice, but does expect employees, contractors, and partners to exercise good judgment and remain productive at work while using the internet. Any use of the SDSTA network and connection must follow the SDSTA Confidentiality Policy and Employment Records and Personal Data Policy.

Employees, contractors, and partners should:

- Keep their passwords secret at all times.
- Log into their SDSTA accounts only from safe devices.
- Use strong passwords to log into work-related websites and services.

b. Employees, contractors, and partners must not use the SDSTA network to:

- Download or upload obscene, offensive or illegal material.
- Send confidential information to unauthorized recipients.
- Invade another person's privacy and sensitive information.
- Download or upload movies, music and other copyrighted material and software.
- Visit potentially dangerous websites that can compromise the safety of SDSTA IT systems.
- Perform unauthorized or illegal actions, like hacking, fraud, or buying/selling illegal goods.

SDSTA also advises employees, contractors, and partners to be careful when downloading and opening/executing files and software. If they're unsure if a file is safe, they should ask their supervisor/ IT staff. SDSTA will install anti-virus and disk encryption software on SDSTA computers. Employees, contractors, and partners may not deactivate or configure settings and firewalls without managerial or IT approval. SDSTA will not assume any responsibility if employee, contractor or partner devices are infected by malicious software, or if their personal data are compromised as a result of inappropriate use.

4. SDSTA-issued equipment

SDSTA expects employees, contractors and partners to respect and protect SDSTA-issued equipment. SDSTA employees, contractors, and partners are responsible for SDSTA-issued equipment whenever they take it out of their offices.

5. Email

Employees, contractors and partners may use their SDSTA email accounts for both work-related and personal purposes as long as they do not violate this policy-procedure.

Employees, contractors and partners should not use the SDSTA email to:

- Register to illegal, unsafe, disreputable or suspect websites and services.
- Send obscene, offensive or discriminatory messages and content.
- Send unauthorized advertisements or solicitation emails.

SDSTA has the right to monitor work emails and personal emails sent using SDSTA-issued equipment. SDSTA also has the right to monitor websites that employees, contractors, and partners visit on SDSTA-issued equipment, or on equipment attached to SDSTA networks.

6. Disciplinary action

Misuse of SDSTA IT systems will be dealt with on a case-by-case basis. The individual subject to charges of misuse will be dealt with in a manner consistent with the applicable laws of the state of South Dakota, and the policies of the SDSTA. The IT ~~Director~~ Operations Manager is responsible for making these misuses known to the appropriate supervisors. The IT ~~Director~~ Operations Manager may impose temporary restrictions on the offender's access to SDSTA IT systems in order to ensure that SDSTA's IT systems remain stable and secure for all SDSTA users.

Serious violations will be cause for termination of employment, or legal action when appropriate. Examples of serious violations are:

- Using the SDSTA internet connection to steal or engage in other illegal activities.
- Causing SDSTA's IT systems to be infected by viruses, worms or other malicious software.
- Sending offensive or inappropriate emails.

7. Employee cell phone use

a. Prudent use—SDSTA employees are expected to use their cell phones prudently during working hours. Despite their benefits, personal cell phones may cause problems in the workplace. Employees who use their cell phones excessively may:

- Get distracted from their work.
- Disturb colleagues by speaking on their phones.
- Cause security issues from inappropriate use of company-issued equipment or misuse of SDSTA IT systems.
- Cause problems or accidents when they use their phones inside SDSTA vehicles or near areas where using phones is prohibited.

b. How to properly use cell phones in the workplace—Employees can benefit from using cell phones. They are allowed to use their phones:

- To make business calls.
- To use productivity apps.
- To check important messages.
- To make brief personal calls away from the working space of colleagues.
- During breaks or at lunch hour and while in a stationary vehicle.

c. SDSTA employees are advised to:

- Use SDSTA-issued phones for business purposes only and preserve them in good working order.
- Surf the internet, text and talk on the phone only for a few minutes per day.
- Turn off or silence their phones when asked.

d. SDSTA employees are not allowed to:

- Play games on the cell phone during working hours.
- Use their device (personal or SDSTA-issued) for any reason while driving an SDSTA vehicle.
- Use their cell phone's camera or microphone to record confidential information or without the knowledge and permission of the persons being recorded.
- Use their phones in areas where cellular network use is explicitly prohibited.
- Speak on their phones within earshot of colleagues' working space during working hours.
- Download or upload inappropriate, illegal or obscene material on a SDSTA cell phone.
- Download or upload inappropriate, illegal or obscene material on personal cell phone using a SDSTA internet connection.

e. Disciplinary consequences

SDSTA retains the right to monitor employees for excessive or inappropriate use of their cell phones. If an SDSTA employee's phone usage causes a decline in productivity or interferes with operations, management will suspend that employee's right to use a cellular device. Employees may face severe disciplinary action up to and including termination, in cases when they:

- Cause a security breach.
- Violate the SDSTA Confidentiality Policy.
- Cause an accident by recklessly using a mobile device.

