



News Release

Contacts: Jack R. Warner, Executive Director and CEO
jack.warner@sdbor.edu

Janelle Toman, Director of Communications
janelle.toman@sdbor.edu

Telephone: (605) 773-3455

Fax: (605) 773-5320

www.sdbor.edu

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Level Funding Sought for Higher Education Budget

SPEARFISH, S.D. – The public university system’s top budget priority for next year is to maintain its general fund budget, avoiding further base funding cuts that jeopardize academic quality and drive up costs to students.

The South Dakota Board of Regents agreed Thursday to advance a conservative budget for the fiscal year that starts next July 1. “Recognizing the state’s fiscal challenges, there will be no requests for new academic programs or any base expansion of the budget beyond addressing salaries in fiscal year 2012,” said Regents President Terry Baloun.

The top priority is to ensure that the board maintains its base budget with no further budget cuts. “At a time of record enrollments across South Dakota, with the economic impact of the higher education enterprise a given, we simply must maintain the state’s critical investment in public higher education,” Baloun said. Budget cuts over the past two years at the public universities, totaling \$10.3 million, have represented about a 5 percent base reduction in state general funds.

Another main priority is to support a modest salary increase for state workers after two years of no increase. “Our public universities must compete in a national market for faculty and researchers,” Baloun said, “so it is essential we offer competitive salaries to retain and recruit the best talent possible.” More than a year ago, salaries for South Dakota public university faculty and staff trailed the national market by 31.8 percent, and the situation has not improved since, as this marks the second year with no salary increase for state employees, he said.

“We respect the fact that times are tight, but the system cannot continue to grow the necessary graduates and research returns, all benefiting the future economy of South Dakota, with less and less funding,” Baloun said. “We intend to make our case that we have already given more than our fair share at the budget cutting table,” he said.