

**BOARD OF REGENTS
MINUTES OF THE MEETING
March 30-April 1, 2011**

The South Dakota Board of Regents met on March 30-April 1, 2011 in Peterson Recital Hall in the Lincoln Music Hall at South Dakota State University in Brookings, South Dakota, with the following members present:

Terry Baloun, President
Kathryn Johnson, Vice President
James Hansen, Secretary
Harvey Jewett, Regent
Dean Krogman, Regent
Randy Morris, Regent
Carole Pagonos, Regent
Randy Schaefer, Regent
Patrick Weber, Regent

Also present during all or part of the meeting were Jack Warner, Executive Director and CEO; James Shekleton, General Counsel; Sam Gingerich, System Vice President for Academic Affairs; Janelle Toman, Director of Information and Institutional Research; Michelle Anderson, Internal Auditor; Paul Turman, Associate Vice President for Academic Affairs; Gary Johnson, System Vice President of Research; Paul Gough, Director of Policy and Planning; Janice Minder, Director of Human Resources; Dave Hansen, Regents Information System; Mary Ellen Garrett, Accounting Manager; Claudean Hluchy, Budget Manager; Mary Turman, Executive Administrative Assistant; James Abbott, USD; David Chicoine, SDSU; Doug Knowlton, DSU; Kay Schallenkamp, BHSU; James Smith, NSU; Robert Wharton, SDSM&T; and Marjorie Kaiser, SDSBVI/SDSD; Mark Lee, UC-Sioux Falls; Mary Kay Helling, Annalisa Reed, Marysz Rames, Keith Skogstad, Laurie Nichols, Dean Kattelman, Lew Brown, Wes Tschetter, Barry Dunn, Kathy Busch, Jeff Siekmann, Kathleen Donovan, Jeri Kurtz, Dennis Hedge, Roberta Olson, Jennifer VanderWal, David Hilderbrand, Kurt Cogswell, Jason Zimmerman, Matt Fuks, SDSU; Kathy Johnson, Lois Flagstad, Kristi Pearce, Shane Sarver, Mike Isaacsen, BHSU; Cecelia Wittmayer, Jesse Wise, Stacy Krusemark, DSU; Tom Hawley, Don Erlenbusch, Rhoda Smith, Sharon Paranto, NSU; Tim Henderson, Duane Hrcir, Pat Mahon, SDSM&T; Chuck Staben, Lynn Rogstad, Kurt Hackemer, Ron Lindahl, Roberta Ambur, Sheila Gestring, USD; R. Lee Ginsbach, SDSBVI/SDSD; Ron Woodburn, CUC; Jameson Berreth, Brian Gottlob, Brett Monson, Matt Aschenbrenner, Mark Hayes, Mike Ranenhorst, Anthony Sutton, Nick Wendell, Mike Lockrem, Mark Hayer, Mark York, Rebecca Allen, Collin Michels, Shashi Dulal, Zachary Hochhalter, David LaPorte, Lukasz Dubaj, Juan Valdez, Glenn Berman, Carlos Beatty Jr., Derek Nordby, Chris Weyer, Brittney Seitz, W. Broucek, Collin Michels, Brian Vogel, students, faculty and members of the press.

WEDNESDAY, MARCH 30, 2011

The Regents convened in open session at 6:00 p.m. on Wednesday, March 30, 2011, in the Schultz Room of Lincoln Music Hall at South Dakota State University.

IT WAS MOVED by Regent Hansen, seconded by Regent Pagonos that the Board dissolve into executive session at 6:00 p.m. on Wednesday, March 30, 2011, in order to discuss personnel matters; that it adjourn at or around 9:00 p.m. and reconvene in executive session at 8:00 a.m. on Thursday, March 31, 2011, in order to discuss personnel matters; pending and prospective litigation, collective bargaining, contract matters, and that it rise from executive session at 1:00 p.m. to resume the regular order of business and to report its deliberations in executive session. All members voting AYE. The MOTION CARRIED.

THURSDAY, MARCH 31, 2011

Regent President Terry Baloun called the meeting of the Board of Regents to order at 1:05 p.m. on March 31, 2011 and declared a quorum present.

REPORT AND ACTIONS OF EXECUTIVE SESSION

Regent Hansen reported that while in executive session, the Board considered personnel matters, pending and prospective litigation, collective bargaining, and contract matters and gave directions to its executive director and general counsel concerning these matters.

IT WAS MOVED by Regent Hansen, seconded by Regent Jewett that the Board approve directions given to the executive director and the general counsel with respect to matters discussed in executive session, that it:

1. Authorize the settlement of the SDSU IP Suit 10-001 on the grounds proposed.
2. Authorize SDSU to contact the respective families and to request permission to name these academic buildings on the campus of South Dakota State University in their honor. If consent is obtained, authorize SDSU to proceed with the naming, and direct it to request ratification of the naming at the May 19-20, 2011 meeting.
3. Accept the findings and conclusions recommended by the hearing examiner and enter an order denying USD Administrator Grievances Numbers 10-001 and 10-002.
4. Accept the findings and conclusions stated in the opinions of the Executive Director and enter an order denying DSU Faculty Grievance No 11-001.
5. Approve the personnel actions as submitted by the Board office, campuses and special schools. A copy of the personnel actions can be found on pages _____ to _____ of the official minutes.
6. Approve the administrative actions to reassign Graham Garner, SDSM&T to perform special projects for the President; and to accept the retirements of Susan Ritter and Rodney Parry, USD.
7. Approve SDSU's request to award one year of prior service credit toward tenure to Molly Enz; three years of prior service credit toward tenure to Feng Li; and three years of prior service credit toward tenure to Yajun Wu.

8. Approve the leave requests for Brenda Donelan for the 2011 fall semester, Marcela Faflak for the 2012 spring semester, Dominique Hoch for the 2012 spring semester and Steven Usitalo for the 2011-2012 academic year (NSU); Andrea Surovek for the 2011-2012 academic year, Hao Fong for the 2012 spring semester, and Arden Davis for the 2012 spring semester (SDSM&T); Gary Aguiar for the 2011 fall semester, Charles Dieter for the 2011 fall semester, and Matthew Hansen for the 2011-2012 academic year, (SDSU); and rescind the request for Allen Jones for the 2011 spring semester (SDSU).
9. Approve awarding the title of Associate Professor Emeritus in the College of Arts and Sciences to Roger Miller, Professor Emeritus in the College of Arts and Sciences to Douglas Wessel, BHSU Distinguished Faculty Honoree to James Hess (BHSU); Associate Professor Emeritus of Finance to James Janke, Professor Emeritus of Adult Education to Nancy Moose (DSU); Associate Professor Emeritus to John Lockwood, Emeritus Professor of Management Information Systems to Sharon Paranto, Assistant Professor Emeritus to Larry Wild (NSU); Professor Emeritus of Atmospheric Sciences to John Helsdon, Professor Emeritus of Atmospheric Sciences to Mark Hjelmfelt, Honorary Doctor of Science degree to James A. Green (SDSM&T); Professor Emeritus of Dairy Science to Robert Baer, Distinguished Professor Emeritus of Biology, Microbiology and Global Studies to Nels Granholm, Professor Emerita of Human Development to Cindi Penor Ceglian, Professor Emeritus of Communication Studies and Theatre to Raymond Peterson, Distinguished Professor Emeritus of Dairy Science to David Schingoethe, honorary Doctor of Public Service degree to M. Michael Rounds (SDSU); Professor Emeritus to Brian Bedard, Professor Emeritus to Richard Fox, Professor Emeritus to Norman Neu, and Professor Emeritus to Susan Wolfe (USD). A copy of the resolutions can be found on pages _____ to _____ of the official minutes.

All members voting AYE. The MOTION CARRIED.

APPROVAL OF THE AGENDA

IT WAS MOVED by Regent Krogman, seconded by Regent Hansen to approve the agenda for the meeting as printed and mailed. All members voting AYE. The MOTION CARRIED.

APPROVAL OF THE MINUTES

IT WAS MOVED by Regent Johnson, seconded by Regent Schaefer to approve the minutes of the December 15-17, 2010 meeting as printed and distributed. All members voting AYE. The MOTION CARRIED.