D. Related documents

- Confidentiality Policy
- Employment Records and Personal Data Policy-Procedure
- SDSTA Social Media Policy and Policy-Procedure
- Use of SDSTA Technology Resources and Internet Policy

[Diversity, Equity and Inclusion Policy, request to archive policy at 3/20/25 board meeting](#)

The South Dakota Science and Technology Authority (SDSTA) recognizes the importance of diversity, equity and inclusion among our employees.

The collective sum of the individual differences, life experiences, knowledge, innovation, self-expression, unique capabilities, and talent that our employees invest in their work represents a significant part of not only our culture, but also our reputation and the achievements of SDSTA and Sanford Underground Research Facility (SURF).

The SDSTA embraces and encourages our employee's differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status and other characteristics that make our employees unique.

All employees of SDSTA have a responsibility to treat others with dignity and respect at all times. All employees are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other Sanford Lab-sponsored and participative events.

Related policies and procedures include the following: Americans with Disabilities Act; Employment; Anti-Harassment, Equal Opportunity and Affirmative Action Employer; Outside Employment and Political Activity; and Progressive Discipline Termination.

Discuss Governance Charter—Chairperson Casey Peterson

Discuss adopting a governance charter/policy for the SDSTA—Mr. Tim Engel, *discussion*.

Page
intentionally
blank

Sanford Underground Research Facility Foundation

Governance Committee Charter

Effective Date: _____ XX, 2025

I. Purpose

The Governance Committee (the “Committee”) of the Sanford Underground Research Facility Foundation (the “Foundation”) is established to ensure the Foundation operates with integrity, transparency, and accountability in pursuit of its mission: supporting the advancement of world-class science and inspiring learning across generations at the Sanford Underground Research Facility (SURF). The Committee oversees the Foundation’s governance policies, board composition, and organizational practices to maintain alignment with its strategic goals, including fostering multidisciplinary research, education, community engagement, and the development of a global scientific presence.

II. Authority

The Committee is a standing committee of the Foundation’s Board of Directors (the “Board”) and operates under the authority granted by the Board. It has the power to review, recommend, and monitor governance policies and practices, with final approval resting with the full Board. The Committee may engage external advisors as needed, subject to Board approval, to fulfill its duties.

III. Membership

1. **Composition:** The Committee shall consist of at least three (3) members of the Board, appointed annually by the Board Chair with input from the full Board.
2. **Qualifications:** Members shall possess a commitment to the Foundation’s mission, a general understanding of nonprofit governance principles, and the ability to exercise independent judgment.
3. **Chair:** The Board Chair shall designate a Committee Chair from among the members, who shall preside over meetings and coordinate the Committee’s activities.
4. **Term:** Members shall serve one-year terms, renewable at the discretion of the Board, to ensure continuity and fresh perspectives.

IV. Responsibilities

The Governance Committee shall:

1. **Board Development and Composition**
 - o Recommend criteria for Board membership, including skills, experience, and diversity needed to advance the Foundation’s mission.

- Identify, recruit, and nominate prospective Board members, ensuring an inclusive process that reflects the Foundation’s commitment to diversity and STEM leadership.
 - Oversee the orientation of new Board members and ensure all members sign a written agreement outlining their roles, responsibilities, and expectations.
2. **Governance Policies**
- Develop, review, and recommend updates to the Foundation’s bylaws, policies, and governance procedures to ensure compliance with applicable laws and alignment with best practices.
 - Maintain and annually review a conflict-of-interest policy, ensuring all Board members and sign disclosure statements.
3. **Board Performance and Oversight**
- Facilitate an annual self-assessment of the Board’s performance to evaluate effectiveness and identify areas for improvement (conducted at least once every three years).
 - Coordinate an annual evaluation of the Foundation’s chief executive, providing a formal, written assessment to the Board.
 - Monitor adherence to governance policies and recommend corrective actions as needed.
4. **Strategic Alignment**
- Ensure governance practices support the Foundation’s long-term goals, including:
 - Establishing the SURF Institute as a hub for multidisciplinary research and STEM education.
 - Inspiring future scientists through educational outreach.
 - Extending the Foundation’s impact beyond the classroom into the community.
 - Supporting the development of a physical space to attract global science and STEM educators.
 - Collaborate with other Foundation committees to align governance with fundraising, corporate partnerships, and endowment strategies.
5. **Cultural and Community Engagement**
- Promote policies that reflect the Foundation’s commitment to cultural awareness, including collaboration with regional stakeholders such as Indigenous communities, as exemplified by initiatives like Čanĝlěška Wakhánĝ.
 - Support efforts to diversify the workforce and engage underrepresented groups in science and education.

