

**BOARD OF REGENTS
MINUTES OF THE MEETING
June 9-11, 2015**

The South Dakota Board of Regents met on June 9-11, 2015 in the Habeger Science Center at Dakota State University, Madison South Dakota, with the following members present:

Randy Schaefer, President
Bob Sutton, Vice President
Terry Baloun, Secretary
Jim Morgan, Regent
John Bastian, Regent
Harvey Jewett, Regent
Kathryn Johnson, Regent
Joe Schartz, Regent
Kevin Schieffer, Regent

Also present during all or part of the meeting were Jack Warner, Executive Director and CEO; James Shekleton, General Counsel; Paul Turman, System Vice President for Academic Affairs; Janelle Toman, Director of Communications; Nathan Lukkes, System Assistant Vice President for Research and Economic Development; Michele Anderson, Internal Auditor; Daniel Palmer, Director of Institutional Research; Barbara Basel, Director of Human Resources; Kayla Bastian, Assistant Director of Human Resources; Monte Kramer, System Vice President of Finance and Administration; Dave Hansen, Director of Information Technology; Katie Maley, Senior Academic Affairs Coordinator; Molly Hall-Martin, Director of Student Preparation & Success; Jay Perry, Director of Academic Programs; James Abbott, USD; David Chicoine, SDSU; Marysz Rames, Interim President DSU; Tom Jackson Jr., BHSU; Marjorie Kaiser, SDSBVI and SDSU; Heather Wilson, SDSM&T; Mike Rush.

TUESDAY, JUNE 9, 2015

The Regents convened in open session at 6:00 p.m. on Tuesday, June 9, at the President's Residence (1022 NE 9th Street).

Regents President Randy Schaefer called the meeting of the Board of Regents to order at 6:00 p.m. on June 9, 2015, and declared a quorum present.

IT WAS MOVED by Regent Sutton, seconded by Regent Baloun that the Board of Regents convene and dissolve into Executive Session at 6:00 p.m. on Tuesday, June 9, 2015, in order to discuss personnel matters; that it adjourn at 9:00 p.m. and reconvene in executive session at 8:00 a.m. on Wednesday, June 10, in order to discuss personnel matters; pending and prospective litigation; contractual matters; and to consult with legal counsel; that it rise from executive session at 12:30 p.m. to resume the regular order of business and to report its deliberations while in executive session. All members voted AYE. The MOTION CARRIED.

WEDNESDAY, June 10, 2015

Regents President Randy Schaefer called the meeting of the Board of Regents to order at 12:30 p.m. on June 10, 2015, and declared a quorum present.

WELCOME AND PRESENTATION BY DSU INTERIM PRESIDENT MARYSZ RAMES

Interim President Rames welcomed Regents and guests to the Dakota State University campus, and introduced the next president of DSU, Dr. José-Marie Griffiths, who assumes her duties July 1. Dr. Pat Engebretson, associate professor in the College of Computing, presented information about the GenCyber Camps in cybersecurity being offered on the DSU campus this summer.

APPROVAL OF THE AGENDA

IT WAS MOVED by Regent Sutton, seconded by Regent Baloun, to approve the agenda. All members voted AYE. The MOTION CARRIED.

APPROVAL OF THE MINUTES

IT WAS MOVED by Regent Bastian, seconded by Regent Morgan, to approve the minutes of the regular meeting on May 12-13, 2015, and the special meeting of May 18, 2015. All members voted AYE. The MOTION CARRIED.

REPORT AND ACTIONS OF EXECUTIVE SESSION

Upon convening at 6:00 p.m. on Tuesday, June 9, the Board dissolved into executive session in order to discuss personnel matters. As shown on the published agenda, and pursuant to a motion ratifying the purposes stated on the published agenda, it adjourned at 9:00 p.m. and reconvened in executive session at 8:00 a.m. on Wednesday, June 10, 2015, in order to discuss personnel matters; pending and prospective litigation; contractual matters; and to consult with legal counsel; rising from executive session at 12:30 p.m. to report its deliberations in executive session and to resume the regular order of business.

Regent Sutton reported that while in executive session, the Board considered personnel matters, pending and prospective litigation, contractual matters, consulted with legal counsel, and gave directions to its executive director and general counsel concerning these matters.

IT WAS MOVED by Regent Sutton, seconded by Regent Jewett, that the Board approve directions given to the executive director and the general counsel with respect to matters discussed in executive session, that it:

1. Accept the appointment of Alan LaFave as provost and vice president of academic affairs at Northern State University with an effective date of June 22, 2015, at an annualized salary of \$152,000. Accept the resignation of Jack Warner as Executive Director and Chief Executive Officer for the Board of Regents, effective June 30, 2015.
2. Approve the personnel actions as submitted by the Board office, campuses, and special schools. A copy of the personnel actions can be found on pages ___ to ___ of the official minutes.

3. Approve the terms of a confidential settlement in Baldrige & Nelson Architects and Engineers Inc. vs. Ulteig Engineers Inc., South Dakota Board of Regents, and Madison Central School District #39-2I (Civ. 14-940) (2nd. Cir. Minnehaha County).
4. Approve awarding two (2) years of prior service credit toward tenure and two (2) years of prior service credit toward promotion for Christopher Saunders (SDSU); three (3) years of prior service credit toward tenure for Xiaoyang Zhang (SDSU); and one (1) year of prior service credit toward tenure and one (1) year of prior service credit toward promotion for Karen Kindle (USD).
5. Approve leave requests for Dimitris Anagnostou for January 22, 2016, through May 21, 2016, and for August 22, 2016, through December 21, 2016, (SDSM&T); Zhengtao Zhu for 2016 spring semester (SDSM&T); David Carr for 2016 spring semester (USD); Susan Keith Gray for 2016 spring semester (USD); Phillip Michael Hook for 2016 spring semester (USD); David Hulac for 2016 spring semester (USD); Kelly McKay-Semmler for 2016 spring semester (USD); and Andrew Sykes for 2016 spring semester (USD).

All members voted AYE. The MOTION CARRIED.

REPORT OF THE COUNCIL OF PRESIDENTS AND SUPERINTENDENTS

Dr. Warner briefed the Board on the topics taken up at the April 28 and May 26 meetings of the Council of Presidents and Superintendents.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Warner introduced Dr. Michael Rush, who will become the new executive director and chief executive officer of the South Dakota Board of Regents, effective June 29, 2015.

A copy of the Interim Actions of the Executive Director can be found on pages ___ to ___ of the official minutes.

STUDENT FEDERATION REPORT

In the absence of Executive Director Chance Costello, two assistant Student Federation directors discussed the upcoming priorities for the Student Federation, which will focus on affordability of higher education to students.

STUDENT ORGANIZATION AWARDS – DSU

Marcus Garstecki, vice president of student affairs at DSU, introduced students and advisors who accepted three student organization awards as follows:

DSU Award for Academic Excellence: Phi Beta Lambda Business Club
DSU Award for Community Service: DSU Gaming Club
DSU Award for Organizational Leadership: Richardson Hall Council

A copy of the Student Organization Awards – DSU can be found on pages ___ to ___ of the official minutes.

SECONDARY ATHLETIC INSURANCE

Ms. Kayla Bastian, assistant director of human resources, requested Board review and approval of the proposed revisions to BOR Policy 3:14. These changes would make participation in the secondary athletic insurance plan optional to the institution. Under this plan, if secondary insurance coverage was not offered, student athletes would be required to provide extensive information about other insurance coverages through a certification process. An internal audit would follow up to ensure that institutions were fulfilling the requirements of these policy changes.

