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MARTIN L. GUINDON, CPA
AUDITOR GENERAL

January 4, 2013

Jack R. Warner, Executive Director
Board of Regents
306 East Capitol Avenue, Suite 200
Pierre, SD 57501

Dear Dr. Warner:

We have completed our engagement to perform certain agreed-upon procedures for the Board of Regents Housing and Auxiliary Facilities System for the year ending June 30, 2012.

Enclosed are three copies of the report. If we can be of further service to you, please contact us.

Sincerely,

Martin L. Guindon, CPA
Auditor General

MLG:RJC:tjk

Enclosure

**SOUTH DAKOTA BOARD OF REGENTS
FINANCIAL STATEMENTS OF THE HOUSING
AND AUXILIARY FACILITIES SYSTEM**

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED UPON PROCEDURES**

Fiscal Year Ended June 30, 2012

**BOARD OF REGENTS
HOUSING AND AUXILIARY FACILITIES SYSTEM
TABLE OF CONTENTS**

Independent Accountant's Report on Applying Agreed-Upon Procedures	1
Financial Statements:	
Statement of Net Assets	4
Statement of Revenues, Expenses, and Changes in Net Assets	5
Notes to the Financial Statements	6
Supplementary Schedules:	
Schedule of Pledged Revenues	9
Debt Service Schedule	10
Black Hills State University	11
Dakota State University	15
Northern State University	19
South Dakota School of Mines and Technology	23
South Dakota State University	27
University of South Dakota	31



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AUDITOR GENERAL

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Dr. Jack R. Warner
Executive Director

and

South Dakota Board of Regents

We have performed the procedures enumerated below, which were agreed to by management of the South Dakota Board of Regents (Board), solely to assist the Board in evaluating its compliance with bond requirements in the Housing and Auxiliary Facilities System for the year ended June 30, 2012. The Board's management is responsible for the Housing and Auxiliary Facilities System financial statements and the underlying accounting records, and for complying with bond compliance requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board's management. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Statement of Net Assets and Statement of Revenues, Expenses, and Changes in Net Assets – Agreed-Upon Procedures

- a. *We obtained the Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2012, as prepared by management. We agreed the amounts on the statements to management's worksheets and agreed the amounts on management's worksheets to the accounts in the Board's general ledger and other supporting documentation.*

No exceptions were noted.

- b. *We reviewed the footnotes to the statements for propriety and for adequate disclosure.*

We proposed minor changes which we discussed with management and which have been reflected in the attached footnotes.

- c. *We agreed the information in the supplementary schedules to the Board's general ledger and other supporting documentation.*

No exceptions were noted.

Compliance – Agreed-Upon Procedures

- d. *We determined that balances in the Repair and Replacement Reserve Fund and the Debt Service Reserve Fund were in compliance with bond covenants at June 30, 2012.*

We found no instances of noncompliance.

- e. *We determined that the bond accounts were maintained separately from all other accounts on the accounting system in accordance with bond covenants.*

We found no instances of noncompliance.

- f. *We reviewed the Board of Regents meeting minutes for meetings occurring during the fiscal year ended June 30, 2012, and obtained representations from management that none of the facilities of the Auxiliary and Facilities System had been sold or otherwise disposed of contrary to bond covenants as of June 30, 2012.*

We found no instances of noncompliance.

- h. *We verified compliance with the rate covenant for each institution which requires the ratio of net revenues to annual debt service to exceed 120%.*

We found no instances of noncompliance.

We were not engaged to and did not conduct an examination of internal controls over the compliance with bond requirements or an audit of the Housing and Auxiliary Facilities System – Statement of Net Assets and Statement of Revenues, Expenses, and Changes in Net Assets, the objective of which would be the expression of an opinion on the internal control over bond compliance requirements or the financial statements referred to above. Accordingly, we do not express any such opinions. Had we performed additional procedures, other matters might have come to our attention that would have been reported to the Board.

This report is intended solely for the information and use of management and members of the Board of Regents and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Martin L. Guindon". The signature is stylized with large, flowing letters and a prominent loop at the end.

Martin L. Guindon, CPA
Auditor General

January 4, 2013

**SOUTH DAKOTA BOARD OF REGENTS - COMBINED
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2012
Unaudited**

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
<u>Assets</u>					
Cash and Investments	\$ 3,521,264.75	\$ 4,547,104.18	\$ 2,707,195.33	\$ 19,063,162.60	\$ 29,838,726.86
Total Assets	<u>\$ 3,521,264.75</u>	<u>\$ 4,547,104.18</u>	<u>\$ 2,707,195.33</u>	<u>\$ 19,063,162.60</u>	<u>\$ 29,838,726.86</u>
<u>Liabilities</u>					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Current liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Assets</u>					
Unrestricted	3,521,264.75	-	171,417.81	12,682,144.14	16,374,826.70
Externally restricted (Note 3)	-	4,547,104.18	2,535,777.52	6,381,018.46	13,463,900.16
Total Net Assets	<u>\$ 3,521,264.75</u>	<u>\$ 4,547,104.18</u>	<u>\$ 2,707,195.33</u>	<u>\$ 19,063,162.60</u>	<u>\$ 29,838,726.86</u>

The accompanying notes are an integral part of these financial statements.

**SOUTH DAKOTA BOARD OF REGENTS - COMBINED
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012**

Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
Revenues and other additions:					
Net revenues from bonded facilities (Note 1)	\$ 16,456,008.04	\$ -	\$ -	\$ -	\$ 16,456,008.04
Investment income and BAB subsidy	1,749,191.99	351,730.28	55,556.34	497,961.17	2,654,439.78
Student fees	3,911,802.53	-	-	789,000.00	4,700,802.53
Proceeds from bond issuance	-	2,485,195.53	-	-	2,485,195.53
Total revenues and other additions	22,117,002.56	2,836,925.81	55,556.34	1,286,961.17	26,296,445.88
Expenses and other deductions:					
Bond principal payments	-	6,705,000.00	-	-	6,705,000.00
Bond interest expense	-	9,138,724.16	13,582.94	-	9,152,307.10
Bond capitalized interest expense	-	1,060,561.15	-	-	1,060,561.15
Trustee fees and bank charges	-	7,216.00	133.50	-	7,349.50
General and administrative expenses	-	704.50	-	3,449,471.45	3,450,175.95
Other expenses	-	-	-	322,891.38	322,891.38
Total expenses and other deductions	-	16,912,205.81	13,716.44	3,772,362.83	20,698,285.08
Revenues and other additions over (under) expenses and other deductions	22,117,002.56	(14,075,280.00)	41,839.90	(2,485,401.66)	5,598,160.80
Transfers among funds - additions (deductions)					
Transfers for bond payments	(15,231,623.74)	15,630,028.24	-	(398,404.50)	-
Transfers for maintenance and operation support	(989,244.81)	-	-	989,244.81	-
Transfers for renewal and replacement	(5,622,585.30)	-	-	5,622,585.30	-
Other Transfers	(698,486.94)	-	-	8,727.00	(689,759.94)
Total transfers among funds	(22,541,940.79)	15,630,028.24	-	6,222,152.61	(689,759.94)
Net increase (decrease) in net assets	(424,938.23)	1,554,748.24	41,839.90	3,736,750.95	4,908,400.86
Beginning net assets	4,389,690.12	2,992,355.94	2,665,355.43	13,072,405.42	23,119,806.91
Prior Period Adjustment	(443,487.14)	-	-	2,254,006.23	1,810,519.09
Ending net assets	\$ 3,521,264.75	\$ 4,547,104.18	\$ 2,707,195.33	\$ 19,063,162.60	\$ 29,838,726.86

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Housing and Auxiliary Facilities System (System) is reported in the financial statements of the South Dakota Board of Regents (BOR). The System includes the activity of the Housing and Auxiliary Facilities System Revenue Bonds Series 2003, Series 2004, Series 2004A, Series 2005A, Series 2005B, Series 2006, Series 2007, Series 2008A, Series 2008B, Series 2009 and Series 2011 for the year ended June 30, 2012.