V. Meetings

1. **Frequency:** The Committee shall meet at least semi-annually, with additional meetings as necessary to fulfill its responsibilities.
2. **Quorum:** A majority of Committee members shall constitute a quorum for conducting business.
3. **Agenda and Minutes:** The Committee Chair shall set the agenda in consultation with members. Minutes shall be recorded and submitted to the Board for review.

4. **Attendance:** Members are expected to attend all meetings, with virtual participation permitted when in-person attendance is not feasible.

VI. Reporting

The Committee shall report its activities, findings, and recommendations to the full Board at least annually, or more frequently as warranted. Written reports shall be provided for significant actions, such as bylaw amendments or Board nominations.

VII. Review and Amendment

This Charter shall be reviewed annually by the Committee to ensure its relevance and effectiveness. Proposed amendments shall be submitted to the Board for approval.

VIII. Commitment to Mission

In all its activities, the Committee shall uphold the Foundation's vision of being a worldwide organization supporting underground science and education at SURF, fostering strong partnerships, a diversified fundraising Board, and endowments that sustain its key impact areas.

Notes on Development

- **Sources:** The charter draws from the Foundation's mission and goals as outlined on sanfordlab.org (e.g., supporting science, education, and community outreach) and GuideStar (e.g., governance practices like orientation, conflict-of-interest policies, and diversity).
- **SURF Context:** References to multidisciplinary research, STEM education, and cultural initiatives (e.g., Čhaᅇlěška Wakhán) reflect SURF's operational and cultural priorities.
- **Governance Best Practices:** The structure and responsibilities align with nonprofit governance standards, tailored to the Foundation's unique role in supporting a scientific facility.

Page intentionally
blank

Select Nominating Committee—Chairperson Casey Peterson

Chairperson to appoint members of nominating committee for election of officers at the June annual meeting.

Recommended Action:

None.

Page
intentionally
blank

Executive Session—Chairperson Casey Peterson

Meeting closed to public during executive session.

See recommended motion below.

Recommended Action:

Motion to enter executive session to discuss personnel matters and to consult with legal counsel concerning contractual and legal matters—SDCL 1-25-2(1), (3) and (4); 19-19-502.

Page
intentionally
blank

Report from Executive Session—Chairperson Casey Peterson

See recommended motion below.

Recommended Action:

“The board consulted with legal counsel concerning contractual and legal matters. No action was taken.”

OR

...as discussed and stated otherwise

Page
intentionally
blank

Approve MOU between SDSTA and FFDG—Mr. Mike Headley

Request to approve revised MOU between SDSTA and Fermi Forward Discovery Group, LLC. (*see recommended motion below*)

Recommended Action:

Motion to approve the Memorandum of Understanding between SDSTA and Fermi Forward Discovery Group, LLC as amended, and authorize the SDSTA Executive Director to negotiate final terms of the agreement and sign the MOU.

Page
intentionally
blank

MEMORANDUM OF UNDERSTANDING
BETWEEN
SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY
AND
FERMI FORWARD DISCOVERY
GROUP, LLC

This Memorandum of Understanding (“MOU”) is entered into by and between the South Dakota Science and Technology Authority (“SDSTA”), as operator of the Sanford Underground Research Facility (“SURF”) under Cooperative Agreement (“CA”) number DE-SC0020216 and Fermi Forward Discovery Group, LLC (“FFDG”), as management and operating contractor of the Fermi National Accelerator Laboratory (“Fermilab”) (referred to hereinafter as the “Parties”) under U.S. Department of Energy (“DOE”) Contract Number 89243024CSC000002, as may be amended from time to time.

A. Purpose and Vision

The partnership between SDSTA and FFDG is vital to the success of both organizations. The successful execution of the Long-Baseline Neutrino Facility and the Deep Underground Neutrino Experiment (LBNF/DUNE) lays the foundation for SURF as an internationally renowned underground laboratory hosting a world-leading multidisciplinary science program for decades into the future.

This MOU establishes a process to ensure strong communication, coordination, and resolution of issues between SDSTA and FFDG, which is essential to a robust partnership and the successful execution of LBNF/DUNE and existing and future experiments at SURF.

This document is a non-binding agreement between SDSTA and FFDG. No language in this MOU shall be construed to modify any language in existing or future agreements, including subcontracts, between SDSTA and FFDG.

B. Scope and Applicability

This MOU relates to all LBNF/DUNE-related activities in Lead, SD, and recognizes the mutual interests of the Parties as well as the need for cooperation while pursuing the goals of scientific research for the duration of the LBNF/DUNE Project. Coordination among the Parties regarding the LBNF/DUNE Project and other active experiments located at SURF is necessary to ensure project success and efficient and safe operations at SURF while meeting LBNF/DUNE requirements.