After considerable discussion, several Board members said they were not comfortable with dropping the secondary athletic insurance coverage that is currently in force; their concern was for student health and wellbeing. Motion by Johnson, seconded by Baloun, to reject the proposed policy revisions and leave the secondary athletic coverages as currently provided.

After further discussion and contrary concerns expressed by presidents Smith, Wilson, and Jackson, a substitute motion by Regent Bastian, seconded by Regent Jewett, was made to approve the revised policies as recommended by Board staff, making participation in the secondary athletic insurance plan optional to the institutions. MOTION CARRIED by voice vote, with regents Johnson and Schaefer voting NAY.

A copy of the Secondary Athletic Insurance policy can be found on pages __ to __ of the official minutes.

WRITE-OFFS AND STATE DEBT RECOVERY CENTER

Dr. Monte Kramer, system vice president for administrative services, discussed passage of House Bill 1228 in the 2015 legislative session, which created a state Obligation Recovery Center. The bill provides the guiding structure for a new debt consolidation and collection center. Debts owed to the state will be assessed a 20 percent cost recovery fee and the center will have authority to collect debts as authorized under state law.

Dr. Kramer said he wanted to bring this center to the Regents' attention because, while there were initial assurances that the public university system would not be required to participate in this new debt collection process, it seems more likely now that higher education's participation is desired or might be compelled.

A copy of Write-offs and State Debt Recovery Center can be found on pages __ to __ of the official minutes.

USD DISCOVERY DISTRICT (RESEARCH PARK)

President Jim Abbott, University of South Dakota, explained that the 2012 Legislature passed legislation authorizing research parks on lands controlled by the South Dakota Board of Regents. Later that year, the University of South Dakota Research Park Corp. was formed, of which the Board of Regents is the sole member. USDRP Inc. was formed exclusively for the purpose of constructing, financing, developing, maintaining, and operating a research park in accordance with SDCL chapter 5-29. During the 2014 legislative session, \$1 million was appropriated to the

Board to contract for expansion of the Graduate Education and Applied Research (GEAR) Center and the University of South Dakota Research Park, both located in Sioux Falls. As part of that process, the USDRP Inc. Board contracted with a consultant (Architecture Inc. and Perkins & Will) to prepare a master plan for the research park.

Rich Naser, president of USDRP Inc., provided a brief update for the Board on the current status of operations at what is being called the USD Discovery District. Additionally, the Board's June meeting is the time and place for USDRP Inc.'s annual meeting, at which time the Board must appoint three directors of the USDRP Inc. Board from the slate of nominees submitted by the current Board of Directors. The three individuals nominated by the Board of Directors to serve for three-year terms, following the expiration of their current one-year terms, were as follows: (1) James Abbott; (2) Christine Hamilton; and (3) Darrin Smith.

Motion by Regent Schieffer, seconded by Regent Schartz, to appoint the three recommended members to the USDRP Board of Directors. All members voted AYE; MOTION CARRIED. carried.

A copy of the USD Discovery District (Research Park) can be found on pages ___ to ___ of the official minutes.

RESOLUTION TO REMOVE BHSU HUMBERT AND PANGBURN HALLS FROM THE HOUSING AND AUXILIARY FACILITIES SYSTEM

Dr. Kramer said the Board is being asked to remove Pangburn Hall and Humbert Hall, residence halls on the campus of Black Hills State University, from the Housing and Auxiliary Facilities System created pursuant to the Amended and Restated Bond Resolution adopted by the Board on October 21, 2004, as amended and supplemented.

The action item includes a resolution stating the Board's determination that (1) Humbert Hall, located on the campus of BHSU and part of the BHSU Institutional System, will be repurposed and no longer serves as an economic benefit to the BHSU Institutional System and should therefore be abandoned for economic non-feasibility and removed from the list of facilities of the BHSU Institutional System; and (2) Pangburn Hall is physically and structurally unfit for use as a student residence hall and, therefore, should be removed from the Black Hills State University Institutional System and (3) prior to its removal from the Black Hills State University Institutional System, Pangburn Hall will be demolished, with the cost of such demolition payable from available revenues of the Black Hills State University Institutional System.

Motion by Regent Bastian, seconded by Regent Sutton, to approve the resolution removing Humbert and Pangburn halls from the Housing and Auxiliary Facilities System. A roll call vote was taken and recorded as follows:

ROLL CALL VOTE

Terry Baloun – AYE

John Bastian – AYE

Harvey Jewett – AYE

Kathryn Johnson – AYE

Jim Morgan – AYE

Joe Schartz – AYE
Bob Sutton – AYE
Randy Schaefer – AYE
Kevin Schieffer – AYE

MOTION CARRIED.

A copy of the Resolutions to remove BHSU Humbert and Pangburn halls from the Housing and Auxiliary Facilities System can be found on pages ___ to ___ of the official minutes.

SDBA REVENUE BOND SERIES 2015B

Dr. Kramer said the Board reviewed and approved preliminary plans at previous meetings for (i) the construction, furnishing, and equipping of a new information systems building at Dakota State University and (ii) the renovation of the chemistry/chemical engineering building at the South Dakota School of Mines & Technology.

Motion by Regent Baloun, seconded by Regent Sutton, to adopt Special Resolution No. 43-2015, which:

- A. Requests the Building Authority to proceed with the issuance of revenue bonds to finance costs of constructing, renovating, furnishing, and equipping the projects in an aggregate amount not to exceed \$12,040,000.
- B. Authorizes the President of the Board and the Executive Director to execute an instrument of transfer to effect the transfer of jurisdiction over the affected real property for the projects.
- C. Authorizes the President of the Board and the Executive Director to execute a supplement to the existing lease between the Board and the Building Authority. This lease establishes the basis for the continued occupancy and use of the premises by the Board and outlines the conditions of payment to the Building Authority for such occupancy and use.
- D. Authorizes the officers of the Board and the Executive Director to take such other actions and to execute such other documents as may be required to carry out the actions approved pursuant to such special resolutions.

A roll call vote was taken and recorded as follows:

ROLL CALL VOTE

Terry Baloun – AYE
John Bastian – AYE
Harvey Jewett – AYE
Kathryn Johnson – AYE
Jim Morgan – AYE
Joe Schartz – AYE
Bob Sutton – AYE
Randy Schaefer – AYE
Kevin Schieffer – AYE

MOTION CARRIED.

A copy of the SDBA Revenue Bond Series 2015B be found on pages ___ to ___ of the official minutes.

POLICY AMENDMENTS TO IMPLEMENT THE UNITED STATES DEPARTMENT OF EDUCATION FINAL RULE VIOLENCE AGAINST WOMEN ACT

Dr. Jim Shekleton, general counsel, said the U.S. Department of Education last fall published its final rule implementing amendments to the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act, adopted in the Violence Against Women Reauthorization Act of 2013. The new regulations take effect July 1, 2015.

The new requirements affect three existing Board policies, though not in major ways. Proposed revisions to Board Policy No. 1:6 make patent the responsibility of institutional presidents and superintendents to staff and to support programs to assure compliance with federal and state regulations. Board Policy 1:17.1 was amended to replace sexual offense classifications used under South Dakota law with the classifications required under the Final Rule.

Proposed revisions to Board Policy No. 1:18 affected three sets of concern: Institutional staffing, information provided to students, and procedural entitlements. The first set of changes provided annual training for investigators and hearing officers and for challenges to the impartiality of such officials. The second set of changes assured that students would be informed how to request accommodations in the event that they become victimized, what accommodations are available, and what ranges of punishment might be imposed upon assailants. The third set of changes assured both complainant and accused of the right to bring to any meeting or hearing an advisor of their choice and required the institution to inform simultaneously both complainant and accused of any disciplinary findings and actions.