The accompanying financial statements have been prepared on the cash basis of accounting and present the financial position and results of financial activity of the System in a format determined by the BOR. The financial statements are not prepared in accordance with generally accepted accounting principles and the notes to the financial statements are not intended to present all disclosures required by generally accepted accounting principles. The significant accounting policies followed are described below.

Revenues from bonded facilities are reported on the Statement of Revenues, Expenses and Changes in Net Assets net of maintenance and operating costs. A breakdown of specific revenues and expenses may be found on the supplementary Schedule of Pledged Revenues.

A total column is presented in the statements. The total column includes interfund activity and is not comparable to a consolidated financial statement, but is presented only to facilitate financial analysis.

General Provisions

The Series 2003, Series 2004, Series 2004A, Series 2005A, Series 2005B, Series 2006, Series 2007, Series 2008A, Series 2008B, Series 2009 and Series 2011 Bonds are limited obligations of the BOR issued by the State Board of Regents and the State of South Dakota, and are secured under the provisions of the Bond Resolution authorizing their issuance. The Bonds are payable and collectible from student housing fees, and the net revenues of the BOR's student housing system and certain auxiliary enterprise facilities and certain other sources as shown in the schedule of pledged revenues. These revenues have been pledged to meet the bond obligations. Neither the credit nor the taxing power of the State of South Dakota nor any state agency, instrumentality, or political subdivision thereof is pledged for the payment of the principal, premium, if any, or interest on the Bonds. The Bonds are not general obligations of the State of South Dakota or any agency, instrumentality, or political subdivision thereof. The South Dakota Board of Regents has no taxing power.

The Series 2003 SDSMT Bonds are insured by ACA Financial Guaranty Corporation; the Series 2003 USD, Series 2004, and Series 2004A Bonds are insured by MBIA

Insurance Corporation; the Series 2005A and Series 2005B Bonds are insured by Financial Guaranty Insurance Company; and the Series 2009 Bonds are insured by Assured Guaranty Corp. for the timely payment of principal and interest. The Series 2011 Bonds are not insured.

Fund Accounting

The assets, liabilities, and net assets of the System are reported in four fund groups as follows:

- The Housing and Auxiliary Facilities Revenue Fund is the fund established to collect and record the gross revenue of the auxiliary institutional system. The moneys in the fund shall be applied to pay all necessary operating expenses, which include current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incidental to the operation of the institutional system, but shall exclude depreciation.
- The Bond and Interest Sinking Fund Account is the fund established to maintain an amount sufficient to equal the interest then due on the bonds issued and one-half of the principal due on the bonds within the next 12 months. Transfers to this fund are due semi-annually on March 25 and September 25.
- The Debt Service Reserve Account is the fund established to maintain the debt service reserves for the Series 2003, Series 2004, and Series 2004A Bonds. If on any April 1 or October 1 the amount on deposit in a subaccount of the Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the Bonds secured, the Board shall transfer funds from the related Revenue Fund and deposit into such subaccount not later than the next interest payment date on such Bonds an amount not less than that necessary to restore the subaccount to the reserve requirement for the Bonds secured thereby.
- The Repair and Replacement Reserve Account is a fund established to maintain an amount equal to the Repair and Replacement Reserve Requirement of each Bond issue. All moneys and investments so held in this account shall be used and held for use to pay the cost of unusual or extraordinary maintenance or repairs, renewals, renovations and replacements, and renovating or replacement of the furniture and equipment not paid as part of the ordinary maintenance and operation of the facilities constituting the related Institutional System.

Other Significant Accounting Policies

Other significant accounting policies are set forth in the financial statements and notes thereto.

Note 2: OUTSTANDING DEBT

The bond principal outstanding at June 30, 2012, was \$18,560,000 for Series 2003; \$24,440,000 for Series 2004; \$10,010,000 for Series 2004A; \$13,510,000 for Series 2005A; \$7,240,000 for Series 2006; \$7,635,000 for Series 2007; \$4,080,000 for Series 2008A; \$4,670,000 for Series 2008B; \$85,650,000 for Series 2009; and \$63,480,000 for the Series 2011 Bonds.

Note 3: RESERVE BALANCE

The Debt Service Reserve Requirement for the Series 2003 SDSMT Bonds is \$527,200 (which is satisfied by a Reserve Account Credit Instrument issued by ACA Financial Guaranty Corporation); for the Series 2003 USD Bonds, \$1,154,786.26; for the Series 2004 BHSU Bonds, \$388,813.76; and for the Series 2004A Bonds, \$288,127.50 with respect to obligations of BHSU; \$257,177.50 with respect to obligations of DSU; and \$466,872.50 with respect to obligations of NSU. There is no Debt Service Reserve Requirement for the Series 2004 SDSU Bonds, the Series 2005 Bonds, the Series 2006 Bonds, the Series 2007 Bonds, the Series 2008A Bonds, the Series 2009 Bonds, or the Series 2011 Bonds. These amounts are Externally Restricted Net Assets. Balances in Debt Service Reserve Accounts in excess of the Debt Service Reserve Requirements are Unrestricted Net Assets.

Bond indentures for the Housing and Auxiliary Facilities System require the establishment of a Repair and Replacement Reserve consisting of 10% of the amount transferred to the Bond and Interest Sinking Fund Account for the Institutional System until an amount equal to 5% of the cost of construction, furnishing and equipping of all facilities in such Institutional System has been accumulated. Transfers to the Repair and Replacement Reserve in accordance with the bond indenture requirements are considered Externally Restricted Net Assets. Balances in Repair and Replacement Reserve Accounts in excess of the transfer requirement are Unrestricted Net Assets.

Note 4: RESTATEMENTS

The beginning net assets balance reported was increased for \$1,810,519.09 for errors in the reporting of the General Activity Fee and the inadvertent exclusion of auxiliary funds in prior years.