REPORT OF THE COUNCIL OF PRESIDENTS AND SUPERINTENDENTS

Dr. Warner reported that the Council of Presidents and Superintendents met on March 31 and discussed most of the items that appear on the agenda for this meeting. In addition, he said they had a discussion about how to enhance our services to Veteran students on the campuses because that population of students is growing rapidly. They talked about collaborative course sharing as a way of cutting some of our costs and had an update on the Complete College America Initiative, noting that South Dakota is one of 28 states participating in this initiative on how to

increase the total number of our graduates. The presidents also discussed the budget and an update on an evaluative tool that will help look at what resource gaps exist on the campus budgetary structures.

IT WAS MOVED by Regent Schaefer, seconded by Regent Pagonos to accept the report of the Council of Presidents and Superintendents. All members voting AYE. The MOTION CARRIED.

REPORT OF INDIVIDUAL PRESIDENTS AND SUPERINTENDENTS

President Chicoine reported briefly on the history of the Lincoln Music Hall, noting that it was the former Lincoln Library. He said the Library was the academic core of the University but said the new core of the University is located on the northeast corner of campus by the Briggs Library, Frost Arena, The Student Center and Wellness Center. He welcomed the Regents, Presidents and staffs to South Dakota State University.

REPORT AND ACTIONS OF THE EXECUTIVE DIRECTOR

Dr. Warner said that there are various themes discussed at the Regents meetings, such as access, affordability, academic quality and the need to get more students to be more successful and obtain degrees. Those kinds of themes will play out throughout the discussions today. The context for all of this is that we operate a time when public resources are scarce, and yet there is a continuing need for both the state and the nation to educate and graduate more people. He said he spent the weekend in Washington, D.C. and met with representatives of the National governor's Association and the U.S. Department of Education. It is very much on the minds of everyone there that this country is going to need to remain competitive and do so by educating more of our people. That is the context of the larger discussion: how much tuition and fees can we charge our students, how do we charge that while maintaining quality and affordability for our students, etc.

Dr. Warner referenced the Interim Actions taken by the Executive Director on behalf of the Board of Regents. A copy can be found on pages _____ to _____.

STUDENT FEDERATION REPORT

Mr. Lukasz Dubaj, Student Federation executive director, reported that the students had met the previous evening with eleven out of twelve members. The academic calendar working group has been meeting and discovered that there is no "one size fits all" calendar. They discussed the options that are available and will continue meeting with that group. The students also reviewed the effectiveness of SHED 1 and SHED 2. During SHED 1 the students had the opportunity to meet with legislators, the Governor and Dr. Warner, and had a wonderful turnout for all activities. SHED 2 was a new event for the Federation and was marked with a press conference with about 120 students, members of the legislature and the media. Both events were successful.

The federation voiced concern about the IDeA survey and will have future discussions about the survey.

Mr. Dubaj introduced Mr. Brett Monson, the newly elected executive director of the Student Federation. Brett is currently a senior at South Dakota State University and he believes the Federation will be in great hands under Mr. Monson's direction. He said before he and his team turn over their duties to the new director and team, he said they want to say thank you to the students, the staff, the faculty, the university presidents and administration for the work that they have done and the Board of Regents. He said they truly appreciate all the support that is given to them. He said the Federation would like to specifically recognize one individual who has helped the Federation far and beyond the title that they wear, and hope this will become a tradition in future years as the Board recognizes student contributions every year at every university. The Student Federation recognized Mary Turman this year as she has truly helped the administration throughout the year.

Mr. Monson said it has been his pleasure to have served with these Student Federation officers and thanked them for the hard work and dedication. He introduced the newly elected student association presidents and vice presidents at the various campuses: NSU, Rebecca Allen and Ryan Swensen; SDSM&T - ; SDSU – Mark _____ and Anthony Sutton; and USD – Colin Michels and Nick Werdell. BHSU and DSU will hold their elections next week.

Regent Baloun thanked the students for their service and support, and commitment for helping with the legislative session, and with explaining the implications of their decisions. He asked for an overview of the IDeA survey.

Mr. Dubaj said that questions arose on the IDeA survey and said that the results are still coming in.

SDSU UPDATED RESIDENTIAL LIFE AND DININ SERVICES MASTER PLAN

Dr. Marysz Rames, Vice President for Student Services, stated that this is an update of the original plan from 2008. She said the strategic goals of SDSU's residential life and dining services master plan are: increase the freshmen to sophomore retention rate to 80% or higher; increase the six-year or less undergraduate graduation rate to 60% or higher; and increase graduate student enrollment by 178 (11.1%) by fall 2013.

SDSU established two neighborhoods: the southeast neighborhood for freshmen and sophomores, and the northwest corner for junior, senior, transfer and graduate students. The initial plan established those neighborhoods. Phase I was completed in 2010, but since the baseline data supporting the plan was from 2007, it was necessary to update the plan before implementing Phases II and III. By 2010, SDSU had renovated residence halls in the southeast neighborhood and constructed Jackrabbit Village.

Dr. Rames said SDSU looked at enrollment and enrollment trends. They have had a steady increase in enrollments over the past ten years. They looked at where they were in 2008 and where they were in 2010 and determined that in the fall of 2010 they had 316 more freshman students than the years before and had to place them in residence halls other than in the southeast

neighborhood. They also had an increase in new junior, senior and transfer students and 178 new graduate students.

Dr. Rames said in 2010 SDSU had 355 more freshmen and sophomores than they had facilities in which to house them. They placed them in day rooms and in the northwest neighborhood. She said that when the freshmen and sophomore students were placed in the northwest neighborhood, their retention rates went down. In order for SDSU to move forward and be successful, they need 889 more beds in the southeast corner of the campus. They would like to add 800 beds and add some student rooms in Greek Village and work with the Greek chapters to release approximately 100 sophomores to those facilities.

Dr. Rames indicated that there are 7,800 students in Brookings who are junior, senior, transfer or graduate students who are not required to live on campus. They are proposing that they serve those students in the northwest neighborhood. A number of those students have chosen to live on campus and a number of those students have also shown an interest in single-occupancy rooms. They would like to take the Bailey and Berg apartments, which were built in 1994 for upper-division students, and rededicate them to single occupancy rooms. They would also like to work with someone in the private sector to build upscale apartments in that neighborhood as well.

Continuing, Dr. Rames said the updated plan supports a small number of academically-dedicated sophomores living in single-occupancy rooms in Hansen Hall in the northwest neighborhood. Not only can this small group of students be successful in this environment, but this approach accommodates the total number of sophomores required to live on-campus.

Dr. Rames said the updated master plan looked at dining services as well. The plan calls for expanding the Union to address current overcrowding as well as for the new students who will be living on that side of campus. On the northwest side of campus, they would look at adding a satellite dining site to Hansen Hall and reprogram Medary Commons to another university priority.

Dr. Rames referenced the attachments to the Master Plan that included nine sections establishing a three-phased approach for implementation. Section 1 is the status report: Phase I implementation; Section 2 is the mission and priorities; Section 3 is the relationship between enrollment trends and residential life; section 4 - existing housing inventory and rate structures; Section 5 – defining the freshman and sophomore market: occupancy and preferences; Section 6 – defining the upper-division market: occupancy and preferences; Section 7 – dining services square footage, utilization, and preferences; Section 8 – update to the Master Plan; and Section 9 – constructability and financial modeling.

Responding to a question from Regent Hansen regarding Jackrabbit Village, Dr. Rames noted that SDSU built Jackrabbit Village with 200 beds instead of all 800 beds identified in the first Master Plan because they wanted to be conservative to start with. She said they also wanted to leave some backyard or play space or green space for the students.

A copy of the SDSU Updated Residential Life and Dining Services Master Plan can be found on pages _____ to _____ of the official minutes.

SDSU PARKING IMPROVEMENT MASTER PLAN

Dr. Chicoine stated that some of the plans provided in the Parking Improvements Master Plan will move forward if they receive approval of their proposal today in Committee B. The plan was initiated in the fall of 2009 with the assistance of JBA Incorporated, a consultant, who worked with SDSU to plan and examine parking concepts applicable to the University. The master plan identifies the relocation of campus interior parking lots to areas along existing streets on the perimeter of campus which will address the pedestrian safety concerns with the current parking configuration. Additional benefits will be improved parking enforcement and alleviation of traffic congestion.

Phase I of the plan will net an addition of an estimated 322 commuter spaces and is necessary to move forward this summer. Phases II and III will come along as SDSU completes the southeast neighborhood in the coming years. The Regents will be considering a fee request later today for parking spaces. SDSU will also be adding a free gravel parking lot effective fall 2011.

A copy of the SDSU Parking Improvements Master Plan can be found on pages _____ to _____ of the official minutes.