The federal Final Rules are quite prescriptive, and proposed amendments to policy have been drawn to track the new requirements closely in order to assure that Board policies comply with the formal requirements of the Final Rules on their effective date. The Final Rules carry forward a number of the emphases stated in Title IX guidance statements released in 2011, 2014, and 2015. Among these is an emphasis on the need to train institutional staff who conduct investigations and disciplinary proceedings “to conduct an investigation and hearing process that protects the safety of victims and promotes accountability.” Beginning in 2013, training was provided to institutional staff members in the BOR system who are charged with conducting investigations in matters that might fall within the purview of Title IX or the Violence Against Women Act. In 2014, the Board sponsored a session for both investigators and persons conducting disciplinary procedures. Another round of investigator training has been scheduled for July 2015. Additionally, the Board has retained an outside firm to review the system complement of policies, communications, staffing, management practices and resources.

Motion by Regent Baloun, seconded by Regent Sutton, to approve the policy changes. After considerable discussion concerning the existence or scope of rights to legal representation in disciplinary proceedings that involved misconduct that, if proven, might warrant felony-level criminal charges, Regent Bastian moved to amend the motion, asking that the recommended policy changes be approved and also allow alleged offenders to be represented by counsel, with the power to participate in the proceedings and examine witnesses, if the alleged offender wishes

to secure counsel. Regent Baloun seconded the amended motion. That motion was DEFEATED on a voice vote, with Regents Jewett and Bastian voting YES.

Action reverted to the original motion to approve the recommended policy changes. MOTION CARRIED on a voice vote. Dr. Warner said he would recommend there be further staff study of the questions raised today regarding legal counsel representation and involvement in these disciplinary proceedings.

A copy of the Policy Amendments to Implement the United States Department of Education final rules in the Violence Against Women Act can be found on ___ to ___ of the official minutes.

COLLECTIVE BARGAINING

Dr. Shekleton said negotiators representing the Council of Higher Education and the Board have concluded bargaining for amendments to the Special Schools Bargaining Agreement. The Council of Higher Education has informed the Board's negotiating team that its membership has ratified the agreement. Upon ratification by the Board, the term will extend from July 1, 2015, through June 30, 2018.

The Special Schools Agreement is a mature agreement, a number of its provisions having been in place in substantially their present form since the first comprehensive agreement was signed on May 21, 1981. The tentative agreements now recommended to the Board reflect this underlying fact. The most significant change to emerge from this round of bargaining involves the elimination from the bargaining agreement of provisions that tied a portion of annual raises to market conditions.

Motion by Regent Baloun, seconded by Regent Johnson, to approve the collective bargaining agreement. MOTION CARRIED, with all members voting AYE.

A copy of the Collective Bargaining agreement can be found on pages ___ to ___ of the official minutes.

SDSU PURCHASE OF PROPERTY FOR THE INSTITUTIONAL REVENUE SYSTEM

Dr. Shekleton said South Dakota State University requests Board authorization to go forward with the purchase of properties for inclusion in the institutional housing and auxiliary facilities revenue system. The purchase is consistent with the SDSU property purchase plans of 1991 and 2003 and the most recent plan submitted on March 31, 2011. The proposed purchase involves six parcels, all located south of the main campus: four properties lie between 7th and 8th streets along 14th Avenue and two properties are in the 1300 block of 7th Street. Existing funding is in place in the Auxiliary System and these expenditures will benefit the SDSU Auxiliary System. The university will use the properties for short-term rentals within its residence system.

Motion by Regent Baloun, seconded by Regent Schartz, to authorize, contingent upon the Executive Director's review of environmental assessments and the General Counsel's approval of the purchase agreements, South Dakota State University to acquire Lots 5, 6, 7, and 8, Block 2 Saunders Addition and Lots 1 and 2 of Thornbers Addition, City of Brookings, for inclusion in its institutional revenue system at a purchase price not to exceed \$1,181,180, payable from

unspent interest from revenue bond proceeds. In the future, before additional auxiliary properties may be purchased or before SDSU takes on additional auxiliary debt, the institution must have a Board-approved plan in place to meet the 2 percent maintenance and repair requirement.

The motion also included adoption of Attachment V, a special resolution to amend existing bond resolutions by adding the above mentioned properties to the South Dakota State University Housing and Auxiliary Facilities System for residential or off street parking uses; in particular, amend the:

- Amended and Restated Bond Resolution Approved October 21, 2004, as Amended and Restated Ninth Supplemental System Revenue Bond Resolution adopted December 4, 2013;
- First Supplemental System Revenue Bond Resolution Approved December 6, 2005;
- Sixth Supplemental System Revenue Bond Resolution Approved May 21, 2009; and
- Seventh Supplemental System Revenue Bond Resolution Approved October 12, 2011.

MOTION CARRIED, with all members voting AYE.

A copy of SDSU Purchase of Property for the Institutional Revenue System can be found on pages ___ to ___ of the official minutes.

SDOS PERSISTENCE ANALYSIS

Dr. Daniel Palmer, director of institutional research, said this report summarizes a recent effort to investigate, using National Student Clearinghouse data, the persistence rates of South Dakota Opportunity Scholarship recipients in the Regental system toward degree completion. The Board complimented Dr. Palmer on this analysis, and suggested that the information be shared further with educators and policymakers.

A copy of the SDOS Persistence Analysis can be found on pages ___ to ___ of the official minutes.

EDUCATIONAL ATTAINMENT ANALYSIS

Dr. Palmer explained this analysis examines data from the U.S. Census Bureau's 2013 *American Community Survey* in an effort to establish a general portrait of educational attainment in South Dakota. The analysis explores several correlates of educational attainment, including employment rate, worker earnings, and poverty status.

A copy of the Educational Attainment Analysis can be found on pages ___ to ___ of the official minutes.

NEW PROGRAM REQUESTS

A. SDSU – BS IN NATURAL RESOURCES LAW ENFORCEMENT

Dr. Jay Perry, director of academic programs, explained South Dakota State University requests authorization for a Bachelor of Science (BS) in Natural Resources Law Enforcement. SDSU officials joined in a brief explanation of the program. The program would prepare students for careers as conservation officers, federal wildlife officers, park rangers, and game wardens. The proposed undergraduate program is a collaborative effort between the university's Department of Natural Resource Management and the Department of Sociology and Rural Studies, with courses offered from both departments.

A copy of SDSU – BS in Natural Resources Law Enforcement can be found on pages ____ to ____ of the official minutes.

B. SDSU – MS IN AGRICULTURAL EDUCATION

Dr. Perry explained South Dakota State University requests authorization for a Master of Science in Agricultural Education. SDSU officials joined in a brief explanation of the program. The program would focus on agricultural education in multiple settings, including non-profit organizations, formal education environments, and the Cooperative Extension Service.

A copy of SDSU – MS in Agricultural Education can be found on pages ____ to ____ of the official minutes.

C. USD – BA/BS IN SPORT MARKETING & MEDIA

Dr. Perry explained the University of South Dakota requests authorization for a Bachelor of Arts and Bachelor of Science in Sport Marketing & Media. USD officials joined in a brief explanation of the program. The proposed program would provide students with broad skills in marketing, advertising/public relations, event management, and law/ethics and prepare graduates to work in positions within college athletic departments, advertising or public relations firms, merchandising companies, professional sports teams, athletic facilities, and/or the news media.

A copy of USD – BA/BS in Sport Marketing & Media can be found on pages ____ to ____ of the official minutes.

