

SOUTH DAKOTA BOARD OF REGENTS

Academic and Student Affairs

AGENDA ITEM: 5 – N

DATE: October 7-8, 2015

SUBJECT: University Center-Sioux Falls Task Force Report Update

The Board of Regents discussed an item titled [Future University Center Models](#) at their August, 2015 meeting. The Board item and ensuing discussion included information on the decline in enrollment and the challenges faced in making the university center model sustainable. The Board subsequently authorized a committee to study and make recommendations on a new governance structure at the University Center-Sioux Falls (UC-SF). The committee met in Sioux Falls on September 11, 2015. Attendees at the meeting included three regents (a fourth attended by phone), the Executive Director of the Board of Regents, the Executive Director of University Center-Sioux Fall, the presidents of Dakota State University (DSU), University of South Dakota (USD), South Dakota State University (SDSU), and two members of Board office staff.

UC-SF Current Governance Structure

Day-to-day operations are currently under the authority of an Executive Director. Policy matters are decided by a Board of Directors comprised of the presidents from the three partner institutions (DSU, SDSU, and USD), the Executive Director of the Board of Regents and the Executive Director of UC-SF. In addition, a Management Council consisting of the distance education leaders of the partner universities advises the Board of Directors on management and operational practices. Revenue is split among institutions according to a 60/30/10 formula for each UC-SF course (60% of net tuition after expenses goes to UC-SF, 30% goes to the university teaching the course, 10% goes to the home university of each student in the course). Projected enrollment drops in FY16 will require partner universities to cover budget shortfalls rather than share net revenues.

Committee Discussion

The meeting participants agreed upon an outline of desired outcomes of the discussion. These outcomes included getting Sioux Falls to see itself as a “public university city,” using UC-SF as an “on-ramp” to the BOR system through new college participants and transfer opportunities, strengthening cooperation between BOR system and other postsecondary providers, and improving effectiveness of operations and management.

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RECOMMENDED ACTION OF THE EXECUTIVE DIRECTOR

Information only.

The Executive Director requested the partner university presidents submit proposals for a new governance structure prior to the meeting. Regents and university presidents discussed the merits and challenges of each proposed governance model. At the conclusion of the meeting, the regents present agreed to the following key elements for a new governance model at UC-SF:

- A lead institution will provide accountability and reduce friction in governing process.
- Governance and funding problems are linked – proper incentives for universities to participate at UC-SF is critical.
- UC-SF compatibility with Sioux Falls community is important – the needs of community are a priority over the needs of individual institutions.
- UC-SF should retain four-year degree focus with stackable degrees, but an emphasis on associate degrees should be part of new model.

The regents directed the three presidents, the UC-SF Executive Director, and the Board of Regents Executive Director to continue the discussion and integrate feedback from Sioux Falls community leaders (e.g., government officials, Sioux Falls Chamber of Commerce, Sioux Falls Development Foundation) during a meeting on October 6, 2015. A formal proposal to the Board of Regents regarding the UC-SF governance structure will incorporate relevant information from the Sioux Falls community discussion.