

**BOARD OF REGENTS
MINUTES OF THE MEETING
October 2-3, 2019**

The South Dakota Board of Regents met on October 2-3, 2019 at Dakota State University in Madison, South Dakota with the following members present:

John Bastian, Vice President
Jim Morgan, Secretary
Lucas Lund, Regent
Pam Roberts, Regent
Randy Schaefer, Regent
Barb Stork, Regent
Jim Thares, Regent
Joan Wink, Regent

Members not present:

Kevin Schieffer, President

Also present during all or part of the meeting were Dr. Paul B. Beran, Board of Regents Executive Director and CEO; Jay Perry, System Vice President of Academic Affairs; Heather Forney, System Vice President of Finance and Administration; Nathan Lukkes, Board of Regents General Counsel; Michele Anderson, Internal Auditor; Kayla Bastian, Director of Human Resources; Dave Hansen, System Chief Information Officer; Janelle Toman, Director of Communications; Scott Van Den Hemel, System Compliance Officer; Joelle Lien, System Associate Vice President of Academic Affairs; Molly Weisgram; Executive Assistant to the CEO and Board; Barry Dunn, SDSU President; José-Marie Griffiths, DSU President; Laurie Nichols, BHSU Interim President; Jim Rankin, SDSM&T President; Tim Downs, NSU President; Sheila Gestring, USD President; Jim Jacobson, Josh Pauli, Dave Overby, Angie Kappenman, Judy Dittman, David Weidler, Mandy Parpart, Rayanne Liester, Alexis Kulm, Abigail Wiff, Kanthi Nasukenda, DSU; Michael Wanous, Checka Leinwall, James Heisinger, Garytt Tostenson, Jordanne Dulhenry, Danielle Notz, Katie Olson, Megan Freklaldt, Janie Borkowski, Mark Millage, Harrison runs, Adela Alinani, Amelie Wachsmuth, Jacob Swanson, Thalia Martin, Steven Meyer, NSU; Pat Mahon, Jesse Herrera, SDSM&T; Dennis Hedge, Michaela Willis, Michael Holbeck, Rob Kohrman, SDSU; Beth Freeburg, Kurt Hackemer, Bruce Kelley, Carmen Simone, Lamont Sellers, Carson Zubke, Hannah Booth, Abule Jiel, USD; Claudean Hluchy, SDSD/SDSBVI; Carla Gatzke, Daktronics; David Owen, SD Chamber; Nathan Sanderson, SD Retailers; Nicole Freeseaman, Raven; Sandra Ogenremi, Regional Health; and other members of the Regental system and public and media.

WEDNESDAY, OCTOBER 2, 2019

Regent Bastian declared a quorum present and called the meeting to order at 10:50 a.m.

BOARD WORK

1-A Approval of the Agenda

IT WAS MOVED by Regent Morgan, seconded by Regent Wink, to approve the agenda as published. Motion passed.

1-B Declaration of Conflicts

There were no declared conflicts.

1-C Approval of the Minutes – Meeting on August 7-8, 2019

IT WAS MOVED by Regent Morgan, seconded by Regent Stork, to approve the minutes of the meeting on August 7-8, 2019. Motion passed.

1-D Rolling Calendar

Dr. Paul B. Beran, Board of Regents Executive Director and CEO, explained that although the agenda item suggested a date change for the December Board meeting, this did not work for all members. Therefore, he recommended that the meeting dates remain the same as originally proposed: December 11-12, 2019. That said, he would still encourage the Board to accept the location change from Vermillion to Sioux Falls.

IT WAS MOVED by Regent Wink, seconded by Regent Morgan, to accept the location change of the December 2019 Board of Regents meeting to Sioux Falls at the Community College for Sioux Falls. Motion passed.

A copy of the Rolling Calendar can be found on pages ____ to ____ of the official minutes.

