

**SOUTH DAKOTA BOARD OF REGENTS**

**Planning and Resource Development**

**AGENDA ITEM: 5 – I (1)**

**DATE: October 3-5, 2017**

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**SUBJECT**

**University Center-Sioux Falls Update**

**PERTINENT HISTORY**

The Board of Regents approved a new governance, funding, and operations model for the University Center-Sioux Falls (UC-SF) at the [March-April 2016](#) meeting. The Board received updates on the progress of initiatives at UC-SF at the [August 2016](#), [March 2017](#), [June 2017](#), and [August 2017](#) Board meetings.

**CONTROLLING STATUTE, RULE, OR POLICY**

[University Center-Sioux Falls Governance, Funding, and Operations MOU](#)

**BACKGROUND / DISCUSSION**

The attached report has four sections, each providing an update on a different aspect of the UC-SF. These sections are Governance and Operational Improvements, Enrollment Update, Consideration of Moving SDSU Nursing to UC-SF Site, and Community Steering Board.

The first section provides an overview of governance changes designed to improve operational efficiency, accountability, community involvement, and student success. The second section provides an enrollment snapshot for Fall 2017. The numbers show a small increase in total credits offered at UC-SF over the same time last year. The third section summarizes recent discussions on moving SDSU’s Sioux Falls Nursing program to the UC-SF site from its current home on the campus of Southeast Technical Institute. Several options are currently under review with the intent of bringing a recommendation to the Board at the December 2017 meeting. The fourth section summarizes upcoming changes for the UC-SF Advisory Council as it transitions to a Community Steering Board. The changes align with consultant recommendations and are intended to better link UC-SF operations to the economic and education needs of the Sioux Falls region. A revised version of the governance MOU outlining the changes will come to Board for approval at the December 2017 meeting.

(Continued)

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**INFORMATIONAL ITEM**

This item is for informational purposes only. Any action will be at the Board’s discretion.

**IMPACT AND RECOMMENDATION**

The Board of Regents' Executive Director, UC-SF Executive Director, and the three collaborating presidents of USD, DSU, and SDSU continue to develop consensus on operational changes and consultant recommendations. These developments include explorations of space utilization through relocation of the SDSU Nursing program and enhanced community involvement through restructuring of the Advisory Council into a Community Steering Board. Credit hours are up for Fall 2017, the first increase since 2011. New student enrollment is up 10%.

**ATTACHMENTS**

Attachment I – University Center-Sioux Falls Update

**October 2017**  
**University Center-Sioux Falls Update**

Contents

1. Governance and Operational Improvements
2. Enrollment Update
3. Consideration of Moving SDSU Nursing to UC-SF Site
4. Community Steering Board

**1. GOVERNANCE AND OPERATIONAL IMPROVEMENTS**

The University Center-Sioux Falls (UC-SF) has undergone significant revisions to the governance and operating structure in the last two years. Many of these revisions are recorded in the [new governance model MOU approved by the Board at the March-April 2016 meeting](#). A brief overview of governance and operational changes that relate to the MOU are found below in Section A. In addition, UC-SF Executive Director Craig Johnson presented recommendations for further governance improvements in an item presented to the Board at the [August 2017 meeting](#). Dr. Johnson, Board staff, and the three presidents of collaborating institutions at UC-SF (USD, SDSU, DSU) met to establish consensus on those recommendations. A summary of those recommendations are presented in Section B.

*A. Governance Improvements Related to 2016 MOU*

- USD established as lead institution with authority including but not limited to selection and supervision of the UC-SF Executive Director, schedules for course delivery, modes of course delivery, selection of general education course offerings, assignment of universities to teach general education and elective courses, developing UC-SF annual operating budget, maintaining facility maintenance, recommending academic program offerings, developing a strategic plan, and recommending off-campus tuition and fees for UC-SF. In addition, USD is responsible for administrative functions at UC-SF including but not limited to human resources, information technology services, accounting, budget, purchasing, and payroll.
- Number of individual course sections offered on-site reduced by 43% between Fall 2016 and Fall 2017, thereby reducing instructional costs.
- Monthly UC-SF activity report sent to provosts, presidents, finance vice presidents, Sioux Falls-based regents, and Board staff.
- Operating budget divided among USD, SDSU, and DSU to provide a stable financial base and incentivize universities to generate revenue through cost effective programs.
- Tuition and fee revenues are allocated to the student's home university for all courses. Collaborating institutions reimburse the university instructing a course for proportional to the number of its students enrolled in the course. In the former model, only the institution teaching a course received tuition dollars.