FY12 BUDGET UPDATE

Claudean Hluchy, Budget Manager, stated that the FY12 General Appropriation Bill, HB 1251 was approved by the legislature and signed by the Governor. The cuts totaling 10% of the base budget were not changed and the Board's 10% cut totaled \$17,507,210. The net decrease in general funds totaled \$16,554,168 when including the Opportunity Scholarship increase of \$216,983, the lease payment adjustment decrease of \$6,026, the ARRA fund source swap of \$742,085.

Ms. Hluchy said the cuts for SDSA and SDSBVI were realigned by \$78,161, reflecting part of the savings gained by consolidation of their administrations. The cuts to the universities will be realigned once the tuition increase is finalized. She said there was a cut to the utility budget of \$297,216 as part of our 10% budget cut. Hopefully our utility budget will be closer to whole in the future. We agreed to take the cut out of our office within a "pool", giving us the ability to realign the utility budgets across the campuses without seeking legislative approval.

Ms. Hluchy stated that the ARRA funding of \$11,365,508 has been removed from our base budget starting in FY12. In order to show maintenance of effort, the FY11 budget was increased by \$10,623,423 of general funds that will be carried forward to FY12. For FY12, we will receive a partial replacement of ARRA funds in the amount of \$742,085 in general funds. We will need to have \$10,623,423 added to our base general funds in FY13 to keep us whole. The FY12 budget has a total federal fund expenditure authority increase of \$50,702,333 and other funds of \$18,720,644. There is also an FTE increase of 178.9. Not one of the additional FTE

will be funded by General Funds. The total budget of all funds is going to be \$772,472,038 and 5012.4 FTE.

Regent Hansen said he is concerned with getting the funds back into the general fund base in 2013.

A copy of the FY12 Budget Update can be found on pages _____ to _____ of the official minutes.

AES AND CES PLANS AND BUSINESS MODEL

Regent Baloun asked Dr. Chicoine and Dean Barry Dunn to provide the Board with an update on the Agriculture Experiment Station and Cooperative Extension Service plans and business model that will be occurring as a result of the budget cuts to those two entities.

Dr. Dunn stated that the AES and CES state and federal budgets are heavily relied on, changing demographics of the state which is increasingly urban and aging, and the dramatic change in the business of agriculture which is our state's number one industry have led to changes in those two entities. He said they will correct the structural deficit for both of these organizations by reducing the size of AES, increasing research and seeking outside gifts and will continually seek efficiencies in operation. In the Cooperative Extension Service they will change the pedagogy of the system by building on learning communities; they will increase the use of technology and will address the business plan of cost recovery. The structure of both entities will be smaller with fewer employees, but they will be more responsive through the use of technology. They will be more focused on mission and will be more productive.

Dr. Chicoine applauded Dean Dunn for the rapid and aggressive plan that was needed to address the budget cuts and to accommodate the equalization of the available resources.

Regent Baloun stated that the Board of Regents have had to cut over \$28M over the past three years, which put the system back to the 2007 level of funding, while the enrollments are up. We have not wanted to adjust the quality of our programs and offerings. Our research centers were cut by several hundred thousand dollars; the NSU E-Learning Center received cuts at a time when its use is increasing tremendously; and there were cuts to the REED budget that affect the redundancy of the east/west network availability for research.

Regent Jewett noted that over the last three years, the Regents have received \$28M in real cuts, but over the last ten years, the state has not paid the utility increases, the increases in health insurance for a number of our employees, for another \$24M that has been imposed on the universities. He noted that SDSU alone has increased enrollments by about 3% each year and is funded for the number of students they served ten years ago. The net effect is that we have fewer faculty members to teach more students, thereby taking the students longer to get out of school. It limits our ability to offer new programs. This is a significant impact on higher education and no other state agency has come close to this impact. He also referenced the cuts to the E-Learning Center at NSU and they are serving 20% more students. He said it is totally unfair for the Regents to ask the students to subsidize the education of high school students.

Regent Baloun thanked the Legislature for the \$1.5M provided to the Regents in one-time funds that will be used for research and a few other things.

FY12 TUITION AND MANDATORY FEES

Regent Baloun indicated that over the past twelve years, the Regents average tuition and fee increases have been around 7.5%, sometimes way less than surrounding states. In normal times, if the state would have the 3% salary increase, we would have to increase tuition by 4.5% to cover the salary and health insurance benefits. And we have had the salary competitiveness fee that has been approved for the past years. Those increases do not leave much room to increase tuition and fees for other items. We have to deal with inflation, with growth of students, new offerings, shortfalls in the budget, etc. We surveyed surrounding states to see how we compare with tuition and fees, room and board, total costs, student debt and debt upon graduation, etc. He noted that we have to deal with price on one side and with quality on the other side.

Mr. Kramer stated that our tuition and fee proposal mirrors exactly what we told the legislature during Session; that we would recommend a 6-8% tuition and fee increase.

Mary Ellen Garrett, BOR Accounting Manager, stated that the FY12 proposal for tuition and mandatory fees attempts to keep the cost to students as low as possible while considering the enrollment growth, service to students, and delivering the highest quality education possible to our students. The impact to students for the system will be a cost increase of \$489.58 per year or 6.9%. She noted that the increase for NSU is 9.4% because there is a greater increase to NSU's General Activity Fee to help fund the Student Union improvements.

Ms. Garrett noted that funding issues that should be considered when looking at the annual cost increase of tuition and fees include: state funding support for universities has been cut a total of \$24.0M for FY10, FY11 and FY12. The six universities received a 10% state support base cut totaling \$14,675,292 for the upcoming academic year, while the Board has received no enrollment growth support since FY1999. Enrollments have grown by 1,763 FTE students since then. The increase in tuition and fees of 6.9% will allow the Board to cover \$9,112,403 of cuts, a 1% inflation impact on our operations, and require \$5,621,596 in actual budget reductions.

Ms. Garrett indicated that for all universities the proposed rate for FY12 for resident undergraduate rates is \$114.30; for an undergraduate non-resident, the rate is \$171.45; for the graduate resident the proposed rate is \$173.25 and for the graduate non-resident, the rate is \$366.70. The PhD – Allied Health rate is \$510.25. All other tuition rates are tied to the undergraduate and graduate rates and will be adjusted accordingly.

Ms. Garrett said the USD Law School proposes to implement a semester-based tuition rate and a semester-based discipline fee to replace the current per credit hour structure. This will simplify the fee structure for the Law School, will simplify the funding structure and will encourage students to take more than 90 credit hours required for graduation. The proposed annual cost would be \$12,212.55 for a resident and \$24,178.50 for a non-resident Law School student.

Ms. Garrett explained that the Sanford School of Medicine is a community-based school and is compared to other public community-based schools across the country for establishing annual cost. The FY11 annual tuition plus mandatory fees for the School of Medicine is 7.5% behind the community-based average. The proposed rates for FY12 total tuition and fees are \$25,793.25 for resident students and \$53,538.75 for non-residents.

Ms. Garrett said the self-support tuition rates will increase commensurate with the system weighted cost increase for state-support students at 6.9%.

In terms of Mandatory Fees, Ms. Garrett said the Executive Director is recommending that there is no increase to the University Support Fee, so it will remain at \$90.30 per credit hour. The 1% CPI rate as calculated by the Bureau of Finance and Management will be applied to the General Activity Fee, with the exception of NSU which will receive an additional \$5.50 per credit hour for the addition of the Student Union. The 1% CPI will also be added to the DSU and SDSM&T Computer Lease fee.

Regent Krogman referenced the FY12 targeted cuts to the Special Schools and the Cooperative Extension Service and Agricultural Experiment Station, and said the AES and CES have taken over \$4M in cuts in the last three years. He asked if there had been talk or consideration of equalizing those cuts somewhat.

Mr. Kramer said that there are no tuition and fees to support AES and CES, so we have never used tuition and fees to backfill the cuts to those entities.

Regent Krogman said he understands the political ramification of tuition since there was a little bit of discussion during the session about the 10% cuts and the \$8M previous cut that the Regents incurred, and there was concern that the Board would increase tuition beyond what the legislature wanted. He said the Regents did talk to the legislature about the parameter of a 6-8% tuition increase. He indicated that by recommending a 6.9% tuition increase the Regents are making a mistake. If you look at the statistics of the surrounding states, we have room to go \$1,000 to reach the average and we should not have to apologize to anyone. He said the Regents can justify an 8% increase. Another justification for him is the ability to pay. He said we have talked about how poor we are and we hear about how we are 50th in the nation in salaries, etc., but the most recent survey he saw put South Dakota at 25th in the nation.