C. Standard Forms of Agreements

The SDSTA and Fermi Research Alliance, LLC, as predecessor M&O Contractor for Fermilab, previously entered into contracts, and SDSTA has entered into a CA with DOE that, collectively with this MOU, make up the cooperative model contributing to the successful delivery of the LBNF/DUNE Project and reflecting the following relationships:

- Traditional Prime/Subcontractor (for certain LBNF/DUNE work)
- Landlord/Tenant (DOE-SDSTA land lease for LBNF/DUNE)
- Easement Grantor/Easement Beneficiary

A summary of the existing contracts and their purpose is set out below. A complete list is attached as Exhibit A. Future agreements between the SDSTA and FFDG may be entered into and appended herein without executing any modification or revision to this MOU, unless expressly requested by one of the Parties.

D. Contracts

<u>Existing Contracts</u>	<u>Purpose</u>	<u>Parties</u>
Logistics Support Services	LBNF/DUNE Project Support Service for use of Ross Shaft during Project construction (with limited exceptions) Maintenance of the Ross Substation	FFDG – SDSTA
LBNF Staff Services	Engineering support to the LBNF Project	FFDG – SDSTA
SURF Ops Cooperative Agreement (CA)	SURF Operations	DOE – SDSTA
DOE Lease	Land lease and Rock Placement Directives	DOE – SDSTA
DOE Easement	Temporary construction easement	DOE – SDSTA
SDSTA Easements	Third party easements	SDSTA – various parties
Facility and Land Use Agreements	Third party easement use	SDSTA – Kiewit Alberici Joint Venture (KAJV) SDSTA – Thyssen Mining Inc.
Homestake PDA	Transfer of property to SDSTA	Homestake/Barrick SDSTA

Additionally, the Parties recognize in the course of the FFDG-SDSTA alliance to execute LBNF/DUNE, there are and will be several activities that are implied but not expressly stated in existing contracts, including that:

- SDSTA is providing access to SURF to facilitate the construction of LBNF/DUNE,
- SDSTA is facilitating access (for FFDG and its concomitant DOE oversight) to certain third-party property,
- Participation of both parties in various DOE and other reviews, and
- Reasonable cooperation in the completion of a party's assessments, evaluations, and/or certain audit activities.

The Parties acknowledge that in order for the LBNF/DUNE Project to be successful, each must participate in good faith in the types of activities identified above. To the extent that any of the activities create a material burden on resources, the Parties agree to pursue formalizing the activity as a requirement in an existing or future binding agreement.

~~Without committing to enter into any future agreements and understanding that any such future agreement is contingent upon available funds and other requirements, the following future agreements are contemplated:~~

- ~~• LBNF/DUNE Decommissioning Plan (consistent with the latest version of said Plan).~~

E. Roles and Responsibilities

DOE supports both FFDG and SDSTA in carrying out their distinct but related scopes of work. FFDG is supported by DOE for many activities; the relevant one for this MOU is the construction of LBNF/DUNE. SDSTA is supported by DOE to operate the SURF in Lead, South Dakota.

SURF has been selected to be the LBNF/DUNE Far Site Detector Facility, and this creates a relationship between FFDG and SDSTA.

DOE has a relationship with FFDG through a Management and Operating contract to run Fermi National Accelerator Laboratory (Fermilab). DOE has a relationship with SDSTA via a Cooperative Agreement for financial assistance for SURF operations. The Cooperative Agreement provides that DOE has a right to substantial involvement in the operation of SURF within the scope of the Cooperative Agreement.

Given these relationships, it is appropriate for DOE to participate in the discussion of how FFDG and SDSTA will cooperate on making LBNF/DUNE successful and to mediate any significant issues that may arise. However, the Parties recognize DOE expects that FFDG and SDSTA will continue development of an effective partnering relationship and will use this MOU to document the processes they will use to work together on the common goal of the successful and safe construction and operation of LBNF/DUNE and other experiments at SURF. The Parties also recognize DOE further expects that most issues can be resolved without direct mediation by DOE.

FFDG Roles and Responsibilities

- FFDG is responsible for executing the scope of work defined in the Management and Operating contract with the DOE for Fermilab.
- FFDG is responsible for the successful execution the LBNF/DUNE Project.
- FFDG is responsible to ensure its employees, users, and contractors follow the applicable policies to ensure compliance with all applicable DOE regulations, including but not necessarily limited to those made applicable by the Management and Operating contract with DOE.
- FFDG is responsible to ensure its employees, users, and contractors follow SDSTA policies in areas outside the leased space.
- FFDG currently has and will continue to have separate contracts where SDSTA is FFDG's subcontractor. Those contracts define the relationship between the parties. Nothing in this MOU in any way modifies or supersedes any of the language in those contracts.
- FFDG is responsible for ensuring compliance by its contractors, to the extent applicable to them, with SDSTA's Risk Transfer Protocols

SDSTA Roles and Responsibilities

- SDSTA is the owner and operator of SURF.
- SDSTA is responsible for operating SURF in accordance with the Property Donation Agreement between the Homestake/Barrick and SDSTA and the SDSTA Risk Transfer Protocols, as revised and accepted in accordance with the DOE/SDSTA Lease.
- SDSTA is responsible for operating and maintaining SURF in accordance with the Cooperative Agreement with DOE.
- SDSTA is responsible to ensure its employees, users, and contractors follow the applicable policies to ensure compliance with applicable DOE regulations while in DOE leased space.
- SDSTA currently has and will continue to have separate contracts where SDSTA is FFDG's subcontractor in support of LBNF/DUNE. Those contracts define the relationship between the parties. Nothing in this MOU in any way modifies or supersedes any of the language in those contracts.