The Board combined the three New Program Requests listed above into a single action for approval, with a motion by Regent Schieffer and seconded by Regent Johnson to approve the program requests for SDSU (BS in Natural Resources Law Enforcement and MS in Agricultural Education) and USD (BA/BS in Sport Marketing & Media). MOTION CARRIED, all members voting AYE.

INTENT TO PLAN REQUESTS

A. SDSU - BS IN BIOCHEMICAL ENGINEERING

Dr. Perry explained South Dakota State University requests approval to develop a proposal for a Bachelor of Science (B.S.) degree in Biochemical Engineering. SDSU officials joined in a brief explanation of their planning process. The proposed program would provide students with an interdisciplinary background in chemistry, biochemistry, biology, microbiology, and molecular and synthetic biology, as applied to engineering principles. Prior to submitting a new program

proposal, SDSU will complete a supply-demand feasibility assessment that includes analysis of the impact on related programs at South Dakota School of Mines and Technology, as well as determining the cost of delivering an accredited program.

Motion by Regent Schartz, seconded by Regent Jewett, to approve the Intent to Plan request for the SDSU – BS in Biochemical Engineering degree. A copy of SDSU – BS in Biochemical Engineering can be found on pages ___ to ___ of the official minutes.

B. SDSU – MASTER OF ENGINEERING

Dr. Perry explained South Dakota State University requests approval to develop a proposal for a professional engineering master's degree program, the Master of Engineering. SDSU officials joined in a brief explanation of their planning process. The professional master's program differs from traditional master's programs by focusing on workplace success skills rather than emphasizing substantial research projects. The curriculum would integrate applied management, technical writing, project management, and specific industry-sector skills designed to help engineers transition into professional leadership roles. Prior to submitting a new program proposal, SDSU will complete a feasibility assessment, as well as consult with South Dakota School of Mines and Technology on possibilities for shared courses and resources.

Motion by Regent Sutton, seconded by Regent Morgan, to approve the Intent to Plan request for the SDSU – Master of Engineering degree. A copy of SDSU – Master of Engineering can be found on pages ___ to ___ of the official minutes.

ADDITION TO AGENDA: HONORARY DOCTORATE FOR JACK R. WARNER

President Schaefer said, at this time without objection, the Board's agenda will be amended for the purpose of entertaining a motion to award an honorary doctorate of public service degree to Jack R. Warner.

Regent Johnson moved, seconded by Regent Baloun, to award an honorary doctorate of public service degree to Jack R. Warner for his extraordinary service to South Dakota and to the state's public universities and special schools. MOTION CARRIED, all members voting AYE.

Regents Baloun and Sutton assisted President Schaefer in the hooding of Dr. Warner and presentation of a medallion of service (2009-2015). President Schaefer read the following citation:

JACK R. WARNER
Citation for the Regents' Honorary Degree of
Doctor of Public Service

In recognition of extraordinary service and leadership to the South Dakota system of public higher education, the South Dakota Board of Regents awards its highest honor, an honorary doctorate in public service, to Dr. Jack R. Warner.

Dr. Warner's six years of service as the Board of Regents' chief executive officer is the second longest tenure of an executive director in the history of the South Dakota public university

system. He leaves the system leadership role at a time when public universities in South Dakota are serving a record number of students and pursuing new strategies to ensure that students arrive at college better prepared for academic work, move successfully through their coursework, and graduate on time.

During his time in South Dakota, the public university system reached out to serve increasing numbers of non-traditional students, while moving more courses and degrees online to meet unique student needs. Through special initiatives focused on affordability and efficiency, Dr. Warner led efforts to reduce the number of credits needed to graduate and to merge the administrations for the two special schools serving the deaf and the blind and visually impaired. He expanded research grants and contracts and worked with the South Dakota Legislature to secure state authorization to create university research parks, leading to development of a new research park in Sioux Falls and expansion of another park in Brookings.

Dr. Warner worked with legislators to create the state's first need-based grant program and the Critical Teaching Needs Scholarship program. Under his leadership, the Sanford School of Medicine at the University of South Dakota expanded enrollments by 30 percent, with help from a state appropriation. Another long-term goal was achieved during Dr. Warner's tenure: creating a new Ph.D. program in physics for the University of South Dakota and South Dakota School of Mines & Technology to help support the work of the Sanford Underground Research Facility. He led efforts to redesign remedial coursework, making it more relevant for students, and to improve student retention through use of early-alert systems at each campus.

During his public service in South Dakota, he has worked with 15 regents and 13 institutional executives. Dr. Warner has provided outstanding leadership for many organizations, advocating on behalf of higher education and focusing a national spotlight on South Dakota institutions. While in South Dakota, he served on the executive committee and as chair of the State Higher Education Executive Officers organization, as well as on the executive committee for the National Association of System Heads.

In recognition thereof, the South Dakota Board of Regents, on behalf of the citizens of South Dakota, bestows upon Dr. Jack R. Warner the degree and title, Honorary Doctor of Public Service, reserved for individuals whose exceptional personal and professional contributions merit special acknowledgement.

Remaining agenda items for Wednesday, June 10, were deferred to Thursday's agenda.

THURSDAY, June 11, 2015

PROGRAM PRODUCTIVITY REVIEW & GUIDELINES

Dr. Perry said that during recent Academic Affairs Council meetings the council discussed the Program Productivity Review process and evaluated the most recent set of programs flagged for further review, due to graduate numbers that fell below averages approved by the Board. In addition to reviewing the most recent set of productivity reports, AAC representatives noted concerns about a lack of clear guidelines to manage the yearly review process. It was agreed that a more robust set of procedural guidelines would be beneficial, and an initial draft was discussed

in February. AAC representatives were tasked with reviewing the guidelines further on their campuses.

A copy of Program Productivity Review & Guidelines can be found on pages ___ to ___ of the official minutes.

CREDIT BY EXAMINATION GUIDELINES

Dr. Perry said, at an April AAC meeting, the council reviewed a set of Credit by Examination Administration Guidelines developed in response to questions from the campuses about procedural approaches to award credit for Advanced Placement (AP) coursework. Currently, this practice is guided by the BOR Policy 2:5 Transfer of Credit, which specifies that “Credit for college level courses granted through nationally recognized examinations such as CLEP, AP, DANTES, etc. will be evaluated and accepted for transfer if equivalent to Regental courses and the scores are consistent with Regental policies.” Despite this policy framework, a set of administrative guidelines has not been established to guide institutional practices related to AP or many of the other credit-by-examination options available to students. Currently, guidelines take the form of exam and course equivalency matrixes that institutional personnel and students/parents rely on to determine whether credit will be awarded consistently across the campuses. These “guidelines” or matrixes lack much of the procedural structure necessary to ensure consistent practice across testing/assessment offices in the Regental system.

When the new guidelines were reviewed by AAC in April, AAC representatives brought forward minor modifications. They were asked to further vet these guidelines with campus personnel responsible for testing students and to bring back additional issues or modifications necessary to ensure consistent usage throughout the system. AAC approved the new guidelines at the council’s May meeting. Once these guidelines have been advanced to the Board of Regents for review, they will be posted on the AAC website.

A copy of Credit by Examination Guidelines can be found on pages ___ to ___ of the official minutes.

DSU AUXILIARY MASTER PLAN

Marcus Garstecki of Dakota State University explained the Campus Life Master Plan has laid the foundation for a renovation plan for the Trojan Student Center. It has also provided a guideline for the acquisition and repurposing of the Madison Community Hospital property, which will be acquired by the university in late 2015. Dakota State University would intend to bring the next planning document for renovation of the Trojan Center, along with renovation documents for the hospital, to the next Board of Regents’ meeting for review and approval.

