FY2018 BUDGET HEARINGS
JOINT APPROPRIATIONS COMMITTEE

Academic Quality

- University of South Dakota students landed 10 national scholarships or fellowships in FY2017, including a Truman, two Fulbrights and two Goldwaters.
- Two students were selected for the 2017 Most Promising Multicultural Students class by the American Advertising Federation.
- USD has increased the support offered for students who are placed in academic probation. For those placed on academic suspension, we encourage them to reapply after one semester, and we help them get on the path to success.
External funding for grants and contracts at USD has increased by more than 7 percent each year since 2014. Among this year’s highlights:

- A biomedical engineering technology for antimicrobial paints and coatings has been licensed to a South Dakota company, Antimicrobial Materials, Inc.
- Basic Biomedical Sciences, in collaboration with chemistry, won a $3 million grant from the National Science Foundation, to train emerging STEM professionals in entrepreneurship.
- The Missouri River Institute won a collaborative grant with Montana State University and the University of Wyoming, bringing $2 million to South Dakota for research and education in sustainability.

The Discovery District, USD’s planned research park in Sioux Falls, received $755,000 for Phase I street and infrastructure construction that will begin in April. It also received a combined $300,000 in funding from the city of Sioux Falls and Forward Sioux Falls to match USD and Board of Regents investments.

The GEAR Center assisted its first South Dakota company, Immutrix, to produce materials for pre-clinical trials on medical devices. GEAR is 100 percent occupied and has completed preliminary design for an expansion to support the growing bioscience economy.
Efficiencies

- USD reduced the number of course sections by 5 percent while only increasing the average number of students per section by two.

- Handling transfer applications faster has increased transfers by 15 percent for Vermillion-based students and 10 percent for distance students.

- By scheduling course offerings to meet student needs, the number of credits a student has completed for a bachelor’s degree has dropped by 11 since FY2012. That’s a savings of $3,100 at current rates.

- Special programs have increased the number of bachelor’s degrees awarded to Native American students and students of other races. USD awards 129 degrees annually compared to 89 in 2012, an increase of 45 percent.

- Staff from Facilities Management and Information Technology Services received training in better leadership and meeting management.

- IT staffing at the University Center in Sioux Falls was reorganized, saving one FTE.

- ITS is reducing the cost for collaboration services by adopting cloud storage solutions. By making better use of existing security tools, ITS has reduced maintenance and support costs on the system, and savings have been applied to enhanced security infrastructure.

- A new work order system for Facilities Management improves response time.

- New schedules for campus custodial staff resulted in more consistent cleaning while protecting quiet time in residence halls and reducing disruption for offices.
## Cost

<table>
<thead>
<tr>
<th>Institution</th>
<th>Law School?</th>
<th>Medical School?</th>
<th>Total Degrees Awarded</th>
<th>FY 2014 Core Expenditures</th>
<th>Core Expenditures per Degree</th>
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<tr>
<td>Southern Illinois U-Carbondale</td>
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Total Degrees Awarded Includes – associate, bachelors, masters, doctoral and professional degrees – first major only.

Does not include post baccalaureate or post-master’s certificates.

Core Expenditures excludes auxiliary services.
Scholarships

- USD continues to support the South Dakota Needs Based Grant Program. Currently we have received $35,000, but USD has many more than 35 in-state students who need the $1,000 in funding.

- USD’s in-state tuition program for Iowa students has increased the number of Iowans admitted by 35 percent or 85 more students than last year.

- South Dakota Opportunity Scholarships are keeping more South Dakota high school graduates in the state. USD has $1,221,650 in SDOS monies impacting 927 students for the 2016/2017 year.
The Legislature’s commitment to increase maintenance and repair funds to 2 percent of replacement cost has allowed USD to make significant improvements in academic buildings.

- Fire alarm systems were upgraded across campus.
- Centralized HVAC control has been added to more buildings, increasing efficiency.
- Roof repair and window replacement is underway.

But with buildings that average 40 years in age, the 10-year deferred maintenance list for USD still exceeds $128 million.
USD budgeted 1,076 FTE in FY2015 and utilized 98 percent. USD budgeted 1,096 FTE for FY2016 and utilized 96 percent. The Sanford School of Medicine had 321.5 FTE for each year and utilized 94 percent in both years.