SUPPLEMENTARY SCHEDULES

The accompanying supplementary schedules are presented for additional analysis and are not required as part of the financial statements of the Housing and Auxiliary Facilities System of the South Dakota Board of Regents

**SOUTH DAKOTA BOARD OF REGENTS - COMBINED
HOUSING AND AUXILIARY FACILITIES SYSTEM
SCHEDULE OF PLEDGED REVENUES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
Unaudited**

	2012			2011		
	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>
Bookstore	\$ 5,351,474.50	\$ 5,147,245.07	\$ 204,229.43	\$ 5,134,322.83	\$ 4,874,197.05	\$ 260,125.78
Student Center (Non-GAF)	1,236,676.97	1,085,659.70	151,017.27	1,116,771.68	590,143.08	526,628.60
Food Service	22,397,717.02	20,449,667.82	1,948,049.20	20,998,117.44	19,044,839.65	1,953,277.79
Residential Living	28,903,058.16	15,961,852.33	12,941,205.83	25,547,551.18	13,954,025.23	11,593,525.95
Conference Services	70,614.47	102,366.41	(31,751.94)	46,895.67	73,995.29	(27,099.62)
Other Facility Revenue	<u>2,584,479.81</u>	<u>2,152,424.41</u>	<u>432,055.40</u>	<u>3,635,284.03</u>	<u>1,426,188.03</u>	<u>2,209,096.00</u>
Revenues from facilities	60,544,020.93	44,899,215.74	15,644,805.19	56,478,942.83	39,963,388.33	16,515,554.50
General Activity Fee	7,948,720.46	2,436,715.08	5,512,005.38	7,177,080.20	2,089,594.96	5,087,485.24
Interest from Completed Construction Funds	56.81	-	56.81	553.18	-	553.18
Interest from Investments and BAB Subsidy	2,654,439.77	-	2,654,439.77	1,949,232.01	-	1,949,232.01
Other Revenue	-	-	-	81,268.27	-	81,268.27
Capitalized Interest Applied to Debt Service	<u>1,060,561.15</u>	<u>-</u>	<u>1,060,561.15</u>	<u>90,952.45</u>	<u>-</u>	<u>90,952.45</u>
Total	<u>\$ 72,207,799.12</u>	<u>\$ 47,335,930.82</u>	24,871,868.30	<u>\$ 65,778,028.94</u>	<u>\$ 42,052,983.29</u>	23,725,045.65
Annual Debt Service			<u>16,917,867.97</u>			<u>15,181,921.44</u>
Coverage Ratio			1.47			1.56

**SOUTH DAKOTA BOARD OF REGENTS - COMBINED
HOUSING AND AUXILIARY FACILITIES SYSTEM
DEBT SERVICE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited**

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2011	\$ 5,840,000.00	\$ 9,341,921.44	\$ 15,181,921.44
2012	6,705,000.00	10,212,867.97	16,917,867.97
2013	7,245,000.00	11,773,281.34	19,018,281.34
2014	8,910,000.00	11,511,781.34	20,421,781.34
2015	9,090,000.00	11,168,094.84	20,258,094.84
2016	9,450,000.00	10,806,447.69	20,256,447.69
2017	9,890,000.00	10,408,882.30	20,298,882.30
2018	10,310,000.00	9,954,011.78	20,264,011.78
2019	10,740,000.00	9,457,458.76	20,197,458.76
2020	11,220,000.00	8,935,364.26	20,155,364.26
2021	11,690,000.00	8,383,922.26	20,073,922.26
2022	12,230,000.00	7,822,960.26	20,052,960.26
2023	11,775,000.00	7,208,828.53	18,983,828.53
2024	11,915,000.00	6,631,778.28	18,546,778.28
2025	10,925,000.00	6,033,846.04	16,958,846.04
2026	11,125,000.00	5,509,153.04	16,634,153.04
2027	10,635,000.00	4,973,730.54	15,608,730.54
2028	11,125,000.00	4,415,320.52	15,540,320.52
2029	9,780,000.00	3,831,506.02	13,611,506.02
2030	9,145,000.00	3,315,964.28	12,460,964.28
2031	8,420,000.00	2,811,382.54	11,231,382.54
2032	8,800,000.00	2,338,351.26	11,138,351.26
2033	9,170,000.00	1,865,616.26	11,035,616.26
2034	9,030,000.00	1,373,094.26	10,403,094.26
2035	5,640,000.00	882,875.50	6,522,875.50
2036	5,885,000.00	607,718.76	6,492,718.76
2037	1,640,000.00	320,625.00	1,960,625.00
2038	1,710,000.00	218,125.00	1,928,125.00
2039	1,780,000.00	111,250.00	1,891,250.00
	<u>\$ 251,820,000.00</u>	<u>\$ 172,226,160.07</u>	<u>\$ 424,046,160.07</u>

SOUTH DAKOTA BOARD OF REGENTS - BHSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
<u>Assets</u>					
Cash and Investments	\$ 185,002.03	\$ 159,540.25	\$ 842,142.13	\$ 1,893,646.51	\$ 3,080,330.92
Total Assets	<u>\$ 185,002.03</u>	<u>\$ 159,540.25</u>	<u>\$ 842,142.13</u>	<u>\$ 1,893,646.51</u>	<u>\$ 3,080,330.92</u>
<u>Liabilities</u>					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Current liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Assets</u>					
Unrestricted	185,002.03	-	165,200.87	1,222,849.42	1,573,052.32
Externally restricted (Note 3)	<u>-</u>	<u>159,540.25</u>	<u>676,941.26</u>	<u>670,797.09</u>	<u>1,507,278.60</u>
Total Net Assets	<u>\$ 185,002.03</u>	<u>\$ 159,540.25</u>	<u>\$ 842,142.13</u>	<u>\$ 1,893,646.51</u>	<u>\$ 3,080,330.92</u>

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - BHSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
Revenues and other additions:					
Net revenues from bonded facilities (Note 1)	\$ 1,289,010.45	\$ -	\$ -	\$ -	\$ 1,289,010.45
Investment income	7,057.29	1,191.20	46,066.02	10,631.31	64,945.82
Student fees	529,500.00	-	-	-	529,500.00
Total revenues and other additions	1,825,567.74	1,191.20	46,066.02	10,631.31	1,883,456.27
Expenses and other deductions:					
Bond principal payments	-	735,000.00	-	-	735,000.00
Bond interest expense	-	596,300.75	-	-	596,300.75
Trustee fees and bank charges	-	1,375.00	133.50	-	1,508.50
General and administrative expenses	-	704.50	-	-	704.50
Other expenses	-	-	-	137,872.75	137,872.75
Total expenses and other deductions	-	1,333,380.25	133.50	137,872.75	1,471,386.50
Revenues and other additions over (under) expenses and other deductions	1,825,567.74	(1,332,189.05)	45,932.52	(127,241.44)	412,069.77
Transfers among funds - additions (deductions)					
Transfers for bond payments	(1,387,000.00)	1,387,000.00	-	-	-
Transfers for renewal and replacement	(919,960.90)	-	-	919,960.90	-
Total transfers among funds - additions (deductions)	(2,306,960.90)	1,387,000.00	-	919,960.90	-
Net increase (decrease) in net assets	(481,393.16)	54,810.96	45,932.52	792,719.46	412,069.77
Beginning net assets	648,889.89	104,729.30	796,209.61	1,401,898.26	2,951,727.06
Prior Period Adjustment	17,505.30	-	-	(300,971.21)	(283,465.91)
Ending net assets	\$ 185,002.03	\$ 159,540.26	\$ 842,142.13	\$ 1,893,646.51	\$ 3,080,330.93

The accompanying notes are an integral part of these financial statements.