Key Stakeholder Roles and Responsibilities

FFDG Board

- On behalf of FFDG members, Universities Research Association (URA) and The University of Chicago provide oversight and guidance to Fermilab leadership.
- Advise and support for Fermilab mission.

FFDG LBNF/DUNE U.S. Project Director

- Ensure DOE and Fermilab mission success at SURF.
- Direct and advocate for LBNF/DUNE Project.

- Communicate with and be responsive to FFDG Board, Fermilab Director, and DOE.

FFDG South Dakota Services Division Head

- Coordinate and facilitate the Joint Coordination Team (JCT) meetings, including the publishing of meeting minutes.
- Serve as a point of contact for any matters concerning FFDG related to this MOU.
- Support LBNF/DUNE-specific visits by DOE and FFDG personnel, including DUNE collaborators and their contractors.

FFDG LBNF/DUNE ESH Manager

- Coordinate with DOE and SDSTA to establish ESH requirements for leased space and to the extent possible maintain common standards for worker safety at SURF.
- Oversee and assure LBNF/DUNE ESH performance to the FFDG LBNF/DUNE Project Director and to the FFDG Chief Safety Officer.
- Foster a strong culture of safety and continuous improvement.
- Liaise with DOE and FFDG ESH assurance programs.
- Report all incidents to SDSTA in accordance with this MOU.

SDSTA Board of Directors

- Oversee activities of SDSTA Executive Director.
- Report to South Dakota Governor's Office and Legislature.
- Advise and support SDSTA mission.

SDSTA Executive Director and SURF Laboratory Director

- Ensure SDSTA performance and alignment in support of this MOU and all other agreements between/among SDSTA, FFDG, and/or DOE.
- Resolve conflicting priorities at SURF to ensure the execution of LBNF/DUNE, while meeting the needs of other experiments hosted at and planned for SURF.
- Communicate with and be responsive to local governments, state officials, SDSTA Board of Directors, and DOE.
- Support FFDG in establishing a welcoming User/Visitor experience in support of LBNF/DUNE while recognizing current and future needs of other experiments hosted at SURF.

SDSTA ESH Director

- Coordinates with DOE and FFDG to establish ESH requirements and to the extent possible maintain common standards for worker safety at SURF, while recognizing FFDG is primarily responsible for safety oversight in the leased space.
- Oversee and assure ESH performance to SDSTA Executive Director.
- Foster a strong culture of safety and continuous improvement.
- Develop and implement the ESH Program in support of SDSTA line managers.
- Report incidents in accordance with contractual requirements and this MOU.

F. Joint Coordination Team

This MOU establishes the Joint Coordination Team (JCT) to ensure robust communication and coordination between the Parties. The JCT shall ensure the efforts of SDSTA and FFDG remain coordinated by establishing a formal communication channel and timely resolution of issues.

FFDG members of the JCT:

- FFDG LBNF/DUNE Project Director
- FFDG South Dakota Services Division Head
- FFDG LBNF/DUNE-US ESH Manager

SDSTA members of the JCT:

- SDSTA Executive Director
- SDSTA Chief Operating Officer~~Deputy Director for Operations~~
- SDSTA Science Director
- SDSTA ESH Director

Each member of the JCT will endeavor to attend each meeting but may from time-to-time designate another person to appear in their stead. Either party may from time-to-time bring in subject matter experts as necessary to facilitate discussion and resolution of the issue at hand.

Meetings

The primary way that the JCT will fulfill its charge is through periodic meetings. An agenda will be established in advance of each meeting, and minutes will be kept and distributed to members. Formal action items will be documented and tracked through the meeting minutes.

The JCT shall meet via teleconference every two weeks. The main goal of these meetings is to discuss and resolve current and emerging issues. The standard agenda for the bi-weekly meetings will include the following:

- Emergent issues,
- ESH issues,
- Access issues, including shaft utilization (personnel and materials),
- One-month look-ahead schedule of activities from both SDSTA and FFDG perspective,
- Proposed changes to infrastructure,
- Other changes by either party that may affect any part or use of SURF,
- Any outstanding or unresolved issues, and
- Review of open action items.

