



# News Release

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## **Bonds Backing Public University Projects Rated A+**

PIERRE, S.D. – The rating assigned to revenue and parity bonds issued by the South Dakota public university system has been upgraded from “A” to “A+” by Standard and Poor’s, an independent provider of credit ratings.

The bonds were issued to finance construction and facility improvement projects at several campuses, including Black Hills State University, South Dakota School of Mines and Technology, South Dakota State University, and the University of South Dakota.

Standard and Poor’s also raised its underlying rating to “A+” on various bonds previously issued by the university system, reflecting Standard and Poor’s positive view of the system-wide auxiliary pledge established retroactively in 2004.

According to Standard and Poor’s analysis, “The raised ratings reflect our view of the strength of a multiple-campus, system-wide auxiliary pledge and strong oversight from the Board of Regents.” The rating service indicated its view was bolstered by “a historically stable state general educational funding environment, and typically balanced overall operations on a cash basis for each member university.”

“We are pleased with this very positive analysis from Standard and Poor’s, a company highly respected within the bond market,” said Regents President Terry Baloun. Baloun said these bond ratings are a positive reflection of the state’s financial strength, and usually mean more favorable interest rates when future bonds are sold on the market.

The analysis from Standard and Poor’s also noted that its assessment was based on the “important role” the public university system plays in the state’s economy and the “related economic development benefits to the state” from having a strong six-institution higher education system in South Dakota.

The Board of Regents meets this week on the campus of South Dakota School of Mines and Technology in Rapid City.