Regent Krogman said if the Regents would move to 8% and be within the parameters of what we told the Legislators, we would not have to apologize and could justify that rate. If we did that, the cost per student would go up \$560.00 rather than \$489, and we would still be below the average of eight of our surrounding states. It is up to the Regents to justify its increase and to maintain the quality of the institutions.

IT WAS MOVED by Regent Krogman, seconded by Regent Jewett that the Board increase tuition and mandatory fees by 8%.

Regent Weber said there is more in this game than the Board and the legislature. We owe something to the students and he does not think it is fair to students to fully backfill the

legislative cuts. He said the students deserve to see that their sacrifices are met by an institutional sacrifice. The 6.9% proposal is a far better average and is fairer to the students.

Regent Morris said that this year the tuition and fees discussion is more painful. He supports Regent Krogman's proposal of 8% tuition and fees and said even with an 8% increase, we will still not backfill all the cuts that the legislature made and we still have a long way to go. He said the system is funded at the 2007 level due to the cuts over the last three years at a time when enrollments have gone up. The state contribution to the students now is approximately 32%, so even at the 8% level; the Universities are going to have to take significant cuts.

Regent Jewett said he also supports the 8% increase. The state has over the last 3 years and actually 10 years, forgotten that the universities are a public education as well. The lack of funding is moving away from state funding. He noted that our students have the lowest student loan default rate in the nation. The new federal loan rules make it easier to be forgiven or pay back after a certain amount of time. He said we cannot continue to cut the university system.

Regent Pagonis said she would like to support the motion because everything that has been said is justified. The faculty deserves raises; we deserve not to take the kind of cuts that we have taken over the years. However, she said when she thinks of the "hurt" ratio to the students, she cannot support 8%. Every year we ask the universities to increase enrollments and increase retention of low income students, and then we hit them with an 8% tuition increase.

Regent Schaefer fears that we will probably be facing a deficit next year as well, so he does understand the need for an 8% increase. On the other hand, we are already the 6th highest in tuition compared to our surrounding states for undergraduate resident tuition. We are not the only agency taking cuts. There will be people around the state who will be unemployed who have never been unemployed. He said he thought the increase should be closer to 6% this year, so cannot support anything higher than 6.9%.

Regent Johnson said she understands that there is a lot of stress on the campuses trying to do more with less, and at the same time, we watch student success very carefully. We also talk about access, and access includes the ability to pay. She does not think that average here counts in terms of surrounding states and said we should look at Minnesota and see that we are right below them.

Regent Krogman said he is serious about this increase. He said that tuition is 60% of the total cost, but said we are ranked 4th out of the eight surrounding states in total cost, and we are \$1,000 less than the average. He said he has been so impressed with the student leadership that he has met over the years. They are smart, articulate, and have come to the table every time. He believes that they would come to the table again and believes that we cannot afford to leave on the table any potential increase when we are going to look at this for the next two years again. We should argue for the highest possible increase with the least amount of risk.

Regent Schaefer said that our students are graduating with student loan debts that are at an all time high, but we are at the low end of the pay scale in South Dakota. If we are going to educate and graduate our resident students, we will expect them to be in our work force, so we need to

keep education affordable, and cannot send the students out with a student loan debt that they cannot repay.

VOTE ON MOTION

AYE: Jewett, Krogman, Morris

NAY: Hansen, Johnson, Pagonos, Schaefer, Weber, Baloun

MOTION FAILED

IT WAS MOVED by Regent Schaefer, seconded by Regent Johnson to increase FY12 tuition and mandatory fees by 6.9%.

Regent Hansen said he spent every day at the Capitol Building during the Legislative session listening to one legislator after another saying “no increased taxes, no use of reserve funds”, and yet we are increasing taxes on the students and the parents who support these students. He noted that in 2001 higher education received 58% of the state pie and in 2012, we are only receiving ____%. He added that in 2001 we were 15.8% of the general fund revenue and in 2012 we will be at 13.26%. We have to consider the middle class families that cannot afford these increases. We are forcing our students to borrow more money, to take out loans or find some other way to stay in school.

Regent Hansen proposed a substitute motion to increase FY12 tuition and mandatory fees at 5.9%. The motion died for lack of a second.

VOTE ON MOTION FOR A 6.9% TUITION AND MANDATORY FEE INCREASE

AYE: Jewett, Johnson, Krogman, Morris, Pagonos, Schaefer, Weber, Baloun

NAY: Hansen

MOTION CARRIED.

IT WAS MOVED by Regent Jewett, seconded by Regent Morris that in the event demand and cost for the E-Learning Center courses that are delivered in high schools in South Dakota exceeds the funding available from the State of South Dakota, the President of Northern State University shall have the authority to institute upon the high schools participating, a delivery fee of the distance learning services, in consultation with the Executive Director of the Board of Regents and subject to the approval of the President of the Board of Regents.

Regent Jewett indicated that NSU’s E-Learning Center has experienced a 10% cut in funding and a 20% increase in enrollments. He said he understands that the Governor is searching for some one-time funds to be available. He said the concept of the E-Learning Center was always to have an opportunity for K-12 schools that couldn’t teach certain programs such as physics, Spanish, higher math courses, etc. He said this is a contingency for President Smith and the Executive Director can work out if there is a lack of funds.

Regent Hansen said it was clearly understood that NSU could handle the cost of the E-Learning Center this coming year with funding that is going to be available from one-time money, and it may be necessary to impose a fee in future years when that funding is not available.

Regent Johnson said she wanted to be clear that this motion is not establishing a fee for service for this fall; it is just going to establish the authority and the mechanism to go about establishing a fee if it becomes necessary.

Regent Jewett said the amount of the fee would be determined by President Smith and Dr. Warner, but they should not have to wait for the next Board meeting to approve the fee if/when it becomes necessary.

Regent Morris stated that this motion gives the K-12 schools a one year notice that if we are cut, they will have to fund the increase. We will not pass the cost of the E-Learning Center on to our higher education students.

VOTE ON MOTION

AYE: Hansen, Jewett, Johnson, Krogman, Morris, Pagonis, Schaefer, Weber, Baloun
THE MOTION CARRIED

A copy of the FY12 Institution and Mandatory Fees can be found on pages _____ to _____ of the official minutes.

FY12 SYSTEM AND INSTITUTIONAL FEES

Ms. Garrett stated that outside of mandatory tuition and fees the students are assessed specific fees for services and may pay additional fees for services for higher cost disciplines. This year the campuses were tasked with simplifying the fees structure and the assessment to students while also providing the campuses with more flexibility in managing their dollars. She noted that the Consumer Price Index (CPI) is calculated by the Bureau of Finance and Management. The Board has traditionally allowed system and institutional fees to increase by the CPI limit with required justification for anything beyond the approved CPI.

System Fees include the application Fee, Transcript Fee, Challenge by Exam (CLEP), International Student Fee and Testing Fees, and the recommendation is that these fees not increase for FY12. This year to simplify the fee schedule, salary enhancement fees and special discipline fees have been combined and labeled as Program Fees. Program Fees, with the exception of the Lab Fee, may be used for salary enhancement, to purchase instructional equipment and to pay other operating costs for the benefit of the students enrolled in the discipline.

Ms. Garrett said that those fees that were combined with the salary enhancement include the SDSM&T Engineering and Science/SDSU Engineering fee; School of Business fees; the Pharmacy fee; School of Health Science fees; and the Nursing fee. The fees that are either a new fee or the fee above the CPI include the SDSM&T Engineering and Science/SDSU Engineering fee. They are seeking approval for a program fee effective FY12 to address the rising extraordinary cost to maintain accredited professional programs in engineering and technology. This is a combined salary enhancement fee and discipline fee in the amount of \$62.40 per credit hour.

Ms. Garrett indicated that SDSU is proposing to migrate from a per semester special discipline fee and a per credit hour salary enhancement fee to a per credit hour program fee for Pharmacy. They request a rate increase above CPI to \$177.50 per credit hour. The cost increases that require an offsetting increase in the pharmacy program fee per credit hour can be grouped into four categories, derived from the Accreditation Council for Pharmacy, Education (ACPE). The categories and associated increase in costs are: Instructional Technology, Programmatic Assessment, Experiential Program and Program Delivery and Growth.