Outside of the standard agenda items listed directly above, the JCT will also serve as an avenue to discuss future planning and coordination issues, and to that end, other issues may be added to the standard bi-weekly agenda. These issues may include the following topics:

- Proposed SDSTA ESH policies that may affect LBNF/DUNE,
- Proposed FFDG ESH policies that may affect leased space at SURF,
- Proposed operational changes that may affect the other entity,
- Access issues, including planned shaft utilization (personnel and materials) expected in the upcoming quarter,
- A report on current and future or potential experiments from SDSTA,
- A report on the status of laboratory space expansion from SDSTA,
- LBNF/DUNE schedule status,
- Status on infrastructure projects managed by SDSTA and planned schedules,

- VIP visits and major events,
- Risk management and insurance, and
- Incidents.

For proposed policies and changes that affect the other organization, both FFDG and SDSTA members must agree to the change for it to be implemented.

Once per year, the JCT may meet in person and include in its agenda the following issues:

- Review the MOU and determine if any changes are necessary,
- Update the General Services Agreement between SDSTA and FFDG based on upcoming or planned activities, and
- Review JCT membership and agenda topics.

Communication and Coordination

The JCT is responsible for ensuring SDSTA and FFDG remain coordinated in the execution of LBNF/DUNE. The scheduled JCT meetings are intended by SDSTA and FFDG to ensure this coordination. JCT members are responsible for communicating to their respective organizations the issues discussed and decisions of the JCT. However, in order to achieve broader organizational alignment, the JCT will facilitate periodic meetings among the Fermilab Director, the SDSTA Board Chairperson, and the Associate Director of Science for High Energy Physics. The JCT will provide an agenda of items for the meeting to include the following:

- Issues that have arisen since the last meeting,
- Anticipated issues,
- LBNF/DUNE schedule status, and
- Other outstanding issues.

Issue Resolution

If an issue raised at a JCT meeting requires coordinated action from both FFDG and SDSTA and cannot be resolved in that meeting, a separate JCT meeting will be called and dedicated to addressing that issue. The members of the JCT will use best efforts to arrive at agreed upon accommodations, which will be considered at the dedicated meeting. If after the dedicated meeting, a solution cannot be agreed to by both parties, the parties will identify the issues at impasse.

When an issue is at impasse, the Executive Director of SDSTA and the LBNF/DUNE Project Director will draft a joint statement explaining the issue, FFDG's and SDSTA's respective positions, and agreed upon accommodations considered by the JCT. This joint statement will be sent by email to the HEP Director of Scientific Facilities Division. This email will also be sent to the Fermilab Director and the SDSTA Board Chairperson. After guidance or resolution of the issues at impasse is received from the HEP Director of the Scientific Facilities Division, the JCT members will communicate the outcome to their respective organizations and seek any additional approvals necessary to implement HEP's guidance.

G. Advisory Resources

SDSTA employs many subject matter experts whose expertise will be required to plan and execute LBNF/DUNE. Within available resources, SDSTA will provide experts to serve on committees or workgroups that FFDG convenes to plan execution of the LBNF/DUNE Project.

H. Insurance and Risk Management

SDSTA will work with DOE in order to explore solutions to insurable risk that addresses required liability insurance to perform work at SURF. Work at SURF requires certain insurance liability thresholds required by the Property Donation Agreement between SDSTA and Homestake/Barrick that accompanied the original transfer of the SURF site. The JCT shall periodically review the progress of this charge. LBNF/DUNE-US-specific and DUNE-specific insurance required in connection with LBNF/DUNE-US or DUNE will not be the responsibility of SDSTA.

The parties acknowledge that risk management is a key component of the successful delivery of the LBNF/DUNE Project, and commit to working together, including with the various third-party stakeholders, to facilitate risk analysis and management. Without limiting the generality of the foregoing, the parties recognize that the Property Donation Agreement among SDSTA, Homestake Mining Company of California and others (the “PDA”) imposes certain insurance and other risk management requirements as a condition to SDSTA’s ongoing occupancy and operation of SURF. The Parties will work diligently to ensure compliance with all insurance and other risk management requirements of the PDA and DOE, as well as the applicable corporate and/or site-specific requirements of SDSTA and FFDG, provided those requirements are in writing.

I. Culture

~~DOE, FFDG and SDSTA recognize the importance of diversity, equity and inclusion at SURF and will strive for a workforce that is reflective of the cultures that inhabit the Black Hills region.~~ The Parties recognize the Black Hills are sacred ground to Native Americans of the region and will treat the land and the people with dignity and respect.