When grants are completed no FTE savings are realized because funding has terminated and no more wages are paid. Vacancies in unrestricted fund areas result in savings on wages, but the funds are used to hire replacement teachers or workers as well as to conduct hiring searches and pay out accrued leave.
Building Needs

Facility Management

USD proposes consolidation of all Facility Management needs in one location, vacating the inadequate structures that were identified by the 2011 BOR study of building conditions. Creating a new, modern Facilities Management building would increase safety for workers, provide appropriate work spaces, and increase collaboration.

Budget Request: $9.8 million ($7.5 million HEFF, $2.3 million one-time state appropriation.)

Health Sciences

USD proposes a new, 45,000 square-foot Health Sciences building for the 2,500 students enrolled each year in the state’s only comprehensive School of Health Sciences. Each year the school graduates 650 new health care professionals in the following areas:

- Addiction Studies
- Dental Hygiene
- Health Sciences
- Medical Laboratory Science
- Nursing
- Occupational Therapy
- Physical Therapy
- Physician Assistant Studies
- Public Health
- Social Work

Budget Request: $15 million ($10 million one-time state appropriation, $5 million private gifts and other funds.)
The USD School of Law provides the backbone of the legal profession and the judicial system in South Dakota. Law firms are looking to hire more highly-qualified South Dakota law graduates.

USD requests a one-time appropriation of $1.2 million to support the state’s only law school. National trends are stressing the school, with fewer students seeking law degrees at the same time accreditation standards are demanding higher expenditures on libraries, experiential learning and higher learning outcomes.

The School of Law wants to admit the highest quality students with the best chance of passing the bar exams, but that means reducing class size by 25 percent, resulting in less tuition revenue. The university has increased fund raising efforts, but additional state funds will be needed support high-quality law students in an increasingly competitive market.

Budget Request: $1.2 million added to FY2017 appropriation.
Sanford School of Medicine

- Primary goals include providing a well-trained workforce for South Dakota with a focus on family and rural medicine; and providing South Dakotans with the opportunity to become physicians.
- Students:
  - 91 percent are South Dakota residents
  - 44 percent grew up in a rural area
  - Came from 66 different South Dakota high schools
- Research:
  - Active research programs focus on neuroscience, virology, and the molecular basis of disease. Research is increasingly interdisciplinary, with medical scientists working collaboratively across colleges and universities.
- Frontier and Rural Medicine program (FARM)
  - Students train for 9 months in a rural area. Applicants exceed slots.
  - Sites include Milbank, Mobridge, Parkston, Pierre, Platte, Spearfish, Vermillion, Winner.
  - 80 percent of FARM graduates entered family medicine.
Sanford School of Medicine

- Graduates:
  - 2/3 of graduates who made a decision plan to practice in South Dakota
  - #1 in nation for graduates practicing in rural areas
  - Top 93rd percentile in nation for graduates entering family medicine
  - Top 98th percentile nationally for proportion of graduates who are Native American

- Rural Track in Family Medicine Residency
  - Recommended in 2016 via the Governor's Primary Care Task Force Oversight Committee
  - Startup funds provided by Legislature for FY2017
  - Will be located in Pierre with 2 residents per year. Curriculum tailored to rural medicine. Faculty engaged. Now submitting documents for national accreditation. Plan to work with the Oversight Committee to propose ongoing support.
School of Health Sciences

- Bachelor of Science in Health Sciences was ranked in the top 10 nationally by three different agencies. Recently added a Paramedic Specialization.

- The South Dakota Interprofessional Practice and Education (IPE) Collaborative was one of five in the country recognized for excellence by the National Center for IPE.

- USD Nursing co-sponsored the 2016 International Rural Nursing Conference in Rapid City.

- Bachelor of Science in Nursing (B.S.N.) program at the Pierre site enrolled its first cohort.

- Master of Public Health (M.P.H.) program produced its first graduates.

- Center for the Prevention of Child Maltreatment was established and works closely with Jolene’s Law Task Force to develop the Jolene’s Law Benchmarks and Work Plan, which the center will implement. Recruitment for the center director is in the final stages.