- Currently transitioning the UC-SF Advisory Council to an enhanced role as a Community Steering Board to ensure community input.

B. *Governance Improvements Receiving Consensus from UF-SF Partners*

- Commit to working through UC issues at the lowest levels possible.
- Create Community Steering Board to act in an advisory capacity to UC-SF.
- Apply the “student-centered, community-facing” value to all UC-SF issues, practices, and university proposals.
- Empower the UC-SF Executive Director to make more decisions and ensure adequate communication process in place between stakeholders.
- Continue exploring efforts for additional public and private funding for UC-SF to lower tuition cost, including reviewing potential statutory change for [SDCL 13-51-1.2](#) and [13-51-1.3](#).
- Target new programming in next 3-5 years to meeting needs/goals of our students, community and state. Explore certificate options in new associate degree programs where feasible.
- Increase outreach to under-represented and minority groups in the Sioux Falls area.
- Continue improving relationship with local area high schools (e.g., counselors).
- Continue existing collaboration model at UC-SF between SDSU, DSU, and USD with USD as lead institution.
- Continue seeking methods to lower the UC-SF tuition rate for lower division courses with a target of \$199 per credit or less.
- Build UC-SF Foundation through fundraising efforts to increase scholarships and support for additional activities and resources.
- Continue seeking financial support to develop and expand the UC-SF Student Success Center.
- Develop a community-based career development program at UC-SF to support career planning from middle school up through retired adults (and current UC-SF students).

2. ENROLLMENT UPDATE**Self-Support/Off-Campus Tuition Rate Enrollment**

	FALL 9/9/2016						FALL 9/8/2017						
	USD	SDSU	DSU	NSU	BH	Total	USD	SDSU	DSU	NSU	BH	Mines	Total
Undergraduate	3145	2430	1804	0	12	7391	4244	2366	824	6	47	16	7503
“ ” off UC <sup>1</sup>	60	0	0	0	0	60	0	0	87 <sup>2</sup>	0	0	0	87
Graduate	3	0	33	0	0	36	6	0	0	0	0	0	6
<i>Credit Totals</i>	<i>3208</i>	<i>2430</i>	<i>1837</i>	<i>0</i>	<i>12</i>	<i>7487</i>	<i>4250</i>	<i>2366</i>	<i>911</i>	<i>6</i>	<i>47</i>	<i>16</i>	<i>7596</i>
<i>Headcount Totals</i>						<i>976</i>	<i>Headcount Totals</i>						<i>967</i>

**Enrollment Data Snapshot**

- The total credits represent a 1.5% increase over the previous year.
- The increase in total credit hours represents first increase over previous year since 2011.
- The headcount enrollment is down 0.9%.
- Distribution of credits among institutions: USD 56%; SDSU 31%; DSU 12%
- AA/General Studies headcount: 107 students enrolled in Fall 2017, an increase over 56 in Fall 2016.
- 592 new UC students in Summer and Fall ‘17 combined, a 10% increase in new students over previous year.

3. CONSIDERATION OF MOVING SDSU NURSING TO UC-SF SITE

The SDSU Nursing program in Sioux Falls is currently located at a facility on the campus of Southeast Technical Institute (STI). Recent discussions between institutions and the Board of Regents have resulted in exploration of the feasibility of moving the program to the UC-SF site. A summary of those discussions to date is below.

- The chief financial officers (CFOs) for USD, DSU, SDSU and the Board office met with UC-SF Executive Director Craig Johnson in September to review general space issues at the Center. The group determined they should move forward with considering the move of SDSU Nursing and gather additional information.
- UC-SF staff met with SDSU Provost Dennis Hedge and Nursing staff to review the space request. SDSU agreed to review its dedicated space needs and provide the information to the other university CFOs.
- The current Health Sciences Center at STI housing SDSU Nursing consists of 9,552 sq. ft. of dedicated space. This includes but is not limited to three classrooms, two laboratory spaces, two conference rooms and twenty-four faculty offices. SDSU reports needing

<sup>1</sup> Undergraduate enrollment at sites that fall under UC-SF but are not at the UC-SF property.