**SOUTH DAKOTA BOARD OF REGENTS - BHSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
SCHEDULE OF PLEDGED REVENUES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
Unaudited**

	2012			2011		
	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>
Bookstore	\$ 2,472,546.41	\$ 2,388,944.91	\$ 83,601.50	\$ 2,275,680.16	\$ 2,145,652.06	\$ 130,028.10
Student Center (Non-GAF)	10,767.85	46,211.44	(35,443.59)	23,967.36	13,708.86	10,258.50
Food Service	1,857,725.87	1,462,510.43	395,215.44	1,908,714.62	1,430,863.33	477,851.29
Residential Living	2,335,303.75	1,585,007.50	750,296.25	2,400,512.59	1,592,924.46	807,588.13
Conference Services	16,985.36	18,178.65	(1,193.29)	11,806.11	11,819.46	(13.35)
Other Facility Revenue	170,764.50	74,230.36	96,534.14	144,162.78	57,280.25	86,882.53
Revenues from facilities	6,864,093.74	5,575,083.29	1,289,010.45	6,764,843.62	5,252,248.42	1,512,595.20
General Activity Fee	1,009,991.11	480,491.11	529,500.00	1,076,076.08	468,076.08	608,000.00
Interest from Completed Construction Funds	56.81	-	56.81	553.18	-	553.18
Interest from Investments	64,945.81	-	64,945.81	86,157.73	-	86,157.73
Total	<u>\$ 7,939,087.47</u>	<u>\$ 6,055,574.40</u>	1,883,513.07	<u>\$ 7,927,630.61</u>	<u>\$ 5,720,324.50</u>	2,207,306.11
Annual Debt Service			<u>1,331,300.76</u>			<u>1,325,637.88</u>
Coverage Ratio			1.41			1.67

SOUTH DAKOTA BOARD OF REGENTS - BHSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
DEBT SERVICE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2011	\$ 705,000.00	\$ 620,637.88	\$ 1,325,637.88
2012	735,000.00	596,300.76	1,331,300.76
2013	760,000.00	569,915.76	1,329,915.76
2014	790,000.00	541,387.76	1,331,387.76
2015	815,000.00	511,326.26	1,326,326.26
2016	845,000.00	478,554.13	1,323,554.13
2017	885,000.00	444,038.50	1,329,038.50
2018	925,000.00	407,716.50	1,332,716.50
2019	955,000.00	369,341.50	1,324,341.50
2020	1,000,000.00	329,324.50	1,329,324.50
2021	1,035,000.00	287,529.50	1,322,529.50
2022	1,085,000.00	243,605.50	1,328,605.50
2023	1,125,000.00	197,237.75	1,322,237.75
2024	785,000.00	157,341.00	942,341.00
2025	815,000.00	124,038.00	939,038.00
2026	845,000.00	89,712.50	934,712.50
2027	530,000.00	54,126.00	584,126.00
2028	555,000.00	33,077.00	588,077.00
2029	575,000.00	11,155.00	586,155.00
	<u>\$ 15,765,000.00</u>	<u>\$ 6,066,365.80</u>	<u>\$ 21,831,365.80</u>

SOUTH DAKOTA BOARD OF REGENTS - DSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
<u>Assets</u>					
Cash and Investments	\$ 165,136.04	\$ 215,847.68	\$ 257,177.50	\$ 1,047,008.29	\$ 1,685,169.51
Total Assets	<u>\$ 165,136.04</u>	<u>\$ 215,847.68</u>	<u>\$ 257,177.50</u>	<u>\$ 1,047,008.29</u>	<u>\$ 1,685,169.51</u>
<u>Liabilities</u>					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Current liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Assets</u>					
Unrestricted	165,136.04	-	-	700,908.29	866,044.33
Externally restricted (Note 3)	-	215,847.68	257,177.50	346,100.00	819,125.18
Total Net Assets	<u>\$ 165,136.04</u>	<u>\$ 215,847.68</u>	<u>\$ 257,177.50</u>	<u>\$ 1,047,008.29</u>	<u>\$ 1,685,169.51</u>

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - DSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
Revenues and other additions:					
Net revenues from bonded facilities (Note 1)	\$ 853,645.30	\$ -	\$ -	\$ -	\$ 853,645.30
Investment income	9,117.85	17,928.38	-	10,938.93	37,985.16
Student fees	78,199.23	-	-	-	78,199.23
Total revenues and other additions	940,962.38	17,928.38	-	10,938.93	969,829.69
Expenses and other deductions:					
Bond principal payments	-	330,000.00	-	-	330,000.00
Bond interest expense	-	300,655.00	-	-	300,655.00
General and administrative expenses	-	-	-	180,991.52	180,991.52
Total expenses and other deductions	-	630,655.00	-	180,991.52	811,646.52
Revenues and other additions over (under) expenses and other deductions	940,962.38	(612,726.62)	-	(170,052.59)	158,183.17
Transfers among funds - additions (deductions)					
Transfers for bond payments	(630,655.00)	630,655.00	-	-	-
Transfers for maintenance and operation support	(265,000.00)	-	-	265,000.00	-
Total transfers	(895,655.00)	630,655.00	-	265,000.00	-
Net increase (decrease) in net assets	45,307.38	17,928.38	-	94,947.41	158,183.17
Beginning net assets	119,828.66	197,919.30	257,177.50	952,060.88	1,526,986.34
Ending net assets	\$ 165,136.04	\$ 215,847.68	\$ 257,177.50	\$ 1,047,008.29	\$ 1,685,169.51

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - DSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
SCHEDULE OF PLEDGED REVENUES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
Unaudited

	2012			2011		
	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>
Student Center (Non-GAF)	\$ 12,466.50	\$ 4,274.10	\$ 8,192.40	\$ 12,195.50	\$ 5,003.86	\$ 7,191.64
Food Service	1,562,594.72	1,487,833.85	74,760.87	1,497,995.00	1,423,749.65	74,245.35
Residential Living	1,427,132.86	656,440.83	770,692.03	1,673,884.19	861,757.13	812,127.06
Revenues from facilities	3,002,194.08	2,148,548.78	853,645.30	3,184,074.69	2,290,510.64	893,564.05
General Activity Fee	223,492.24	145,293.01	78,199.23	144,365.53	144,365.53	-
Interest from Investments	37,985.16	-	37,985.16	63,658.28	-	63,658.28
Other Revenue	-	-	-	81,268.27	-	81,268.27
Total	<u><u>\$ 3,263,671.48</u></u>	<u><u>\$ 2,293,841.79</u></u>	969,829.69	<u><u>\$ 3,473,366.77</u></u>	<u><u>\$ 2,434,876.17</u></u>	1,038,490.60
Annual Debt Service			<u>630,655.00</u>			<u>632,252.00</u>
Coverage Ratio			1.54			1.64