Ms. Garrett stated that SDSU has combined the Nutrition and Food Science Special Discipline Fee and the Athletic Training Special Discipline Fee into a special discipline fee “Health and Nutrition /Science” and recommend a \$17.50 per credit fee structure. SDSU also requests a new fee for the Animal Sciences in the amount of \$42.00 per credit hour and a Dairy Science fee in the amount of \$75.00 per credit hour. The SDSU School of Business does not currently assess a fee, but the other institutions’ schools of business assess a fee so they would like to be consistent with the other business and economics disciplines in the system.

Ms. Garrett said the USD Law School program fee is proposed to move from a per semester special discipline fee and a per credit hour salary enhancement fee to a per semester program fee for the Law School with an overall increase above CPI to address funding for Law Library materials. The proposed per semester fee for FY12 is \$1,065.

Ms. Garrett commented that the Universities may assess a program delivery fee to support the incremental costs of additional equipment, support staff, space or facilities, student services, business services or library and related services for all courses in a program offered in an off-campus location. The campuses have agreed to uniformly assess the student costs for the off-campus nursing programs at the same rate as the on-campus programs. SDSU is also requesting a new deliver fee for the Medical Laboratory Science courses delivered off-campus.

Ms. Garrett stated that the vehicle registration fees are assessed to all students and faculty who choose to park on the university properties. The fee is used for acquiring, maintaining and improving appropriate parking facilities and for associated administration costs.

Ms. Garrett explained that the food service rates are charged on a per semester basis to cover the cost of administering the food service plans on the university campus, either through a contract food service provider or self-operated. The campuses approved the guidelines of applying the “Meals Away From Home” Cpl used by the food service industry; therefore, the 2.45% CPI has been applied to all meal plan rates. In addition, a 1% increase has been added to the facility fee component. She added that SDSU is adding a new West Flex meal plan to accommodate the students in Berg and Waneta residence halls. The meal plan is not an option for other students and will not be advertised to other groups.

Ms. Garrett said that residence hall rates are charged on a per semester basis to fund the ongoing operations of the residence halls, including major repairs, renovations and debt service. SDSU and USD rates reflect different levels based on the amenities and improvements to their halls. In addition to their 1% CPI, SDSU requests a rate increase above CPI for all of the residence halls because they are committed to meeting a variety of housing demands by freshmen and

sophomores to fulfill on-campus living requirement and support student success. This requires rates based on amenities provided through different style housing.

Ms. Garrett stated that the recommendation from the Executive Director is to approve the combined salary enhancement fees, the special discipline fees and the program fees, and to approve the system and institutional fees as presented in the attachment.

Regent Krogman noted that the lab and salary enhancement fees do not fund the cost of the programs. He said the laboratories are used by other programs such as physics, chemistry, etc, not just the engineering and sciences as referenced on page four for SDSM&T and SDSU. He would like to have us look into whoever uses the labs to be assessed a fee of some sort. The movement of technology will change the laboratories on a year to year basis. He would like to make sure that whomever uses the laboratories should be assessed a fee.

Mr. Kramer indicated that students pay a \$53.00 course fee for every lab course that they take. He believes the concerns of Regent Krogman are covered. He said the fees for SDSM&T and SDSU Engineering and Science courses are on top of the \$53.00 course fee.

IT WAS MOVED by Regent Pagonos, seconded by Regent Krogman to approve the FY12 combining of the salary enhancement fees and the special discipline fee into Program Fees and approve the system and institutional fees as presented in Attachment I.

VOTE ON MOTION:

AYE: Hansen (first abstained, then voted AYE), Jewett, Johnson, Krogman, Morris, Pagonos, Schaefer, Weber, Baloun

MOTION CARRIED.

Regent Jewett said that some of these fees are modest, and we really need to conduct a review of fees, and when we do it, there needs to be a cap on those when we take a \$55M cut. The Regents have to stay in business, and need to have a real review and whether to make adjustments in some of the fees.

Regent Morris said the review should be sooner rather than later and he would like to see how our fees relate to North Dakota, Wyoming, etc., and if there are other fees that we could impose. We need to look seriously at individual discipline fees to ensure that they are covering our costs.

A copy of the FY12 System and Institutional Fees can be found on pages _____ to _____ of the official minutes.

FY12 SPECIAL SCHOOLS TUITION AND FEES

IT WAS MOVED by Regent Pagonos, seconded by Regent Schaefer to approve the FY12 Special Schools Non-Resident Tuition rate at \$13,990 for instructional costs and \$12,930 for residential care. All members voting AYE. The MOTION CARRIED. A copy of the FY12 Special Schools Tuition and Fees can be found on pages _____ to _____ of the official minutes.

GRADUATE ASSISTANT STIPENDS

IT WAS MOVED by Regent Johnson, seconded by Regent Jewett to approve the recommended FY12 minimum graduate assistant stipends in the amount of \$2,779 per semester and \$694.75 per 4-week session. All members voting AYE. The MOTION CARRIED. A copy of the Graduate Assistant Stipends can be found on pages _____ to _____ of the official minutes.

2011 LEGISLATIVE UPDATE

Dr. Toman reported that we have focused much of our discussion on budget matters, but there are some non-budget type issues worth mention. She referenced the special Performance Improvement Fund in the amount of \$1.5M in one-time funds to help leverage non-state grant funding to build the state's research infrastructure and for projects to improve postsecondary students' academic success. She said the Regents will be receiving a letter of intent from the Joint Appropriations Committee regarding the use of the funds.

Dr. Toman stated that there were two business-related cost-saving strategies allowing for purchase of supplies or services through the Midwestern Higher Education Compact's (MHEC) group purchasing programs and increasing the threshold from \$1,000 to \$4,000 before competitive quotes must be obtained under state purchasing requirements. Unfortunately, a bill to eliminate some of the oversight by the Office of the State Engineer for higher education projects was not successful and did not get out of Committee.

Dr. Toman thanked the campuses, the Board members and the students for their help during the past Legislative session.

A copy of the 2011 Legislative Update can be found on pages _____ to _____ of the official minutes.

STUDENT SUCCESS CONFERENCE

Dr. Turman reported that a statewide conference on student success is scheduled for May 10-11 in Chamberlain. The conference will provide the campuses with an opportunity to work individually with Dr. Vincent Tinto, Consultant, regarding their student success initiatives. He has asked them to target one specific goal and will work with them on accomplishing that next year. It will also provide an opportunity to share that practice with the other campuses. He said it appears to be a very exciting conference with a number of participants from each campus.

Regent Schaefer said the work that the Student Success committee is doing is extremely important to work to improve student retention.

A copy of the Student Success Conference material can be found on pages _____ to _____ of the official minutes.

2010 MOBILE COMPUTING REPORT

Dr. Turman indicated that the Board approved a \$6.00 fee when the mobile computing initiative took place. \$4.00 of that per credit hour fee goes to building and maintaining the wireless infrastructure on the campus, and the remaining \$2.00 is used for making sure the initiatives and activities of mobile computing begin to transition into the classroom. Information was collected last fall after the program had been in place for a year and the information will be used for the baseline measure. There are some promising things in the report, such as growth. ‘

Overall, Dr. Turman said the analysis of the survey data produced a number of key observations:

- 95.2% of the student sample reported owning at least one personal computer, yet only 46.2% of them take a computer to class on a day to day basis. Over time, the fee will enhance more professional development.
- Students appear to lack awareness of campuses’ mobile computing initiatives.
- Positive or neutral appraisals tended to greatly exceed negative ones with regard to the general consequences of enhanced mobile computing resources.
- Faculty members feel reasonably comfortable utilizing general mobile computing resources in support of a variety of traditional instructional methods.
- Response data suggests that many faculty members feel unfamiliar or unpracticed with specialized technological devices or applications.
- Several models of technology training hold interest for faculty members.

Dr. Turman said we will continue to encourage the campuses to expand their professional development activities.

A copy of the 2010 Mobile Computing Survey Report can be found on pages _____ to _____ of the official minutes, and future reports will track this growth.

2011 SOUTH DAKOTA OPPORTUNITY SCHOLARSHIP ANNUAL REPORT

Regent Baloun indicated that the Regents have had an opportunity to review the 2011 SDOS annual report, so we would not review it again, but asked if any of the Regents had a question regarding the report.

Regent Jewett referenced page 15, Table 7, noting that he is unclear about the “eligible” category.