A copy of DSU Auxiliary Master Plan can be found on pages ____ to ____ of the official minutes.

SDSM&T FOUNDATION HOUSING LEASE

President Wilson explained details of a proposed lease agreement with the SDSM&T Foundation, which will allow the Foundation to move forward with a 200-unit housing facility to

be built on foundation-owned land. The timing of the lease is important to allow the construction to move forward so the facility can be occupied by fall of 2016.

The School of Mines has three dormitories on its campus and leases two more nearby, for a current total of 865 assignable beds. Occupancy rates have been at or above capacity since FY2013. The university continues to see growth in demand for student housing. SDSM&T is committed to fulfilling the need for additional residence hall accommodations, primarily for freshman and sophomores who are required to live on-campus. With a forecasted 2 percent to 5 percent growth rate, there is a need to have a new residence hall available by mid-August 2016.

The university provides little to no upper-class/graduate student housing. In addition, housing near campus is minimal. Because of this, SDSM&T plans on transitioning Rocker Square I to upper-class housing, with the addition of this new residence hall. The Rocker Square I transition will immediately provide about 120 apartment-style beds; Rocker Square I is a very desirable building for upper-class students.

To satisfy projected needs, the School of Mines proposes to enter into a Master Lease Agreement with the South Dakota School of Mines & Technology Foundation for a student housing facility. Suites and amenities in the new facility will compare very favorably with Mines' existing housing alternatives. The facility would have a total of 202 beds, with two used for staff. Current projections for the project assume \$2,600 will be charged for 98 beds for single-room occupancy and \$2,300 for 102 beds for double-room occupancy. These projected lease rates will be less than Mines charges for apartment-style housing in Rocker Square I & II but more than Mines charges for traditional dormitories.

The Foundation is a 501(c)(3) charitable foundation—and a separate legal entity—whose purpose is to raise private funds to support the School of Mines. The Foundation owns land in the university's vicinity, which will now be used to provide additional housing consistent with the campus master plan. The Foundation currently owns about 1.78 acres of land on which it intends to develop new suite-style student housing, comprised of 51 units (202 beds) for School of Mines' use. The Foundation and Mines would enter into a Master Lease Agreement for the completed project; the School of Mines would also have an option to purchase the completed project from the Foundation. America First Real Estate Group ("AFREG") has been engaged by the Foundation as developer, following a competitive selection process.

This project addresses the housing needs for SDSM&T for at least the next five years, based on projections. President Wilson said SDSM&T feels it is the best option at this time given the proximity to campus and the need to move quickly to meet housing estimates for fall 2016.

Motion by Regent Jewett, seconded by Regent Morgan, to approve the 30-year lease agreement with the SDSM&T Foundation for student housing. MOTION CARRIED on a voice vote, with regents Schieffer and Sutton voting NO.

A copy of SDSM&T Foundation Housing Lease can be found on pages ___ to ___ of the official minutes.

REPORT AND ACTIONS OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS

Regent Johnson presented the report and actions of the Committee on Academic and Student Affairs as follows:

INFORMATIONAL ITEMS

I-A Institutional Items of Information

The Committee received Institutional Items of Information submitted by Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines and Technology, South Dakota State University, University of South Dakota, South Dakota School for the Blind and Visually Impaired, and South Dakota School for the Deaf. No action required. A copy of Institutional Items of Information can be found on pages ____ to ____ of the official minutes.

I-B 2015 Athletic Academic Report

The Committee received an overview of the annual report on athlete academic performance. The executive summary and full report summarize seven academic performance indicators for athletes and non-athletes, including: Admission by exception rate; ACT performance (English and mathematics); South Dakota Opportunity Scholarship participation rate; Term grade point average; CAAP performance (mathematics, reading, science reasoning, and writing); Term credit hours; and Graduation/retention rate. Information only. A copy of the 2015 Athletic Academic Report can be found on pages ____ to ____ of the official minutes.

I-C FY15 Section Size Report

The Committee received the annual Section Size Report which evaluates the extent to which the state's six public institutions continue to meet Regental policy with respect to minimum enrollment per course section. Due to a policy change adopted by the Board of Regents in October 2011, summer sections are now excluded from this analysis. This change may affect trend data presented in this report, beginning with data for FY2013. Information only. A copy of the FY15 Section Size Report can be found on pages ____ to ____ of the official minutes.

I-D Quality Assurance Rubric Review

The Committee received a summary regarding the process that is underway to conduct a system-wide Quality Assurance review of courses eligible for the dual-credit program, which was approved by the Academic Affairs Council at its February 2015 meeting. A copy of the proposal for this review process, which was developed by Eric Mosterd, Regents Fellow for e-Education Initiatives, was provided as Attachment I within the item. The proposal outlined the scope of work, development of a subcommittee, and the course selection and review process. Information only. A copy of the Quality Assurance Rubric Review can be found on pages ____ to ____ of the official minutes.

I-E SDSU Associate Degree Completion Project

Since 2014, South Dakota State University (SDSU) has actively engaged in the Western Interstate Commission for Higher Education's (WICHE) Non-traditional No More Initiative. The purpose of the initiative is to identify the "ready adult" population – those who are close to having enough credits to obtain a degree, but have not yet returned to college. As part of its participation, SDSU has identified students who left the university with 50 or more credit hours and with at least a 2.0 GPA, sent letters, and explained options for completing an associate degree. Since 2014, this project has led to 11 former students receiving an associate degree. The Committee received a summary of SDSU's progress, which explains the process by which the university tracked eligible students and conferred the degrees. Information only. A copy of the SDSU Associate Degree Completion Project can be found on pages ____ to ____ of the official minutes.

CONSENT ITEMS

IT WAS MOVED by Regent Bastian, seconded by Regent Scharzt, to approve consent items II-A, II-B, and II-C.

II-A Resolutions of Recognition

Approve the proposed request to recognize Angie Thompson (DSU) and Diane Agnitsch (SDSBVI) for their years of dedicated service to the public higher education system of South Dakota. Motion passed. A copy of the Resolutions of Recognition can be found on pages ____ to ____ of the official minutes.

II-B SDSBVI Membership in SDHSAA

Approve SDSBVI's request for continued membership in the South Dakota High School Activities Association. Motion passed. A copy of SDSBVI Membership in SDHSAA can be found on pages ____ to ____ of the official minutes.

II-C SDSBVI Individual with Disabilities Education Act (IDEA) Grant

Authorize SDSBVI to submit a request for funding under the IDEA Grant Program. Motion passed. A copy of SDSBVI Individual with Disabilities Education Act (IDEA) Grant can be found on pages ____ to ____ of the official minutes.

II-D (1) Program Modifications – DSU

Regent Bastian moved to approve DSU's program modification requests for its M.S. in Applied Computer Science; B.S. in Education, Mathematics Education; BSED in Computer Education; B.S. in Digital Arts and Design, Digital Storytelling Specialization; Healthcare Coding Certificate; M.S. in Information Assurance and Computer Security; and B.S. in Education, Educational Technology. Regent Scharzt seconded the motion and the motion passed. A copy of Program Modifications – DSU can be found on pages ____ to ____ of the official minutes.

II-D (2) Program Modifications – SDSM&T

Regent Schartz moved to approve SDSM&T's program modification requests for its M.S. in Atmospheric and Environmental Sciences; M.S. in Chemical Engineering (Accelerated Option); Ph.D. in Chemical and Biological Engineering; Ph.D. in Civil and Environmental Engineering; Ph.D. in Mechanical Engineering; B.S. in Chemistry; B.S. in Computer Science; Minor in Materials Science, Metals; M.S. in Mining Engineering; and Ph.D. in Materials Engineering and Science. Regent Bastian seconded the motion and the motion passed. A copy of Program Modifications – SDSM&T can be found on pages ___ to ___ of the official minutes.