SOUTH DAKOTA BOARD OF REGENTS - DSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
DEBT SERVICE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2011	\$ 320,000.00	\$ 312,252.00	\$ 632,252.00
2012	330,000.00	300,655.00	630,655.00
2013	345,000.00	288,431.50	633,431.50
2014	355,000.00	274,877.50	629,877.50
2015	370,000.00	260,929.50	630,929.50
2016	380,000.00	244,893.50	624,893.50
2017	400,000.00	228,413.50	628,413.50
2018	425,000.00	210,948.50	635,948.50
2019	440,000.00	192,498.50	632,498.50
2020	455,000.00	173,410.50	628,410.50
2021	475,000.00	153,628.50	628,628.50
2022	495,000.00	132,958.50	627,958.50
2023	515,000.00	111,400.50	626,400.50
2024	540,000.00	88,857.50	628,857.50
2025	570,000.00	65,329.50	635,329.50
2026	335,000.00	40,837.00	375,837.00
2027	345,000.00	27,839.00	372,839.00
2028	360,000.00	14,453.00	374,453.00
2029	25,000.00	485.00	25,485.00
	<u>\$ 7,480,000.00</u>	<u>\$ 3,123,098.50</u>	<u>\$ 10,603,098.50</u>

SOUTH DAKOTA BOARD OF REGENTS - NSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
<u>Assets</u>					
Cash and Investments	\$ 768,379.56	\$ 454,131.05	\$ 446,872.50	\$ 1,907,940.09	\$ 3,577,323.20
Total Assets	<u>\$ 768,379.56</u>	<u>\$ 454,131.05</u>	<u>\$ 446,872.50</u>	<u>\$ 1,907,940.09</u>	<u>\$ 3,577,323.20</u>
<u>Liabilities</u>					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Current liabilities	-	-	-	-	-
Total Liabilities	-	-	-	-	-
<u>Net Assets</u>					
Unrestricted	768,379.56	-	-	1,531,644.54	2,300,024.10
Externally restricted (Note 3)	-	454,131.05	446,872.50	376,295.55	1,277,299.10
Total Net Assets	<u>\$ 768,379.56</u>	<u>\$ 454,131.05</u>	<u>\$ 446,872.50</u>	<u>\$ 1,907,940.09</u>	<u>\$ 3,577,323.20</u>

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - NSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012

Unaudited

	Housing & Auxiliary Facilities <u>Revenue Fund</u>	Bond & Interest Sinking Fund <u>Account</u>	Debt Service <u>Reserve Account</u>	Repair & Replacement <u>Reserve Account</u>	(Memorandum Only) <u>Total</u>
Revenues and other additions:					
Net revenues from bonded facilities (Note 1)	\$ 1,095,917.14	\$ -	\$ -	\$ -	\$ 1,095,917.14
Investment income and BAB subsidy	-	26,252.19	-	118,780.98	145,033.17
Student fees	316,498.50	-	-	-	316,498.50
Proceeds from bond issuance (capital interest)	-	223,501.50	-	-	223,501.50
Total revenues and other additions	1,412,415.64	249,753.69	-	118,780.98	1,780,950.31
Expenses and other deductions:					
Bond principal payments	-	270,000.00	-	-	270,000.00
Bond interest expense	-	372,276.26	-	-	372,276.26
Bond capitalized interest expense	-	95,379.62	-	-	95,379.62
Trustee fees and bank charges	-	283.38	-	-	283.38
Other expenses	-	-	-	185,018.63	185,018.63
Total expenses and other deductions	-	737,939.26	-	185,018.63	922,957.89
Revenues and other additions over (under) expenses and other deductions	1,412,415.64	(488,185.57)	-	(66,237.65)	857,992.42
Transfers among funds - additions (deductions)					
Transfers for bond payments	(615,217.00)	615,217.00	-	-	-
Transfers for maintenance and operation support	(149,253.55)	-	-	149,253.55	-
Transfers for renewal and replacement	(218,214.45)	-	-	218,214.45	-
Other Transfers	(223,746.69)	-	-	8,727.00	(215,019.69)
Total transfers	(1,206,431.69)	615,217.00	-	376,195.00	(215,019.69)
Net increase (decrease) in net assets	205,983.95	127,031.43	-	309,957.35	642,972.73
Beginning net assets	562,395.61	327,099.62	446,872.50	343,341.70	1,679,709.43
Prior Period Adjustment	-	-	-	1,254,641.04	1,254,641.04
Ending net assets	\$ 768,379.56	\$ 454,131.05	\$ 446,872.50	\$ 1,907,940.09	\$ 3,577,323.20

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - NSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
SCHEDULE OF PLEDGED REVENUES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
Unaudited

	2012			2011		
	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>
Bookstore	\$ 1,353,750.31	\$ 1,337,153.50	\$ 16,596.81	\$ 1,272,862.07	\$ 1,269,994.86	\$ 2,867.21
Student Center (Non-GAF)	23,916.58	5,005.12	18,911.46	7,148.11	40,444.92	(33,296.81)
Food Service	2,077,722.60	1,793,645.53	284,077.07	1,913,343.86	1,758,592.96	154,750.90
Residential Living	2,115,915.01	1,339,583.21	776,331.80	1,976,930.99	1,225,300.43	751,630.56
Revenues from facilities	5,571,304.50	4,475,387.36	1,095,917.14	5,170,285.03	4,294,333.17	875,951.86
General Activity Fee	506,357.62	189,859.12	316,498.50	363,880.47	168,880.47	195,000.00
Interest from Investments and BAB subsidy	145,033.17	-	145,033.17	207,858.33	-	207,858.33
Capitalized Interest Applied to Debt Service	95,379.62	-	95,379.62	-	-	-
Total	<u>\$ 6,318,074.91</u>	<u>\$ 4,665,246.48</u>	1,652,828.43	<u>\$ 5,742,023.83</u>	<u>\$ 4,463,213.64</u>	1,278,810.19
Annual Debt Service			<u>737,655.88</u>			<u>646,108.76</u>
Coverage Ratio			2.24			1.98

**SOUTH DAKOTA BOARD OF REGENTS - NSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
DEBT SERVICE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited**

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2011	\$ 265,000.00	\$ 381,108.76	\$ 646,108.76
2012	270,000.00	467,655.88	737,655.88
2013	430,000.00	618,995.02	1,048,995.02
2014	440,000.00	604,797.52	1,044,797.52
2015	455,000.00	588,568.76	1,043,568.76
2016	475,000.00	567,971.26	1,042,971.26
2017	490,000.00	547,771.26	1,037,771.26
2018	515,000.00	524,352.52	1,039,352.52
2019	545,000.00	498,793.76	1,043,793.76
2020	565,000.00	471,666.26	1,036,666.26
2021	590,000.00	443,561.26	1,033,561.26
2022	630,000.00	416,031.26	1,046,031.26
2023	655,000.00	384,480.02	1,039,480.02
2024	685,000.00	351,610.02	1,036,610.02
2025	715,000.00	317,150.02	1,032,150.02
2026	755,000.00	284,886.26	1,039,886.26
2027	785,000.00	250,441.26	1,035,441.26
2028	825,000.00	211,397.50	1,036,397.50
2029	775,000.00	170,350.00	945,350.00
2030	370,000.00	131,450.00	501,450.00
2031	385,000.00	112,106.26	497,106.26
2032	405,000.00	92,012.50	497,012.50
2033	425,000.00	73,200.00	498,200.00
2034	435,000.00	53,437.50	488,437.50
2035	365,000.00	32,812.50	397,812.50
2036	385,000.00	16,843.76	401,843.76
	<u>\$ 13,635,000.00</u>	<u>\$ 8,613,451.12</u>	<u>\$ 22,248,451.12</u>