Dr. Turman explained that the “eligible” column provides both the frequency and percentage of recipients who have maintained their eligibility since initial enrollment in the program. He said it is important to note that student graduation as a classification for lost eligibility is included as a cause for ineligibility for percentage calculations so that institutions are not adversely impacted by successful degree completion. He said that 72% of the students maintained eligibility in the program, but 90-% of the eligible students still continue in the system and progress.

A copy of the 2011 South Dakota Opportunity Scholarship Annual Report can be found on pages _____ to _____ of the official minutes.

NEW SITE REQUEST: NSU B.S. IN MARKETING and NEW SITE REQUEST: NSU B.S. IN MANAGEMENT, INTERNET DELIVERY

Northern State University requests authorization to offer the B.S. in Marketing degree using the Internet. The delivery would be a convenience for students who now commute and may help attract former students to re-enroll and complete a degree.

Northern State University also requests authorization to offer the B.S. in Management degree using the Internet. Internet delivery would be a convenience for students who now commute and may also help attract former students to re-enroll and complete a degree.

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to approve the NSU request for a B.S. in Marketing and the NSU B.S. in Management, Internet Delivery. All members voting AYE. The MOTION CARRIED. A copy of the New Site requests can be found on pages _____ to _____ of the official minutes.

WICHE WESTERN REGIONAL GRADUATE PROGRAM: DSU M.S. IN HEALTH INFORMATICS AND SDSM&T M.S. IN ROBOTICS

IT WAS MOVED by Regent Johnson, seconded by Regent Morris to authorize Dakota State University to charge the resident graduate tuition rate to residents of WICHE member states who are seeking the M.S. Health Informatics with the enrollments and credit hours to be included in the tuition reduction reports provided to the Board; and authorize South Dakota School of Mines and Technology to charge the resident graduate tuition rate to residents of WICHE member states who are seeking the M.S. Robotics and Intelligent Autonomous Systems with the enrollments and credit hours to be included in the tuition reduction reports provided to the Board. All members voting AYE. The MOTION CARRIED. A copy of the WICHE Western Regional Graduate Program requests can be found on pages _____ to _____ of the official minutes.

POLICY MANUAL CHANGES

Revision to Board Policy 1:18 Human Rights Complaint Procedure

The revision adds the category “transgender” to the list of categories specifically identified under the antidiscrimination policy set forth in Board Policy No. 1:19, Equal Opportunity, Non-Discrimination, Affirmative Action.

BOR Policy 2:10 Graduation Standards

The revision proposed clarifies that there is a minimum GPA of 2.0 or higher required for graduation.

BOR Policy 4:29 – Smoking

The Board policy on smoking is recommended to be revised to bring it into strict conformity with current law.

Regent Krogman asked if the revisions to the smoking policy will have any interference on the grievance that is before the Board regarding smoking.

Dr. Turman said that it would not conflict with the grievance and actually brings the policy more in line with the state statute that talks about municipalities and who controls that.

IT WAS MOVED by Regent Hansen, seconded by Regent Pagonos to approve the revisions to policies 1:18, 2:10 and 4:29. All members voting AYE. The MOTION CARRIED. A copy of the policies can be found on pages _____ to _____ of the official minutes.

NOMINATION COMMITTEE – ELECTION OF OFFICERS

IT WAS MOVED by Regent Morris, seconded by Regent Pagonos that Regent Johnson serve as Board president in the coming year; that Regent Krogman serve as vice president and that Regent Schaefer serve as secretary of the Board. All members voting AYE. The MOTION CARRIED.

FRIDAY, APRIL 1, 2011

Regent President Johnson called the meeting of the Board to order at 9:50 a.m.

Dr. Warner thanked Regent Baloun for his guidance and insight over the past two years.

Regent Johnson also acknowledged Regent Baloun's work. She said this is among the toughest two years that the Regents have gone through, and Terry's patient leadership has been very welcome.

REPORT AND ACTIONS OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS

Regent Pagonos presented the report and actions of the Committee on Academic and Student Affairs, and particularly noted that the Committee reviewed credit hours required by programs and encouraged the universities to keep their master's degrees between 32 and 34 credit hours and to also look at any requirements over the 128 with the exception of a few such as engineering. She asked that the report from Paul Turman on Desire2Learn be brought back to the Committee for further discussion.

Institutional Items of Information

The Committee received Institutional Items of Information submitted by Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines and Technology, South Dakota State University, University of South Dakota, South Dakota School for the Blind and Visually Impaired, and South Dakota School for the Deaf. No action required. A copy of the Institutional Items of Information can be found on pages _____ to _____ of the official minutes.

Topic Code Location Review

The Committee received a report on topic code location updates. No action required. The Topic Code Location Review can be found on pages _____ to _____ of the official minutes.

Delivery Code Revisions

Discussion was held to approve the revisions proposed by AAC and EUC on delivery codes. No motion required. A copy of the Delivery Code Revisions can be found on pages _____ to _____ of the official minutes.

Credit Hours Required by Program

The Committee received a report on programs offered and the credit hours required for each. No action required. A copy of the Credit Hours Required by Program can be found on pages _____ to _____ of the official minutes.

Program Modifications - BHSU

The Committee approved the program modification for BHSU for the Marketing Minor. A copy of the Program Modification for BHSU can be found on pages _____ to _____ of the official minutes.

Program Modifications - NSU

The Committee on Academic and Student Affairs approved the program modification requests for NSU to the Speech Minor, MS in E-learning Technology & Administration, MS in Education E-learning Design and Instruction, MS in Education Leadership & Administration, MS in Education Teaching & Learning, Emphasis in Educational Studies, and the MS in Education Teaching & Learning, Emphasis in Elementary or Secondary Classroom Teaching. A copy of the NSU Program Modifications can be found on pages _____ to _____ of the official minutes.

Program Modification – SDSU

The Committee approved SDSU’s request for modification of the admission requirements of the Master of Science in Geography program. A copy of the SDSU Program Modifications can be found on pages _____ to _____ of the official minutes.

Program Modification – USD

The Academic and Student Affairs Committee approved the program modifications for the MA in Communication Studies and the BA and BS in History for USD. A copy of the Program Modifications for USD can be found on pages _____ to _____ of the official minutes.

Program Deletions - SDSU

The Committee approved the deletion of minors in Apparel Studies, Biological Science, Biorenewable Resources, Consumer Affairs, European Studies, General Science, Global Agriculture, Hospitality Management, Language Arts, Latin American Studies, Merchandising, Physical Science, Pre-K12 Reading, and Social Science for SDSU. A copy of the SDSU Program Deletions can be found on pages _____ to _____ of the official minutes.

Program Terminations - NSU

The Committee approved the program terminations for NSU for Art-Comprehensive (BSEd), Community Development (BA), French Specializations, Human Performance and Physical Fitness Specializations, Social Science (AS), and Sociology-Professional Sociology specialization. A copy of the NSU Program Terminations can be found on pages _____ to _____ of the official minutes.

Program Termination - USD

The Committee on Academic and Student Affairs approved the program termination for USD for the MA in Contemporary Media and Journalism. A copy of the USD Program Terminations can be found on pages _____ to _____ of the official minutes.

New Certificate - BHSU

The Committee approved the LEAN Concepts and Management certificate program for BHSU. A copy of the New Certificate for BHSU can be found on pages _____ to _____ of the official minutes.

New Certificate - NSU

The Committee approved the Certificate in TESOL (Teaching English to Speakers of Other Languages) for NSU. A copy of the New Certificate for NSU can be found on pages _____ to _____ of the official minutes.

Terminal Degree Update

The Academic and Student Affairs Committee approved the proposed changes to the terminal degree table. A copy of the Terminal Degree Update can be found on pages _____ to _____ of the official minutes.

Revisions to Program to Program Articulation Agreements between SDSU and LATI

The Committee approved the proposed changes as submitted to the articulation agreements between LATI and SDSU. A copy of the Revisions to Articulation Agreements can be found on pages _____ to _____ of the official minutes.

Articulation Agreement - USD and LATI

The Committee on Academic and Student Affairs approved the articulation agreement between USD and LATI for the Bachelor of Science in Medical Laboratory Science. A copy of the USD and LATI Articulation Agreement can be found on pages _____ to _____ of the official minutes.

Memorandum of Understanding - BHSU and Ulaanbaatar, Mongolia

The Committee approved the agreement between BHSU and Global Leadership University of Ulaanbaatar, Mongolia. A copy of the MOU can be found on pages _____ to _____ of the official minutes.