II-D (3) Program Modifications – SDSU

Regent Bastian moved to approve SDSU's program modification requests for its Construction Minor; Doctor of Nursing Practice (Post Master to DNP and BSN to DNP); Honors College Distinction; Ph.D. in Nursing; M.S. in Nutrition, Exercise and Food Sciences; Ph.D. in Nutrition, Exercise and Food Sciences; B.S. in Agricultural and Resource Economics; B.S. in Agricultural Business; Agricultural Business Minor; Agricultural Marketing Minor; B.S. in Agricultural Science; American Indian Studies Minor; M.S. in Animal and Range Sciences; Ph.D. in Animal and Range Sciences; B.S. in Animal Science–Business and Production Specialization and Science Specialization; B.S. in Consumer Affairs; Equine Studies Minor; French Studies Minor; German Minor; Health Science Minor; B.M.E. in Music Education; M.S. in Nursing–Family Nurse Practitioner Specialization; Post Master Family Nurse Practitioner Certificate; B.S. in Range Science; Spanish Minor; B.S. in Agricultural Education, Communication and Leadership–Agricultural Education Specialization, Communication Specialization, and Leadership Specialization; B.S. in Agronomy; M.S. in Biological Sciences–Food Science Specialization; Ph.D. in Biological Sciences–Food Science Specialization; B.S. in Biology and Pre-professional Specialization; B.S. in Biotechnology; M.S. in Communication Studies and Journalism–Communication Studies Specialization; B.S. in Dairy Manufacturing and Microbiology Specialization; B.S. in Dairy Production; B.S. in Electrical Engineering; M.S. in Electrical Engineering; B.S. in Family and Consumer Sciences Education; B.S. in Microbiology; Range Science Minor; Events and Facilities Administration Minor; M.S. in Mechanical Engineering. Regent Schartz seconded the motion and the motion passed. A copy of Program Modifications – SDSU can be found on pages ___ to ___ of the official minutes.

II-D (3) (a) Program Modifications – SDSU – College of Arts and Sciences

Regent Bastian moved to approve SDSU's College of Arts and Sciences program modification requests for its B.A./B.S. in Advertising; B.A. in American Indian Studies; B.S. in Biochemistry; B.S. in Chemistry (ACS Certified); B.A./B.S. in Economics and Business Economics Specialization; B.A. in English–English Education Specialization and Writing Specialization; B.S. in Entrepreneurial Studies; B.A. in French Studies and Teaching Specialization; B.S. in Geographic Information Sciences; B.S. in Geography; B.A. in German and Teaching Specialization; B.A. in Global Studies; B.A./B.S. in History and Teaching Specialization; B.S. in Interdisciplinary Studies; B.A./B.S. in Journalism; B.A. in Music–Music Entrepreneurship Specialization and Music Studies Specialization; B.S. in Physics and Science Teaching Specialization; B.A./B.S. in Political Science; B.S. in Psychology and Teaching Specialization; B.A./B.S. in Sociology, B.S. in Human Resources Specialization, B.S. in Human Services Specialization, and B.S. in Teaching Specialization; B.A. in Spanish and Teaching Specialization; B.S. in Speech Communication and Speech Education Specialization; and B.S. in Theatre. Regent Schartz seconded the motion and the motion passed. A copy of Program

Modifications – SDSU College of Arts and Science can be found on pages ___ to ___ of the official minutes.

II-D (4) Program Modifications – USD

Regent Schartz moved to approve USD's program modification requests for its B.S. in Kinesiology & Sport Science; Native Studies (B.A., Minor, and Specializations); and Ph.D. in Occupational Therapy. Regent Sutton seconded the motion and the motion passed. A copy of Program Modifications – USD can be found on pages ___ to ___ of the official minutes.

II-D (4) (a) Program Modifications – USD – Law, J.D.

Regent Schartz moved to approve USD's program modification request for its J.D. in Law. Regent Sutton seconded the motion and the motion passed. A copy of Program Modifications – USD Law, J.D. can be found on pages ___ to ___ of the official minutes.

II-E (1) New Certificate Request – BHSU – Diversity

Regent Johnson noted that she would prefer to see the name of the certificate to be changed from Diversity to something more descriptive of the program. Rod Custer, Provost at Black Hills State University, provided insight into two other alternative titles that were discussed at the campus level: 1) Social and Cultural Inclusion, and 2) Social and Cultural Awareness. Regent Sutton moved to approve BHSU's new certificate request with the amendment that the name of the certificate would be changed from Diversity to Social and Cultural Awareness. Regent Schartz seconded the motion and the motion passed. A copy of New Certificate Request – BHSU – Diversity (now renamed as Social and Cultural Awareness) can be found on pages ___ to ___ of the official minutes.

II-E (2) New Certificate Request – BHSU – Social Resiliency

Regent Sutton moved to approve BHSU's new certificate request for a Social Resiliency Certificate. Regent Schartz seconded the motion and the motion passed. A copy of New Certificate Request – BHSU – Social Resiliency can be found on pages ___ to ___ of the official minutes.

II-E (3) New Certificate Request – SDSM&T – Petroleum Systems

Regent Sutton moved to approve SDSM&T's new certificate request for a Petroleum Studies Certificate. Regent Schartz seconded the motion and the motion passed. A copy of New Certificate Request – SDSM&T – Petroleum Systems can be found on pages ___ to ___ of the official minutes.

II-E (4) New Certificate Request – SDSU – Experiential Learning

Regent Sutton moved to approve SDSU's new certificate request for an Experiential Learning Certificate. Regent Schartz seconded the motion and the motion passed. A copy of New Certificate Request – SDSU – Experiential Learning can be found on pages ___ to ___ of the official minutes.

II-F Agreement on Academic Cooperation – NSU

It was moved by Regent Bastian and seconded by Regent Schartz to approve the proposed agreement on academic cooperation between NSU and Robert Gordon University. Motion passed. A copy of the NSU Agreement on Academic Cooperation can be found on pages ___ to ___ of the official minutes.

SUBSTANTIVE

IT WAS MOVED by Regent Bastian, seconded by Regent Schartz, to approve substantive items III-A (1) through III-A (7).

III-A (1) New Program Request: NSU Minor in Marketing

Approve NSU's new program proposal for a Minor in Marketing. Motion passed. A copy of New Program Request: NSU Minor in Marketing can be found on pages ___ to ___ of the official minutes.

III-A (2) New Program Request: NSU Minor in Public History

Approve NSU's new program proposal for a Minor in Public History. Motion passed. A copy of New Program Request: NSU Minor in Public History can be found on pages ___ to ___ of the official minutes.

III-A (3) New Program Request: SDSM&T Minor in Computational Statistics

Approve SDSM&T's new program proposal for a Minor in Computational Statistics. Motion passed. A copy of New Program Request: SDSM&T Minor in Computational Statistics can be found on pages ___ to ___ of the official minutes.

III-A (4) New Program Request: SDSM&T Minor in Military Science

Approve SDSM&T's new program proposal for a Minor in Military Science. Motion passed. A copy of New Program Request: SDSM&T Minor in Military Science can be found on pages ___ to ___ of the official minutes.

III-A (5) New Program Request: SDSM&T Minor in Environmental Science

Approve SDSM&T's new program proposal for a Minor in Environmental Science. Motion passed. A copy of New Program Request: SDSM&T Minor in Environmental Science can be found on pages ___ to ___ of the official minutes.