SOUTH DAKOTA BOARD OF REGENTS - SDSM&T
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
<u>Assets</u>					
Cash and Investments	\$ 6,373.12	\$ 2,421,435.02	\$ -	\$ 2,424,280.92	\$ 4,852,089.06
Total Assets	<u>\$ 6,373.12</u>	<u>\$ 2,421,435.02</u>	<u>\$ -</u>	<u>\$ 2,424,280.92</u>	<u>\$ 4,852,089.06</u>
<u>Liabilities</u>					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Current liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Assets</u>					
Unrestricted	6,373.12	-	-	1,756,839.56	1,763,212.68
Externally restricted (Note 3)	-	2,421,435.02	-	667,441.36	3,088,876.38
Total Net Assets	<u>\$ 6,373.12</u>	<u>\$ 2,421,435.02</u>	<u>\$ -</u>	<u>\$ 2,424,280.92</u>	<u>\$ 4,852,089.06</u>

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - SDSM&T
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012

Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
Revenues and other additions:					
Net revenues from bonded facilities (Note 1)	\$ 2,053,382.92	\$ -	\$ -	\$ -	\$ 2,053,382.92
Investment income and BAB subsidy	<u>16,383.51</u>	<u>263,166.60</u>	<u>-</u>	<u>83,346.00</u>	<u>362,896.11</u>
Total revenues and other additions	<u>2,069,766.43</u>	<u>263,166.60</u>	<u>-</u>	<u>83,346.00</u>	<u>2,416,279.03</u>
Expenses and other deductions:					
Bond principal payments	-	470,000.00	-	-	470,000.00
Bond interest expense	-	1,084,928.76	-	-	1,084,928.76
Trustee fees and bank charges	-	2,235.48	-	-	2,235.48
General and administrative expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,393.21</u>	<u>181,393.21</u>
Total expenses and other deductions	<u>-</u>	<u>1,557,164.24</u>	<u>-</u>	<u>181,393.21</u>	<u>1,738,557.45</u>
Revenues and other additions over (under) expenses and other deductions	2,069,766.43	(1,293,997.64)	-	(98,047.21)	677,721.58
Transfers among funds - additions (deductions)					
Transfers for bond payments	(1,411,591.77)	1,411,591.77	-	-	-
Transfers for maintenance and operation support	(574,991.26)	-	-	574,991.26	-
Transfers for renewal and replacement	(75,877.05)	-	-	75,877.05	-
Other Transfers	<u>5,721.03</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,721.03</u>
Total transfers	<u>(2,056,739.05)</u>	<u>1,411,591.77</u>	<u>-</u>	<u>650,868.31</u>	<u>5,721.03</u>
Net increase (decrease) in net assets	13,027.38	117,594.13	-	552,821.10	683,442.61
Beginning net assets	523,890.60	2,303,840.89	-	571,123.42	3,398,854.91
Prior period adjustment	<u>(530,544.86)</u>	<u>-</u>	<u>-</u>	<u>1,300,336.40</u>	<u>769,791.54</u>
Ending net assets	<u>\$ 6,373.12</u>	<u>\$ 2,421,435.02</u>	<u>\$ -</u>	<u>\$ 2,424,280.92</u>	<u>\$ 4,852,089.06</u>

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - SDSM&T
HOUSING AND AUXILIARY FACILITIES SYSTEM
SCHEDULE OF PLEDGED REVENUES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
Unaudited

25

	2012			2011 (As restated)		
	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>
Bookstore	\$ 1,525,177.78	\$ 1,421,146.66	\$ 104,031.12	\$ 1,585,780.60	\$ 1,458,550.13	\$ 127,230.47
Student Center (Non-GAF)	11,370.56	412.89	10,957.67	5,197.78	5,309.97	(112.19)
Food Service	1,696,854.85	1,689,310.90	7,543.95	1,632,205.67	1,606,517.91	25,687.76
Residential Living	2,234,838.37	1,084,632.39	1,150,205.98	2,284,590.25	1,357,420.69	927,169.56
Conference Services	53,629.11	84,187.76	(30,558.65)	35,089.56	62,175.83	(27,086.27)
Other	-	-	-	-	90,000.00	(90,000.00)
Revenues from facilities	5,521,870.67	4,279,690.60	1,242,180.07	5,542,863.86	4,579,974.53	962,889.33
General Activity Fee	1,055,407.47	244,204.62	811,202.85	1,040,122.11	243,337.72	796,784.39
Interest from Investments and BAB Subsidy	362,896.11	-	362,896.11	466,516.45	-	466,516.45
Capitalized Interest Applied to Debt Service	-	-	-	90,952.45	-	90,952.45
Total	<u>\$ 6,940,174.25</u>	<u>\$ 4,523,895.22</u>	2,416,279.03	<u>\$ 7,140,454.87</u>	<u>\$ 4,823,312.25</u>	2,317,142.62
Annual Debt Service			<u>1,554,928.76</u>			<u>1,423,753.76</u>
Coverage Ratio			1.55			1.63

SOUTH DAKOTA BOARD OF REGENTS - SDSM&T
HOUSING AND AUXILIARY FACILITIES SYSTEM
DEBT SERVICE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2011	\$ 325,000.00	\$ 1,098,753.76	\$ 1,423,753.76
2012	470,000.00	1,084,928.76	1,554,928.76
2013	665,000.00	1,066,435.02	1,731,435.02
2014	690,000.00	1,041,292.52	1,731,292.52
2015	705,000.00	1,013,196.28	1,718,196.28
2016	735,000.00	983,033.78	1,718,033.78
2017	765,000.00	949,656.28	1,714,656.28
2018	800,000.00	913,390.00	1,713,390.00
2019	830,000.00	874,332.50	1,704,332.50
2020	865,000.00	832,595.00	1,697,595.00
2021	900,000.00	789,112.50	1,689,112.50
2022	940,000.00	742,877.50	1,682,877.50
2023	980,000.00	694,078.76	1,674,078.76
2024	1,025,000.00	642,738.76	1,667,738.76
2025	1,070,000.00	588,000.02	1,658,000.02
2026	1,115,000.00	530,262.52	1,645,262.52
2027	1,165,000.00	470,155.02	1,635,155.02
2028	1,220,000.00	406,717.50	1,626,717.50
2029	945,000.00	340,322.50	1,285,322.50
2030	985,000.00	285,782.52	1,270,782.52
2031	1,030,000.00	228,957.52	1,258,957.52
2032	1,075,000.00	169,582.50	1,244,582.50
2033	1,125,000.00	106,860.00	1,231,860.00
2034	660,000.00	41,250.00	701,250.00
	<u>\$ 21,085,000.00</u>	<u>\$ 15,894,311.52</u>	<u>\$ 36,979,311.52</u>