Memorandum of Understanding - BHSU and Warsaw, Poland

The Committee approved the agreement between BHSU and Kozminski University, Warsaw, Poland. A copy of the MOU can be found on pages _____ to _____ of the official minutes.

Memorandum of Understanding - BHSU and SDPB

The Committee approved the memorandum of understanding between BHSU and SDPB to permit the installation of equipment at the BHSU Library to receive and to transmit SDPB programming for broadcast. A copy of the MOU can be found on pages _____ to _____ of the official minutes.

Memorandum of Understanding - USD and Otaru, Japan

The Committee on Academic and Student Affairs approved the agreement between USD and Otaru University of Commerce, Otaru, Japan. A copy of the MOU can be found on pages _____ to _____ of the official minutes.

Academic Calendar

The Academic and Student Affairs Committee approved the proposed revisions to the academic calendars for 2011-12 and 2012-13 for the university system, and the proposed calendars for the South Dakota School for the Deaf and the South Dakota School for the Blind and Visually Impaired. A copy of the Academic Calendar can be found on pages _____ to _____ of the official minutes.

Resolution of Recognition

The Committee approved a resolution to recognize Douglas Wernke for 26-1/2 years of dedicated service to SDSD and the public higher education system of South Dakota. A copy of the Resolution of Recognition can be found on pages _____ to _____ of the official minutes.

Request to Seek Accreditation - SDSU

The Committee on Academic and Student Affairs approved SDSU's request to seek accreditation from the Association to Advance Collegiate Schools of Business (AACSB). A copy of the SDSU Request to Seek Accreditation can be found on pages _____ to _____ of the official minutes.

Interagency Agreement

The Committee approved the interagency agreement between the SDBOR, SDSD, SDSBVI, and the DOE, Special Education program. A copy of the Interagency Agreement can be found on pages _____ to _____ of the official minutes.

Intent to Plan - NSU, MS in Banking and Financial Services

The Committee authorized NSU to develop a proposal for an MS in Banking & Financial Services with the following conditions:

1. The University will not request new State resources, or additional student fees or charges, or additional facilities to develop, implement, or maintain the proposed program. The program proposal will identify the sources and amounts of all funds needed to operate the program and the impact of reallocations on existing programs.
2. The University will research existing curricula, consult with experts concerning the curriculum and provide assurance in the proposal that the program is consistent with current national standards and with the needs of employers.
3. The proposal will define the specific knowledge, skills, and competencies to be acquired through the program and demonstrate how each will be obtained in the curriculum.
4. The proposal will identify the specific measures to be used to determine whether individual students have attained the expected knowledge, skills, and competencies and the consequences for students who do not achieve at the expected levels.

A copy of the NSU Intent to Plan can be found on pages _____ to _____ of the official minutes.

Intent to Plan - SDSU BA/BS in American Indian Studies

The Committee authorized SDSU to develop a proposal for a BA/BS in American Indian Studies with the following conditions:

1. The University will not request new State resources, or additional student fees or charges, or additional facilities to develop, implement, or maintain the proposed program. The program proposal will identify the sources and amounts of all funds needed to operate the program and the impact of reallocations on existing programs.
2. The University will research existing curricula, consult with experts concerning the curriculum and provide assurance in the proposal that the program is consistent with current national standards and with the needs of employers.
3. The proposal will define the specific knowledge, skills, and competencies to be acquired through the program and demonstrate how each will be obtained in the curriculum.
4. The proposal will identify the specific measures to be used to determine whether individual students have attained the expected knowledge, skills, and competencies and the consequences for students who do not achieve at the expected levels.

A copy of the SDSU Intent to Plan can be found on pages _____ to _____ of the official minutes.

2010 Desire2Learn User Survey Report

The Committee received a report on the D2L user survey. No action required. A copy of the 2010 Desire2Learn User Survey Report can be found on pages _____ to _____ of the official minutes.

Student Organization Awards

The Committee accepted the recommendations offered by each institution and announced the names of the award winners. A copy of the Student Organization Awards can be found on pages _____ to _____ of the official minutes.

System Scholarship Awards

The Committee on Academic and Student Affairs accepted the system scholarship committee's recommended recipients for the 2011-2012 Fowler, Haines, Scarborough and Bjugstad scholarships. A copy of the System Scholarship Awards can be found on pages _____ to _____ of the official minutes.

FULL REPORT

IT WAS MOVED by Regent Pagonos, seconded by Regent Hansen to adopt the report and actions of the Committee on Academic and Student Affairs. All members voting AYE. The MOTION CARRIED. A copy of the Full Report can be found on pages _____ to _____ of the official minutes.

REPORT AND ACTIONS OF THE COMMITTEE ON BUDGET AND FINANCE

Regent Krogman presented the report and actions of the Committee on Budget and Finance as follows:

Institutional Items of Information

The Committee received the Institutional Items of Information from BHSU, DSU, NSU, SDSM&T, SDSU, USD, SDSBVI, and SDSD. No action required. A copy of the Institutional Items of Information can be found on pages _____ to _____ of the official minutes.

Capital Project List

The Committee received the Capital Project List that identifies the current capital improvement projects along with the Regental representative, estimated dollar amount, the source of funds for the project, and the current status of the project. The list includes the Board's second ten-year Capital Plan which was approved by the 2005 Legislature, and the Science and Laboratory facilities approved by the 2008 Legislature. A copy of the Capital Project List can be found on pages _____ to _____ of the official minutes.

Building Committee Report

The Committee received information regarding the activities of the various building committees that had met since the last meeting as follows: NSU Lincoln & Graham Halls Renovation – approved the post bid worksheet and budget for the project and awarded the bid to the low bidder, Kyburz-Carlson Company in the amount of \$2,620,200; NSU Student Center Renovation/Addition – received update on \$1.6M project with additional information forthcoming on the LEED study; BHSU Woodburn Hall Renovation – awarded the construction bid to Gustafson Building, Rapid City, in the amount of \$3,493,000 plus alternates 1, 2, 3 and 4; DSU Infrastructure Renovation – approved the budgets and authorized the \$3M project to go to bid and later accepted the base bids as follows: Electrical – Thompson Electric; Mechanical – Hander; and General/HVAC – Gray Construction, selected alternates for the three separate projects, and approved tentative plans for the unobligated budget; SDSU's Young Hall Bathroom - approved the Facility Design Plan and granted approval to go out to advertisement for construction bids on the \$2,135,750 project and later awarded the project to the low bidder, Clark Drew Construction of Brookings with bid alternates 1 through 5; USD North Complex and Commons Renovation – approved the Facility Program Plan for the \$1,350,000 project; and the SDSU Aviation Education, Simulation and Hangar Facility Committee met to interview A/E firms to design the project. A copy of the Building Committee report can be found on pages _____ to _____ of the official minutes.

Spring 2011 Tuition Reduction Programs

The Committee received information on the Board approved tuition reduction programs, including North Dakota Residents Attending Northern State University; Persons 65 Years of Age or Older; Reserve Officer Training Corps Cadets; and Western Regional Graduate Program; and

the Legislative approved programs including: Child of Deceased Veteran; Dependents of National Guardsmen Disabled or Deceased in Line of Duty; Employees of the State of South Dakota; Survivors of Fire Fighters, Certified Law Enforcement Officers and Emergency Medical Technicians; Certain Elementary and Secondary Teachers and Vocational Instructors; Veterans and Others Who Performed War Service; Dependents of Prisoner of War or Missing in Action; Visually Impaired Persons; and National Guard Members. Totals in the report for Spring 2011 include 273 students; 1,980 state credit hours; \$57,444 in tuition; \$178,525 in University Support Fee; \$48,520 for General Activity Fee; \$111,482 in Room and Board; total revenue, \$296,769 and (\$118,831) tuition waived. No action required. A copy of the Spring 2011 Tuition Reduction Programs can be found on pages _____ to _____ of the official minutes.

Projected Tuition Revenue

The Committee on Budget and Finance received information on the projected tuition revenue, and based on the new University Managed Resources, with the exception of one campus, the revenue projections should sufficiently cover the base tuition budget adopted in FY11. A copy of the Projected Tuition Revenue can be found on pages _____ to _____ of the official minutes.

Lien Statement, Agan Drywall Supply, Inc. – SDSU

The Committee was informed that Agan Drywall Supply, Inc. filed a \$6,523.34 lien pursuant to SDCL Ch 5-22 on monies held by the Board of Regents relating to the Dairy Microbiology Building upgrade at SDSU. No action required. A copy of the Lien Statement for SDSU can be found on pages _____ to _____ of the official minutes.