<sup>2</sup> These credit hours are part of the dual enrollment early college program at Harrisburg High School.

13,000 sq. ft. of dedicated program space plus access to shared classroom and conference rooms.

- SDSU Nursing representatives are scheduled to meet with UC-SF staff to review four possible options for relocating the nursing program to the Center. The group will assess each option and establish a prioritized list to share with the university CFOs.
- The CFO group will review the information and determine one or two options to explore in detail. This may include utilizing an outside architect's expertise to assess the options and estimate cost. It was agreed that SDSU would provide funding for any remodeling required to house SDSU nursing at UC-SF.
- CFOs have initiated discussion with Regents Information System (RIS) on the feasibility of moving RIS operations to the space at STI currently occupied by SDSU Nursing.
- If SDSU Nursing moves to UC-SF, the estimated timeline is Summer 2018 with startup of operations in Fall 2018.
- A recommendation will come to the Board at the December 2017 meeting.

#### 4. COMMUNITY STEERING BOARD

The current MOU governing operations at the UC-SF established an Advisory Council of community members to provide input on strategic planning and higher education services. The [report from the FutureWorks consultants](#) recommended transitioning the Advisory Council to a Community Steering Board to “closely link the operations and services of a New UC to the Sioux Falls regional economy and to the education needs and interests of the people of Sioux Falls.” Regents agreed with this recommendation at the August 2017 Board meeting.

- UC-SF Executive Director Craig Johnson met with the Community Transition Team, a small working group of community leaders involved in the UC-SF planning project. The Community Transition Team currently consists of Dave Rozenboom (Forward Sioux Falls), Daren Ketcham (City of Sioux Falls), Lon Clemenson (Sioux Falls Development Foundation), Mike Lynch (Forward Sioux Falls/Chamber of Commerce), Rich Naser (Zeal Center/Discovery District), and Vernon Brown (Forward Sioux Falls/SDN Communications). The Community Transition Team agreed to a three-tiered approach for community engagement at UC-SF:
  - Community Steering Board consisting of up to ten community leaders/CEOs who will work with UC-SF on “big picture” and strategic issues.
  - Program advisory groups for key UC-SF program areas, including human resources professionals or experts from key employers in each program area.

- Program review groups consisting of industry experts as needed to review proposals for new programs at UCSF.
- The Community Transition Team is currently working on two primary tasks:
  - Drafting a model for the structure and processes for a new Community Steering Board.
  - Developing a proposal for membership of the Community Steering Board.
- The above proposals will include input from the UC partner universities and Governor's Office of Economic Development (GOED) representatives in Sioux Falls.
- USD President Abbott will receive final proposals for review and approval in early October.
- Based on conversations with Regents at the August 2017 meeting and follow up meetings with Executive Director Rush and the presidents of USD, DSU, and SDSU, the following draft revisions to the MOU are under consideration. A final version has not been presented to the Board due to potential revisions suggested by the Community Transition Team; however, final revisions will come to the Board for approval in December:

## **2.2 Community Steering Board**~~Advisory Council:~~

USD will establish a **Community Steering Board**~~UC-SF Advisory Council~~ consisting of appropriate representation from the Sioux Falls business and civic community,~~;~~ partner universities, and the Executive Director of the Board of Regents (or his/her designee).~~The~~ **Community Steering Board**~~Advisory Council~~ will ensure the community has direct and regular communication with the leadership of the UC-SF and partner universities. USD, in consultation with partner universities, will determine the business and civic community membership of the **Community Steering Board**~~Advisory Council~~ and consider recommendations received from the Sioux Falls Chamber of Commerce, Sioux Falls Development Foundation, Forward Sioux Falls, local government, and/or other community constituencies as determined by USD. ~~Partner university presidents may select one representative for their institution. The UC-SF Executive Director~~ President of USD and/or his designee will chair the **Community Steering Board**~~Advisory Council~~. The **Community Steering Board**~~Advisory Council~~ will meet regularly with the UC-SF Executive Director to provide community input on strategic planning, higher education services at UC-SF, and other issues as determined by USD.