**SOUTH DAKOTA BOARD OF REGENTS - SDSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2012
Unaudited**

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
<u>Assets</u>					
Cash and Investments	\$ 1,683,598.00	\$ 1,296,150.18	\$ -	\$ 3,268,970.31	\$ 6,248,718.49
Total Assets	<u>\$ 1,683,598.00</u>	<u>\$ 1,296,150.18</u>	<u>\$ -</u>	<u>\$ 3,268,970.31</u>	<u>\$ 6,248,718.49</u>
<u>Liabilities</u>					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Current liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Assets</u>					
Unrestricted	1,683,598.00	-	-	938,037.04	2,621,635.04
Externally restricted (Note 3)	<u>-</u>	<u>1,296,150.18</u>	<u>-</u>	<u>2,330,933.27</u>	<u>3,627,083.45</u>
Total Net Assets	<u>\$ 1,683,598.00</u>	<u>\$ 1,296,150.18</u>	<u>\$ -</u>	<u>\$ 3,268,970.31</u>	<u>\$ 6,248,718.49</u>

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - SDSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
Revenues and other additions:					
Net revenues from bonded facilities (Note 1)	\$ 5,896,806.27	\$ -	\$ -	\$ -	\$ 5,896,806.27
Investment income and BAB subsidy	766,560.27	34,339.45	-	119,588.41	920,488.13
Student fees	789,000.00	-	-	789,000.00	1,578,000.00
Proceeds from bond issuance	-	2,261,694.03	-	-	2,261,694.03
Total revenues and other additions	7,452,366.54	2,296,033.48	-	908,588.41	10,656,988.43
Expenses and other deductions:					
Bond principal payments	-	2,835,000.00	-	-	2,835,000.00
Bond interest expense	-	3,217,935.04	-	-	3,217,935.04
Bond capitalized interest expense	-	965,181.53	-	-	965,181.53
Trustee fees and bank charges	-	1,478.13	-	-	1,478.13
General and administrative expenses	-	-	-	2,019,771.86	2,019,771.86
Total expenses and other deductions	-	7,019,594.70	-	2,019,771.86	9,039,366.56
Revenues and other additions over (under) expenses and other deductions	7,452,366.54	(4,723,561.22)	-	(1,111,183.45)	1,617,621.87
Transfers among funds - additions (deductions)					
Transfers for bond payments	(5,562,540.07)	5,960,944.57	-	(398,404.50)	-
Transfers for renewal and replacement	(2,051,009.87)	-	-	2,051,009.87	-
Total transfers among funds	(7,613,549.94)	5,960,944.57	-	1,652,605.37	-
Net increase (decrease) in net assets	(161,183.40)	1,237,383.35	-	541,421.92	1,617,621.87
Beginning net assets	1,775,228.98	58,766.83	-	2,727,548.39	4,561,544.20
Prior Period Adjustment	69,552.42	-	-	-	69,552.42
Ending net assets	\$ 1,683,598.00	\$ 1,296,150.18	\$ -	\$ 3,268,970.31	\$ 6,248,718.49

The accompanying notes are an integral part of these financial statements.

**SOUTH DAKOTA BOARD OF REGENTS - SDSU
HOUSING AND AUXILIARY FACILITIES SYSTEM
SCHEDULE OF PLEDGED REVENUES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
Unaudited**

	2012			2011		
	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>
Student Center (Non-GAF)	\$ 152,954.19	\$ 194,952.97	\$ (41,998.78)	\$ 85,434.37	\$ 13,325.77	\$ 72,108.60
Food Service	10,459,382.63	9,278,261.03	1,181,121.60	10,078,532.48	8,844,615.27	1,233,917.21
Residential Living	12,600,624.55	7,831,961.70	4,768,662.85	10,657,959.15	5,878,372.23	4,779,586.92
Other Facility Revenue	<u>2,060,516.13</u>	<u>2,071,495.53</u>	<u>(10,979.40)</u>	<u>1,688,197.99</u>	<u>1,278,910.28</u>	<u>409,287.71</u>
Revenues from facilities	25,273,477.50	19,376,671.23	5,896,806.27	22,510,123.99	16,015,223.55	6,494,900.44
General Activity Fee	1,578,000.00	-	1,578,000.00	1,232,126.28	-	1,232,126.28
Interest from Investments and BAB Subsidy	920,488.13	-	920,488.13	902,689.87	-	902,689.87
Capitalized Interest Applied to Debt Service	<u>965,181.53</u>	<u>-</u>	<u>965,181.53</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 28,737,147.16</u>	<u>\$ 19,376,671.23</u>	9,360,475.93	<u>\$ 24,644,940.14</u>	<u>\$ 16,015,223.55</u>	8,629,716.59
Annual Debt Service			<u>7,018,116.57</u>			<u>6,059,658.04</u>
Coverage Ratio			1.33			1.42

**SOUTH DAKOTA BOARD OF REGENTS - SDSU
HOUSING AND AUXILIARY FACILITIES SYSTEM**

DEBT SERVICE SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2012

Unaudited

Year	Principal Amount	Interest Amount	Total
2011	\$ 2,760,000.00	\$ 3,299,658.04	\$ 6,059,658.04
2012	2,835,000.00	4,183,116.57	7,018,116.57
2013	2,920,000.00	5,716,024.04	8,636,024.04
2014	4,530,000.00	5,608,246.04	10,138,246.04
2015	4,585,000.00	5,430,655.04	10,015,655.04
2016	4,780,000.00	5,253,251.02	10,033,251.02
2017	5,035,000.00	5,056,877.76	10,091,877.76
2018	5,250,000.00	4,820,085.26	10,070,085.26
2019	5,480,000.00	4,560,648.50	10,040,648.50
2020	5,745,000.00	4,288,355.00	10,033,355.00
2021	6,000,000.00	4,002,927.50	10,002,927.50
2022	6,265,000.00	3,721,724.50	9,986,724.50
2023	5,570,000.00	3,405,587.50	8,975,587.50
2024	5,820,000.00	3,132,825.00	8,952,825.00
2025	4,565,000.00	2,844,253.50	7,409,253.50
2026	4,750,000.00	2,640,541.76	7,390,541.76
2027	4,340,000.00	2,425,781.26	6,765,781.26
2028	4,545,000.00	2,191,612.52	6,736,612.52
2029	4,750,000.00	1,946,487.52	6,696,487.52
2030	4,965,000.00	1,690,393.76	6,655,393.76
2031	4,985,000.00	1,422,843.76	6,407,843.76
2032	5,220,000.00	1,153,006.26	6,373,006.26
2033	5,435,000.00	893,056.26	6,328,056.26
2034	5,665,000.00	622,468.76	6,287,468.76
2035	3,760,000.00	336,000.00	4,096,000.00
2036	3,920,000.00	171,500.00	4,091,500.00
	<u>\$ 124,475,000.00</u>	<u>\$ 80,817,927.13</u>	<u>\$ 205,292,927.13</u>

