



# News Release

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## **Regents Agree on Budget Priorities for FY08**

SPEARFISH, S.D. – New investments in research and meeting critical deferred maintenance are major pieces of the FY08 budget request the South Dakota Board of Regents will deliver to Gov. Mike Rounds this fall. The regents will request nearly \$177 million in state general funds next year, about \$14 million more than the current year's budget.

Nearly half of the request for next year—\$6.8 million—will target state universities' research capacity, a critical component of Gov. Rounds' agenda to improve South Dakota's economy by 2010. "Since 2004, when the state began a concerted effort to invest more in public university research, we have made major advances in building a research agenda for our institutions," Regents President Harvey C. Jewett said. "This budget request continues that focus with additional funding for new Ph.D. programs and targeted investments in research."

A research investment pool of \$5 million would be used to hire more research professors and graduate assistants, buy more release time for current professors to engage in research, and secure needed equipment and laboratory space. The regents also plan to request about \$1.8 million to start up new Ph.D. programs in chemical and biological engineering at South Dakota School of Mines and Technology, pharmaceutical sciences at South Dakota State University, and materials chemistry at The University of South Dakota.

The regents are putting together a list of critical deferred maintenance projects where physical building or campus infrastructure conditions pose a safety risk to occupants or staff or a failure could result in loss or use of facilities. The regents estimate that the cost could be significant, and require bonding for \$20 million to \$25 million in order to address these critical repair projects, which are being reviewed by the state engineer's office. About \$1.6 million may be needed annually to provide the debt service for the bond financing.

In addition, the regents identified \$3.1 million in technology needs which would put the public universities on a four-year cycle to regularly upgrade computers, computing labs, and computer security systems. "As the K-12 education community continues its quest to prepare students using the latest in technology, public higher education must not be left behind," said Regents' Executive Director Robert T. Perry. "Our budget recognizes that college students need an up-to-date learning experience too, and will call for regular replacement of old computer equipment."

The regents also requested adjustments for ever-growing utility costs and inflationary increases in campus operating expenses. In addition, the board said it would encourage Gov. Rounds to include funding in his budget to connect South Dakota to a high-speed broadband telecommunications network. "Such a network is critical not only to university researchers, but to any business, corporation, or economic development concern that must be able to quickly exchange large amounts of data with anyone, anywhere in the world," Jewett said.