III-A (6) New Program Request: SDSM&T Minor in Global Engineering

Approve SDSM&T's new program proposal for a Minor in Global Engineering. Motion passed. A copy of New Program Request: SDSM&T Minor in Global Engineering can be found on pages ___ to ___ of the official minutes.

III-A (7) New Program Request: USD Minor in Sport Marketing & Media

Approve USD's new program proposal for a Minor in Sport Marketing & Media. Motion passed. A copy of New Program Request: USD Minor in Sport Marketing & Media can be found on pages ___ to ___ of the official minutes.

III-B (1) New Site Request: USD Master of Social Work

Regent Sutton moved to approve USD's new site request to offer the MSW in Social Work online and at Black Hills State University – Rapid City. Regent Bastian seconded the motion and the motion passed. Motion passed. A copy of New Site Request: USD Master of Social Work can be found on pages ___ to ___ of the official minutes.

III-C (1) Revision to BOR Policy 4:43 – Emeritus Status

Regent Schartz moved to approve the proposed change to Board Policy 4:43. Regent Sutton seconded the motion and the motion passed. A copy of Revision to BOR Policy 4:43 – Emeritus Status can be found on pages ___ to ___ of the official minutes.

III-C (2) Revision of BOR Policy 2:5 – Transfer of Credit

Regent Schartz moved to approve the proposed change to Board Policy 2:5. Regent Sutton seconded the motion and the motion passed. A copy of Revision to BOR Policy 2:5 – Transfer of Credit can be found on pages ___ to ___ of the official minutes.

III-C (3) Revision of BOR Policy 2:10 – Academic Amnesty Policy

Regent Schartz moved to approve the proposed change to Board Policy 2:10. Regent Sutton seconded the motion and the motion passed. A copy of Revision to BOR Policy 2:10 – Academic Amnesty Policy can be found on pages ___ to ___ of the official minutes.

III-D Inactive Status and Program Termination Requests – BHSU, NSU, SDSU & USD

Regent Sutton moved to approve the inactive status and program termination requests to inactivate and terminate the A.S. in Industrial Technology (BHSU); inactivate all Industrial Tech/Engineering Tech programs as listed in Attachment II of the item (BHSU); inactivate the Bachelor of Applied Technical Science (3 Specializations) (BHSU); inactivate the Certificate in Energy Management Technology program (BHSU); inactivate the M.S. in Training and Development in E-Learning (NSU); terminate the Biotechnology Minor (SDSU); terminate the Geographic Information Science Minor (SDSU); terminate the A.S. in Dental Hygiene (USD); and terminate the Masters of Natural Science (USD) program. Regent Schartz seconded the motion and the motion passed. A copy of Inactive Status and Program Termination Requests – BHSU, NSU, SDSU & USD can be found on pages ___ to ___ of the official minutes.

III-E Request to Seek Accreditation – SDSU

Regent Schartz moved to approve SDSU's request to seek accreditation from the American Alliance of Museums Accreditation Commission (AAM) for its South Dakota Agricultural Heritage Museum. Regent Sutton seconded the motion and the motion passed. A copy of Request to Seek Accreditation – SDSU can be found on pages ___ to ___ of the official minutes.

III-F SDSU – Division of Management and Economics

Regent Sutton moved to approve SDSU's request to formally recognize their Division of Management and Economics as an interdepartmental/intercollege unit. Regent Bastian seconded the motion and the motion passed. A copy of SDSU – Division of Management and Economics can be found on pages ___ to ___ of the official minutes.

Full Report

IT WAS MOVED by Regent Johnson, seconded by Regent Sutton to adopt the report and actions of the Committee on Academic and Student Affairs. All members voting AYE. The MOTION CARRIED. A copy of the Full Report can be found on pages ___ to ___ of the official minutes.

REPORT AND ACTIONS OF THE COMMITTEE ON BUDGET AND FINANCE

Regent Baloun presented the report and actions of the Committee on Budget and Finance as follows:

INFORMATIONAL ITEMS

I-A Institutional Items of Information

The Committee received Institutional Items of Information submitted by Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines and Technology, South Dakota State University, University of South Dakota, South Dakota School for the Blind and Visually Impaired, and South Dakota School for the Deaf. No action was required. A copy of Institutional Items of Information can be found on pages ___ to ___ of the official minutes.

I-B Capital Project List

The committee received the Capital Improvement Project List, identifying the current capital improvement projects along with the Regental representative, estimated dollar amount, the source of funds for the project, and the current status of the project. The list was presented for information only. A copy of the Capital Project List can be found on pages ___ to ___ of the official minutes.

I-C Building Committee Report

The committee received information regarding the activities of the various building committees that had met since the last meeting as follows: the Building Committee for the DSU Beacom Institute of Technology selected Journey Group as the Construction Manager at Risk for the

project; the Building Committee for the SDSU Brown Hall Renovation issued a contract with Clark Drew Construction for a base bid of \$8,141,000; the Building Committee for the USD Science, Health and Research Laboratory Building approved the increased budget of \$15,278,795 that included the acceptance of alternates for the project; the Building Committee for the USD Sports Performance Enhancement Facility approved the increased budget of \$58,510,423 that included the acceptance of alternates for the project; the Building Committee for the DSU Renovation for Student Services/Student Housing From Hospital selected Koch Hazard as the Architect Engineering firm for the project.

A copy of the Building Committee Report can be found on pages ____ to ____ of the official minutes.

I-D 2014-2015 Regional Tuition & Fee Survey

The committee received a tuition and fee report of the four-year public institutions in the surrounding states. The survey compares mandatory tuition and fee costs and total cost based on: Tuition and Fees – tuition and any mandatory fees for 30 credit hours per year for undergraduate and 24 credit hours for graduate for residents and non-residents; and Total Cost – a combination of the tuition and fee costs plus the cost of room and board. Room is based on a double occupancy room and board is based on a plan that provides 15 meals per week or one that is reasonably cost to that. The survey is divided into four sections. Section I provides a few summary tables comparing individual South Dakota university costs and South Dakota system average costs for tuition and fees and total costs to comparable Carnegie classified institutions. Section II provides detail on the tuition and fee costs. Section III combines tuition and fee with room and board costs to exhibit a total cost comparison. Within each section, the classifications of baccalaureate, masters and doctoral are used to compare like institutions. Finally, Section IV provides a historic comparison of tuition and fees and total costs for the institutions from 2005-2006 to 2014-2015.

A copy of the 2014-2015 Students Costs at Public Institutions can be found on pages ____ to ____ of the official minutes.

I-E Public Improvement Lien Notice—Roby, Quintal & Everson-Northern State University Johnson Fine Arts Center Renovation Project

On May 8, 2015, Roby, Quintal & Everson, a subcontractor of Baldrige & Associates Architects and Engineers, Inc., a/k/a Baldrige & Nelson Architects and Engineers of Sioux Falls, South Dakota, filed a lien for \$18,030.00 plus \$10,510.64 for fees and expenses over and above the contract, plus interest, pursuant to SDCL ch 5-22 on monies held by the Board of Regents relating to the Northern State University Johnson Fine Arts Center Renovation Project, OSE#R0112-13X. The funds required to cover the lien against the Baldrige & Associates contract have been segregated from other funds held for the project. No action is required by the Board at this time. Inclusion of the present report and of the attached lien filing complies with the mandate of SDCL § 5-22-3. This was presented for information only.

A copy of Public Improvement Lien Notice—Roby, Quintal & Everson-Northern State University Johnson Fine Arts Center Renovation Project can be found on pages ____ to ____ of the official minutes.