SOUTH DAKOTA BOARD OF REGENTS - USD
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
<u>Assets</u>					
Cash and Investments	\$ 712,776.00	\$ -	\$ 1,161,003.20	\$ 8,521,316.48	\$ 10,395,095.68
Total Assets	<u>\$ 712,776.00</u>	<u>\$ -</u>	<u>\$ 1,161,003.20</u>	<u>\$ 8,521,316.48</u>	<u>\$ 10,395,095.68</u>
<u>Liabilities</u>					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Current liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Assets</u>					
Unrestricted	712,776.00	-	6,216.94	6,531,865.29	7,250,858.23
Externally restricted (Note 3)	-	-	1,154,786.26	1,989,451.19	3,144,237.45
Total Net Assets	<u>\$ 712,776.00</u>	<u>\$ -</u>	<u>\$ 1,161,003.20</u>	<u>\$ 8,521,316.48</u>	<u>\$ 10,395,095.68</u>

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - USD
HOUSING AND AUXILIARY FACILITIES SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012
Unaudited

	Housing & Auxiliary Facilities Revenue Fund	Bond & Interest Sinking Fund Account	Debt Service Reserve Account	Repair & Replacement Reserve Account	(Memorandum Only) Total
Revenues and other additions:					
Net revenues from bonded facilities (Note 1)	\$ 5,267,245.96	\$ -	\$ -	\$ -	\$ 5,267,245.96
Investment income and BAB subsidy	950,073.07	8,852.46	9,490.32	154,675.54	1,123,091.39
Student fees	2,198,604.80	-	-	-	2,198,604.80
Total revenues and other additions	8,415,923.83	8,852.46	9,490.32	154,675.54	8,588,942.15
Expenses and other deductions:					
Bond principal payments	-	2,065,000.00	-	-	2,065,000.00
Bond interest expense	-	3,566,628.35	13,582.94	-	3,580,211.29
Trustee fees and bank charges	-	1,844.01	-	-	1,844.01
General and administrative expenses	-	-	-	1,067,314.86	1,067,314.86
Total expenses and other deductions	-	5,633,472.36	13,582.94	1,067,314.86	6,714,370.16
Revenues and other additions over (under) expenses and other deductions	8,415,923.83	(5,624,619.90)	(4,092.62)	(912,639.32)	1,874,571.99
Transfers among funds - additions (deductions)					
Transfers for bond payments	(5,624,619.90)	5,624,619.90	-	-	-
Transfers for renewal and replacement	(2,357,523.03)	-	-	2,357,523.03	-
Other Transfers	(480,461.28)	-	-	-	(480,461.28)
Total transfers among funds - additions (deductions)	(8,462,604.21)	5,624,619.90	-	2,357,523.03	(480,461.28)
Net increase (decrease) in net assets	(46,680.38)	-	(4,092.62)	1,444,883.71	1,394,110.71
Beginning net assets	759,456.38	-	1,165,095.82	7,076,432.77	9,000,984.97
Ending net assets	\$ 712,776.00	\$ -	\$ 1,161,003.20	\$ 8,521,316.48	\$ 10,395,095.68

The accompanying notes are an integral part of these financial statements.

SOUTH DAKOTA BOARD OF REGENTS - USD
HOUSING AND AUXILIARY FACILITIES SYSTEM
SCHEDULE OF PLEDGED REVENUES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
Unaudited

	2012			2011		
	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>	<u>Gross Revenues</u>	<u>Maintenance and Operating Costs</u>	<u>Net Revenues Pledged</u>
Student Center (Non-GAF)	\$ 1,025,201.29	\$ 834,803.18	\$ 190,398.11	\$ 982,828.56	\$ 512,349.70	\$ 470,478.86
Food Service	4,743,436.35	4,738,106.08	5,330.27	3,967,325.81	3,980,500.53	(13,174.72)
Residential Living	8,189,243.62	3,464,226.70	4,725,016.92	6,553,674.01	3,038,250.29	3,515,423.72
Other Facility Revenue	<u>353,199.18</u>	<u>6,698.52</u>	<u>346,500.66</u>	<u>1,802,923.26</u>	<u>(2.50)</u>	<u>1,802,925.76</u>
Revenues from facilities	14,311,080.44	9,043,834.48	5,267,245.96	13,306,751.64	7,531,098.02	5,775,653.62
General Activity Fee	3,575,472.02	1,376,867.22	2,198,604.80	3,320,509.73	1,064,935.16	2,255,574.57
Interest from Investments and BAB Subsidy	<u>1,123,091.39</u>	<u>-</u>	<u>1,123,091.39</u>	<u>222,351.35</u>	<u>-</u>	<u>222,351.35</u>
Total	<u>\$ 19,009,643.85</u>	<u>\$ 10,420,701.70</u>	8,588,942.15	<u>\$ 16,849,612.72</u>	<u>\$ 8,596,033.18</u>	8,253,579.54
Annual Debt Service			<u>5,645,211.00</u>			<u>5,094,511.00</u>
Coverage Ratio			1.52			1.62

**SOUTH DAKOTA BOARD OF REGENTS - USD
HOUSING AND AUXILIARY FACILITIES SYSTEM
DEBT SERVICE SCHEDULE**

FOR THE YEAR ENDED JUNE 30, 2012

Unaudited

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2011	\$ 1,465,000.00	\$ 3,629,511.00	\$ 5,094,511.00
2012	2,065,000.00	3,580,211.00	5,645,211.00
2013	2,125,000.00	3,513,480.00	5,638,480.00
2014	2,105,000.00	3,441,180.00	5,546,180.00
2015	2,160,000.00	3,363,419.00	5,523,419.00
2016	2,235,000.00	3,278,744.00	5,513,744.00
2017	2,315,000.00	3,182,125.00	5,497,125.00
2018	2,395,000.00	3,077,519.00	5,472,519.00
2019	2,490,000.00	2,961,844.00	5,451,844.00
2020	2,590,000.00	2,840,013.00	5,430,013.00
2021	2,690,000.00	2,707,163.00	5,397,163.00
2022	2,815,000.00	2,565,763.00	5,380,763.00
2023	2,930,000.00	2,416,044.00	5,346,044.00
2024	3,060,000.00	2,258,406.00	5,318,406.00
2025	3,190,000.00	2,095,075.00	5,285,075.00
2026	3,325,000.00	1,922,913.00	5,247,913.00
2027	3,470,000.00	1,745,388.00	5,215,388.00
2028	3,620,000.00	1,558,063.00	5,178,063.00
2029	2,710,000.00	1,362,706.00	4,072,706.00
2030	2,825,000.00	1,208,338.00	4,033,338.00
2031	2,020,000.00	1,047,475.00	3,067,475.00
2032	2,100,000.00	923,750.00	3,023,750.00
2033	2,185,000.00	792,500.00	2,977,500.00
2034	2,270,000.00	655,938.00	2,925,938.00
2035	1,515,000.00	514,063.00	2,029,063.00
2036	1,580,000.00	419,375.00	1,999,375.00
2037	1,640,000.00	320,625.00	1,960,625.00
2038	1,710,000.00	218,125.00	1,928,125.00
2039	1,780,000.00	111,250.00	1,891,250.00
	<u>\$ 69,380,000.00</u>	<u>\$ 57,711,006.00</u>	<u>\$ 127,091,006.00</u>