J. General Communications

The Parties will collaborate on communications and public affairs activities that relate to LBNF/DUNE. SDSTA recognizes that FFDG must follow certain requirements and protocols – including Prime Contract Clause I.72, DEAR 952.204-75 and related procedures and processes from the Department of Energy – that also flow to SDSTA as subcontractor for LBNF-specific activities. FFDG recognizes that SDSTA must comply with certain statutory requirements, such as SDCL 1-16H-38 (informational budget and other reporting to the Governor's Office of Economic Development), SDCL Ch. 1-25 (open meetings), and SDCL Ch. 1-27 (open records), as well as reporting to the appointing authority (Office of the Governor) and keeping the Legislature, citizens of South Dakota, and other stakeholders informed concerning its activities. The Parties agree to work in good faith to accommodate their respective obligations.

K. Ethics and Compliance — Conflicts of Interest

The Parties maintain and execute robust ethics and compliance programs and acknowledge the criticality of such programs to the success of LBNF/DUNE. The Parties further acknowledge that existing and anticipated agreements that provide funding through the Prime Contract and CA require compliance with ethics and compliance rules applicable to federal government contractors and grantees.

The Parties acknowledge the potential for conflicts of interest related to participation in delivery of the LBNF/DUNE Project or in supporting operational activities at SURF and commit to work diligently to identify apparent or actual conflicts, and develop mitigation plans as appropriate and each in accordance with their respective policies. The Parties' ethics and compliance programs are designed, in part, to facilitate the management of conflicts as they arise.

L. Environment, Safety, and Health Integration

LBNF/DUNE-US subcontract activities will follow 10 CFR 851 (with the exception of the SDSTA Logistics Support Services and the LBNF Staff Services subcontract activities) and SDSTA Surface and Underground Access requirements. Other regulatory requirements may be used to support specific work activities, e.g., explosives management, ventilation, etc.

FFDG will coordinate a weekly ESH Stakeholders meeting to facilitate open and transparent communication between all Environment, Safety, and Health personnel. The weekly meeting location and meeting Chairperson will rotate between the ESH Stakeholder organizations.

FFDG and SDSTA Work Planning and Control Documents will be accessible and notifications will be made if planned activities could affect operations or safety systems.

FFDG will provide a daily work status at the SURF Daily Operations Status meeting, and regular updates will be provided during the weekly SURF Science Integration meeting.

FFDG and Subcontractor Emergency Response Plans shall align with the SDSTA Emergency Management Standard with defined roles and responsibilities.

SDSTA Emergency Response Team (ERT) input on activities is required to assure appropriate staffing and rescue equipment. FFDG shall provide SDSTA with early notification of the means and methods for non-standard access and egress scenarios.

SDSTA is responsible for response, initial treatment and extrication in all emergency situations and will deliver the injured party to a paramedic or ambulance as necessary.

All ESH incidents at SURF will be communicated between onsite FFDG and SDSTA ESH personnel within 12 hours of an occurrence.

SDSTA is responsible for the SURF ESH Manual contents, the review process and the development and upgrade of ESH requirements. FFDG will be included in the review/comment process.

Environmental Management requirements shall meet or exceed existing procedures set forth by SDSTA. FFDG and their subcontractors will develop and implement environmental management plans and procedures which comply with all applicable federal, state, local, and SDSTASURF regulatory requirements. FFDG will work within the parameters of the following SDSTA Environmental Permits.

- South Dakota Department of Agriculture and Natural Resources (DANR) National Pollutant Discharge Elimination System (NPDES) Permit SD0028134 and any replacement permits issued by DANR.
- DANR Industrial General Permit (IGP).
- EPA Safe Drinking Water Act (SDWA)-Underground Injection Control Permit (UIC).
- NHPA/SHPO Programmatic Agreement (PA) and Historical Preservation Section 106.

FFDG will implement and track all commitments identified in the Environmental Assessment and FONSI completed September 25, 2015.

For activities that will impact SDSTA operations or facilities, FRA will include SDSTA in the following:

- Project scoping,
- Design review,
- Authorization for use and possession, and
- Operational readiness clearance.

The manufacturer specifications, “as-built” drawings and commissioning documents shall be provided to SDSTA for equipment and facilities installed at SURF. This transfer of documents is required prior to the SDSTA entering into any agreements related to the Authorized Use and Possession (AUP) process.

FRA shall provide SDSTA a detailed explanation of any intended alternative method, equivalency or variance to applicable SDSTA standard(s) on SURF property. These changes shall be submitted to SDSTA for review and final written approval. In the event an outside resource is deemed necessary by SURF to provide subject matter expert guidance, FRA and SDSTA will reach agreement as to who shall bear the cost.

Accessibility to Refuge Chambers and escapeways:

- The 4850L Refuge Chamber shall be readily available to all personnel. Maintenance shall be scheduled and performed by SDSTA and its service providers.
- Access to the Refuge Chamber, primary and secondary egress routes and associated travel ways shall be maintained and made readily available for emergency purposes. It is understood that travel ways include leased and non-leased space, and it is the responsibility of individual stakeholders and contact owners to abide by these requirements.