CONSENT ITEMS

IT WAS MOVED by Regent Jewett, seconded by Regent Morgan, to approve the following items on the consent calendar:

II-A Maintenance and Repair Projects

Approve BHSU's request to renovate a portion of the stack area in the Berry Library to house an Einstein Bagel franchise, at an estimated cost of \$300,000. Funding for this project will come from BHSU's Aviands Commission Funds.

Approve SDSU's request to replace control panels and detection devices campus-wide from the Fire Alarm System. The estimated cost of \$165,000 will be funded by Statewide Maintenance and Repair funds through the Office of the State Engineer (OSE).

Approve SDSM&T's request to renovate a locker room and entryways at the King Center, not completed within the Wellness Center capital project, at an estimated cost of \$295,415. Funding for this project will include \$145,415 from a previously approved General Funds M&R project and \$150,000 from the SDSM&T Foundation.

Approve SDSM&T's request to renovate the lower level of the Devereaux Library at an estimated cost of \$988,439. Funding for this project will include \$15,000 from FY15 General Funds M&R, \$250,000 from FY16 General Funds M&R, \$526,390 from FY16 HEFF M&R Funds, \$55,000 from FY16 Revenue M&R funds, and \$42,049 from IRP Funds.

Approve SDSU's request to replace the soffit and substrate on the south side of the Student Wellness Center, at an estimated cost of \$128,400. Funding for this project will come from student fees, membership fees, and facility rental fees.

Approve SDSU's request to fully upgrade the Greenhouse electrical distribution system, at an estimated cost of \$130,000. Funding for this project will come from greenhouse fees and pesticide application fees.

Motion passed. A copy of the Maintenance and Repair Projects can be found on pages ___ to ___ of the official minutes.

II-B Capital Asset Purchases Greater than \$500,000

Approve SDSU's request for a Multiphoton Microscope for the Chemistry/Biochemistry Department, at an estimated cost of \$784,648. Funding for this purchase will come from a Research Commercialization Council Grant.

Approve SDSU's request for a Transmission Electron Microscope for the Agricultural and Biosystems Engineering Department, at an estimated cost of \$812,570. Funding for this purchase will consist of \$25,000 from the SDSU Agricultural Experiment Station federal funds, with the remaining \$787,570 from a National Science Foundation MRI Program grant.

Motion passed. A copy of the Capital Asset Purchases can be found on pages ___ to ___ of the official minutes.

SUBSTANTIVE

III-A Resolution of Recognition

It was moved by Regent Schieffer and seconded by Regent Morgan to approve the proposed request to recognize Pat Keating for his 28 years of dedicated service to Dakota State University and South Dakota's system of public higher education. Motion passed.

III-B Resolution of Recognition

It was moved by Regent Schieffer and seconded by Regent Morgan to approve the proposed request to recognize Karen Alfson for her 25 years of dedicated service to Dakota State University and South Dakota's system of public higher education. Motion passed. A copy of Resolution of Recognition – Karen Alfson can be found on pages ___ to ___ of the official minutes.

III-C Resolution of Recognition

It was moved by Regent Morgan and seconded by Regent Jewett to approve the proposed request to recognize Jeff Siekmann for his 25 years of dedicated service to South Dakota State University and South Dakota's system of public higher education. Motion passed. A copy of Resolution of Recognition – Jeff Siekmann can be found on pages ___ to ___ of the official minutes.

III-D NSU New Residence Hall – Preliminary Facility Statement

It was moved by Regent Morgan and seconded by Regent Schieffer to approve NSU's Preliminary Facility Statement to construct a residence hall on campus to replace Jerde Hall. Approval would allow NSU to provide student housing options on campus to create a more positive living environment. Funding for this project would be provided by a third-party entity and NSU would not rely on any revenue bonds. Motion passed. The Board President appointed Regent Jewett as the Building Committee Representative to this project. A copy of NSU New Residence Hall – Preliminary Facility Statement can be found on pages ___ to ___ of the official minutes.

III-E NSU Science and Math Building Preliminary Facility Statement

Regent Morgan moved to approve NSU's Preliminary Facility Statement to construct a new Science and Math Building, which would provide much-needed lab space for faculty and student research purposes. Regent Schieffer seconded the motion and the motion passed. The Board President appointed Regent Jewett as the Building Committee representative to this project. A copy of NSU Science and Math Building Preliminary Facility Statement can be found on pages ___ to ___ of the official minutes.

III-F Dakota State University Food Service Contract with Sodexo America, LLC

Regent Jewett moved and Regent Schieffer seconded approval of the proposed food service contract between Dakota State University and Sodexo America, LLC. The contract will provide cafeteria style, retail franchise style, and catering services to the institution through the institutional housing and auxiliary facilities revenue system. Motion passed. A copy of Dakota State University Food Service Contract with Sodexo America, LLC can be found on pages ___ to ___ of the official minutes.

III-G Lease-Purchase Agreement to Acquire Land for the Agricultural Experiment Station

Regent Jewett moved to approve and Regent Morgan seconded approval of a lease-purchase agreement between the Board and the South Dakota State University Foundation for acquisition of the property, described as: NW ¼ of Section 28 and the SE ¼ of Section 21, Township 108N, Range 50W, all in Moody County, South Dakota. Motion passed. A copy of Lease-Purchase Agreement to Acquire Land for the Agricultural Experiment Station can be found on pages ___ to ___ of the official minutes.

Full Report

IT WAS MOVED by Regent Baloun, seconded by Regent Jewett, to adopt the report and actions of the Committee on Budget and Finance. All members voting AYE. The MOTION CARRIED. A copy of the Full Report can be found on pages ___ to ___ of the official minutes.

FY17 INFORMAL BUDGET HEARINGS

Each institution was given time to present its FY17 budget priorities. The six public universities and two special schools were asked to submit their priorities for the next budget year, focusing on the top five items. This is in preparation for the Board's further deliberations, which will result in an official budget request to be finalized at the August meeting.

South Dakota School for the Blind and Visually Impaired & South Dakota School for the Deaf: Superintendent Marje Kaiser and Claudean Hluchy reviewed budget priorities for the two special schools.

University of South Dakota and Sanford School of Medicine: President James Abbott, Sheila Gestring, and Michael Lawler reviewed budget priorities for the University of South Dakota and the Sanford School of Medicine.

Black Hills State University: President Tom Jackson Jr., Kathy Johnson, and Rod Custer reviewed budget priorities for Black Hills State University.

South Dakota School of Mines & Technology: President Heather Wilson reviewed budget priorities for South Dakota School of Mines & Technology.

Dakota State University: Interim President Marysz Rames, Marcus Garstecki, Judy Dittman, and Stacy Krusemark reviewed budget priorities for Dakota State University.

Board Office: Executive Director & CEO Jack Warner, Monte Kramer, and Claude Garelik reviewed budget priorities for the BOR system and central office.

Northern State University: President Jim Smith and Veronica Paulson reviewed budget priorities for Northern State University.

South Dakota State University, SDSU Extension, and Agricultural Experiment Station: President David Chicoine, Laurie Nichols, and Barry Dunn reviewed budget priorities for South Dakota State University, SDSU Extension, and the Agricultural Experiment Station.

Board Deliberations: The Board requested that each institution further prioritize its budget requests in numerical order, to assist in the August budget deliberations.

Regent Jewett noted there were some common funding needs mentioned by most institutions, such as technology upgrades, service to veterans, and Title IX compliance. He said we should consider presenting some of those as part of a general budget request for the system. Regent Bastian said he also heard several common and continuing themes.

A copy of the institutions' budget presentations can be found on pages ___ to ___ of the official minutes.

ADJOURN

The Board adjourned at 1:40 p.m.