Lien Statement, Cornerstone Plastering & Drywall, Inc. – USD

The Committee was also notified that Cornerstone Plastering and Drywall, Inc. filed a \$93,615 lien pursuant to SDCL Ch 5-22 on monies held by the Board of Regents relating to the remodeling project to Slagle Auditorium at USD. No action required. A copy of the USD Lien Statement can be found on pages _____ to _____ of the official minutes.

FY11 General Bill Amendment

Information was received regarding the FY11 General Bill Amendments. Changes to the FY11 budget were approved as part of SB 190. The Board Office, DSU, and SDSM&T requested and received additional federal and other fund authority totaling \$28,087,552 and 25.0 FTE. The campuses received an additional \$10,623,423 in general funds. These dollars are being referred to as “Stimulus III”. These dollars were added to the budget in FY11 to replace the loss of ARRA funding in FY12; however, they cannot be spent in FY11. Instead, they will need to be carried over into FY12. No action required. A copy of the FY11 General Bill Amendment can be found on pages _____ to _____ of the official minutes.

Maintenance and Repair – Institutional Projects

The Committee approved the following Maintenance and Repair – Institutional Projects:

- BHSU’s request to renovate Jonas Science Lab space at an estimated cost of \$120,000. Funding for this project will come from IDeA Networks of Biomedical Research Excellence grant funds.
- BHSU’s request to replace the Pangburn Hall boiler and controls at an estimated cost of \$490,000. Funding for this project will come from BHSU Residence Hall Rent revenues.
- SDSU’s request to upgrade the Dairy Microbiology building parking lot at an estimated cost of \$480,000. Funding for this project will come from SDSU Parking & Traffic revenues.
- SDSU’s request to remodel Briggs Library main floor space at an estimated cost of \$418,000. Funding for this project will come from SDSU University Support Fees.
- SDSU’s request to construct additional bleacher seating at Coughlin Alumni Stadium at an estimated cost of \$250,000. Funding for this project will come through donations guaranteed by the SDSU Foundation.
- SDSU’s request to modify the Student Union parking lot at an estimated cost of \$125,000. Funding for this project will come from SDSU Parking and Traffic Revenues.
- SDSU’s request to relocate the McCrory Garden north entrance road at an estimated cost of \$179,000. Funding for this project will come through donations guaranteed by the SDSU Foundation.
- SDSU’s request to make drainage and site improvements to property located in Blocks 1 and 2, University First Addition, City of Brookings, SD at an estimated cost of \$120,000. Funding for this project will come from grant indirect cost recovery funds.
- SDSU’s request to upgrade the University Stores & Services building electrical and plumbing at an estimated cost of \$120,831. Funds for this project will come from stores revenues.
- USD’s revision to the University Center-Sioux Falls GEAR Building main floor shell space renovation to an estimated cost of \$1,100,000. Project 2A1212 will continue to be funded by grant award cost recovery funds.

A copy of the Maintenance and Repair – Institutional Projects can be found on pages _____ to _____ of the official minutes.

South Dakota State University Drainage Easement

The Committee adopted a resolution requesting that the Governor grant a permanent drainage easement to Ms. Ruth Larson, her heirs and assigns, through an existing, natural drainage way across lands situated in Moody County, South Dakota, and described as:

Lot A of the Southeast Quarter (SE ½) of Section Eighteen (18), Township One Hundred Eight (108) North, Range Forty-nine (49) West of the 5th P.M., Moody County, South Dakota, containing 109.25 acres, more or less;

provided that the proposed easement be reduced to a recordable depiction or a recordable description satisfactory to South Dakota State University, the General Counsel and the

Commissioner of School and Public Lands; and provided, further, that the Executive Director approves an appraisal of the drainage easement to be submitted by South Dakota State University before the resolution is transmitted to the Commissioner of School and Public Lands.

A copy of the SDSU Drainage Easement can be found on pages _____ to _____ of the official minutes.

FY12 M&R Bonded Projects Update

2011 HB1007 authorized critical maintenance and repair projects, estimated to cost \$13,233,800 funded by the issuance of bonds through the South Dakota Building Authority to move forward once bonds are issued in July 2011. A copy of the FY12 M&R Bonded Projects Update can be found on pages _____ to _____ of the official minutes.

BHSU Northern Black Hills Business Incubator – Preliminary Facility Statement

The Committee approved BHSU's Preliminary Facility Statement request to develop plans for the Northern Black Hills Business Incubator. Approval of this request will allow BHSU to move forward with their Facility Program Plan for this project. BHSU requests that a building committee be formed to develop design and cost estimates for the project. Financing for the project would come from a combination of federal, private, and community funds. A copy of BHSU's Northern Black Hills Business Incubator Preliminary Facility Statement can be found on pages _____ to _____ of the official minutes.

SDSU Swine Unit Improvements – Preliminary Facility Statement

The Committee on Budget and Finance approved SDSU's Preliminary Facility Statement request to proceed with architectural programming and preliminary planning to construct two facilities for the Swine Unit. Approval of this request will allow SDSU to move forward with their Facility Program Plan for this project. SDSU requests that a building committee be formed to develop design and cost estimates for the project. Financing for the project would come from a combination of private and industry donations. This project would need legislative approval before moving beyond the planning phase. A copy of the SDSU Swine Unit Improvements Preliminary Facility Statement can be found on pages _____ to _____ of the official minutes.

SDSU Residence Hall Construction and Dining Services Expansion – Preliminary Facility Statement

The Committee approved SDSU's Preliminary Facility Statement request to complete preliminary planning for a new residence hall and associated dining facilities. Funding for this project would come from issuing revenue bonds, debt serviced with residence hall and food service revenues.

Approval of this phase of the Master Plan stands alone, and does not indicate support of future phases identified in the plan.

If approved, a building committee should be appointed. Approval of these projects will allow SDSU to move forward with their Facility Program Plan. A copy of the SDSU Residence Hall Construction and Dining Services Expansion Preliminary Facility Statement can be found on pages _____ to _____ of the official minutes.

USD – North Complex Commons Renovation – Facility Program Plan

The Committee on Budget and Finance approved USD’s Facility Program Plan to renovate the North Complex Lobbies and Commons infrastructure at an estimated cost of \$1,350,000. Funding for this project will come from existing housing and food service revenues. USD should bring the lobby renovation plan back to the Board when it is ready. A copy of the USD North Complex Commons Renovation Facility Program Plan can be found on pages _____ to _____ of the official minutes.

FULL REPORT

IT WAS MOVED by Regent Krogman, seconded by Regent Jewett to approve the report and actions of the Committee on Budget and Finance as presented. All members voting AYE. The MOTION CARRIED. A copy of the Full Report can be found on pages _____ to _____ of the official minutes.

DSU AND SDSU STUDENT ORGANIZATION AWARDS

Mr. Jesse Wise, Vice President for Student Affairs at DSU introduced the student organization award winners in the various categories, as Regent President Johnson presented plaques to the organizations. The award for Organizational Leadership was presented to the Council for Exceptional Children (CEC). CEC provides many opportunities for future educators to work in the community and get hands on experience working in the classroom as well as working with students with disabilities. The award for Academic Excellence was presented to Phi Beta Lambda. Phi Beta Lambda’s mission is to bring business and education together in a positive working relationship through innovative leadership and career development programs. The award for Community Service was presented to Students in Free Enterprise. The goals of SIFE are to apply students’ knowledge of financial literacy, success skills, market economics, ethics, and entrepreneurship to community needs and problems.

Dr. Marysz Rames, Vice President for Student Affairs at SDSU introduced the student organizational award winners while Regent Johnson presented plaques to the students. The SDSU award for Organizational Leadership was presented to Campus Women’s Coalition. Campus Women’s Coalition promotes issues impacting women and raises awareness among the entire campus community. The award for Academic Excellence was presented to the Academy of Student Pharmacists. The Academy has served as a catalyst to facilitate outside the classroom learning. The award for Community Service was presented to Ceres Women’s Fraternity. Ceres has a long history of positive contributions to the SDSU campus and surrounding community.

A copy of the DSU and SDSU Student Organization Awards can be found on pages _____ to _____ of the official minutes.

ADJOURN

IT WAS MOVED by Regent Krogman, Seconded by Regent Hansen to adjourn the meeting of the Board of Regents on April 1 at 10:10 a.m. All members voting AYE. The MOTION CARRIED.

DRAFT