- If an escape route is encumbered for any reason, those responsible for that impediment shall ensure that travel ways are made safe and access opened to all personnel, without undue delay.
- Shaft activities shall be planned and scheduled to ensure that at least one shaft and the Refuge Chamber is available for emergency use.
- All activities which may impair the use of, or impede access to, the Refuge Chamber shall be assessed by the responsible party and scheduled with SDSTA before engaging in impairment activity as provided in the Disablement/Impairment Standard in SDSTA's ESH Manual.

M. General Services Agreement

FRA and SDSTA have previously entered into a non-binding General Services Agreement ("GSA") establishing their expectations concerning services to be provided by each Party in relation to LBNF/DUNE. Before the beginning of each fiscal year during the term of this MOU, the Parties will meet and agree upon updated terms for the GSA.

N. Decommissioning

The parties recognize the need for the prompt adoption of a LBNF/DUNE decommissioning plan, keeping in mind the requirement to avoid unfunded obligations. Any such plan must take into account the need to remove or abandon in place (as appropriate and safe) experiment infrastructure, safely secure the relevant portions of SURF, and address any ongoing security, monitoring or other requirements. The Parties decommissioning plan will be consistent with the latest version of the *LBNF/DUNE Preliminary Decommissioning Plan*. This plan shall be reviewed and updated at least every three years.

O. Duration

The term of this MOU shall commence January 1, 2025 for a period of three years, with the option to renew upon mutual written agreement of the Parties for additional terms of one year per renewal.

Upon expiration of the term of this MOU and any subsequent renewal term, the cessation or material reduction of funding for LBNF/DUNE, or other substantial change in circumstances, the Parties will in good faith renegotiate the terms of this MOU.

During the term of this MOU, including any renewal terms, the Parties will at least annually review and update the terms hereof, including any necessary and appropriate updates to Addenda or Exhibits.

Anything in the foregoing notwithstanding, this MOU shall terminate upon sixty (60) days written notice given by either Party to the other of any of the following events:

- FFDG is no longer the Management and Operating prime contractor for Fermilab National Accelerator Laboratory;
- SDSTA no longer has ownership or control of SURF;

- Permanent cessation of funding for LBNF/DUNE; or
- Any other change in circumstances so substantial as to affect the underlying nature and purpose of this MOU.

P. Other

This MOU does not create any legally binding obligations between the Parties.

The conduct of cooperative activities contemplated by this MOU is subject to the availability of funding, personnel, and other resources.

The Parties are each responsible for their respective costs incurred in participating in cooperative activities under this MOU unless otherwise stated in this document or the applicable General Services Agreement.

Any activities agreed to under this MOU, activities agreed to in addenda under this MOU, or agreements developed as a result of this MOU will be in accordance with applicable laws, regulations, and agreements to which each party is subject, as well as with the Property Donation Agreement (PDA) between and among Homestake Mining Company of California, Barrick Gold Corporation, the State of South Dakota, and SDSTA.

Signed:

 Mike Headley
 Executive Director
 South Dakota Science and Technology Authority

12/13//2024

 Date

Lia Merminga Young-Kee Kim
 Interim Laboratory Director
 Fermi Forward Discovery Group, LLC

1/1/2025

 Date

Page intentionally
blank

Confirm date and time of next meeting—Chairperson Casey Peterson

The next board meeting is the annual meeting and will be held on Thursday, June 26, 2025, beginning at 8:00 AM (Mountain Daylight Time) in the Administration Building 2nd Floor Vault and Zoom (new location).

Ask to confirm a quorum.

2025 Regular Quarterly Board Meeting Schedule 8:00 AM (Mountain Time)
Thursday, March 20
Thursday, June 26—Annual Mtg
Thursday, September 18
Thursday, December 11

*South Dakota Science and Technology Authority / Sanford Underground Research Facility
630 E. Summit Street
Lead, SD 57754
Questions? Contact Mandy Knight, mknight@sanfordlab.org
Direct Line: 605.722.4022, Cell: 605.641.0475*

Recommended Action:
Informational.

Page
intentionally
blank

Public Comments—Chairperson Casey Peterson

- Reminder to ask guests who did not identify themselves at the beginning of the meeting to do so at this time.
- Discuss any public comment request forms submitted.

Page
intentionally
blank

Board Comments—Chairperson Casey Peterson

1. Dr. Ani Aprahamian
2. Mr. Dana Dykhouse, Vice-Chairperson
3. Dr. Chris Fall
4. Ms. Pat Lebrun, Secretary-Treasurer
5. Mr. Roger Musick
6. Mr. Ron Wheeler
7. BHSU Pres. Steve Elliott, *ex officio member*
8. South Dakota Mines Pres. Brian Tande, *ex officio member*
9. Mr. Casey Peterson, Chairperson

Recommended Action:
Informational.

Page
intentionally
blank

Adjourn—Chairperson Casey Peterson

See recommended motion below.

Recommended Action:
Motion to adjourn.

Page
intentionally
blank