IT WAS MOVED by Regent Morgan, seconded by Regent Stork, that the Board dissolve into executive session at 11:04 a.m. on October 2, 2019, to consult with legal counsel and discuss personnel matters, pending and prospective litigation, contractual matters, marketing or pricing strategies by a board of a business owned by the state when public discussion may be harmful to the competitive position of the business; that it recess at 2:30 p.m.; that it reconvene into executive session at 12:00 p.m. on Thursday, October 3, 2019, to continue to discuss the earlier referenced matters; that it rise from executive session at 1:30 p.m. to resume the regular order of business; and that it report its deliberations while in executive session. Motion passed.

The Board reconvened at 2:30 p.m.

3-A Welcome and Presentation by DSU President José-Marie Griffiths

DSU President José-Marie Griffiths welcomed the audience to Dakota State University. She shared information about the advancements at DSU, including the new Madison Cyber Labs. She described DSU's involvement in helping the Madison community during the 500-year flood that occurred a few weeks previously. President Griffiths concluded her address by showing a video that featured DSU students and faculty.

3-B Report of the Executive Director/Interim Actions

Dr. Paul B. Beran, Board of Regents Executive Director and CEO, explained that since the August Board retreat, the Board's budget requests have been presented to the Governor's staff, the Council of Presidents have met in Pierre, the Student Federation met with the Board's central office staff in Pierre, and the Deputy Secretary of the US Department of Education toured SD Mines. He also recognized Heather Forney as the new System Vice President of Finance & Administration. Last, he addressed the public universities' fall enrollment numbers and congratulated DSU on bucking the trend of a slightly downward enrollment.

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

3- C Reports on Individual Regent Activities

No report

3-D Reports from Individual Presidents and Superintendents

No report

3-E Student Federation Report

Josh Sorbe, Student Federation Executive Director, thanked the DSU Student Senate for hosting the Student Federation during its October meeting. He said each student association was assigned legislators to contact and engage before the 2020 legislative session, and these contacts have been made. He said the Student Federation had its retreat in September at the Board office in Pierre, which included information on intellectual diversity and how that relates to budgeting. He reported that intellectual diversity training for students is happening at the campuses.

He said the Students in Higher Education Day (SHED) is scheduled from 7:30-11:00 a.m. on February 10, 2020 in the Capitol Rotunda in Pierre. He anticipates roughly 100 students in attendance. He invited the Board members to attend on February 9, when the students will be doing their lobbying training. He noted that Dr. Beran is already on the schedule.

Lastly, Executive Director Sorbe said the Dakota's Promise has been a topic of discussion with the Student Federation recently. He thanked the Board for including the higher level ACT scores

into the eligibility criteria. He welcomed additional student federation members to the table for their commentary on the outlined eligibility requirements for the drafted Dakota's Promise Scholarship program. Various students spoke to the proposed eligibility requirements.

Regent Bastian asked the students to submit their written remarks to the Board office for inclusion in the minutes. These written remarks can be found on pages ____ to ____ of the official minutes.

A copy of the Student Federation Report can be found on pages ____ to ____ of the official minutes.

3-F DSU and NSU Student Organization Awards

Jim Jacobson, DSU Vice President for Student Affairs, presented the Student Organization Awards for DSU. The DSU award for Academic Excellence for 2018 was presented to Phi Beta Lambda (PBL) Business Club. The DSU award for Community Service was presented to The Alliance. The DSU award for Organization Leadership was presented to CybHER.

Dr. Checka Leinwall, NSU Associate Vice President for Student Affairs/Dean of Students, presented the Student Organization Awards for NSU. The NSU award for Academic Excellence for 2018 was presented to Honors Club. The NSU award for Community Service was presented to Environmental Club. The NSU award for Organization Leadership was presented to The Exponent.

A copy of the DSU and NSU Student Organization Awards can be found on pages ____ to ____ of the official minutes.

CONSENT AGENDA

IT WAS MOVED by Regent Morgan, seconded by Regent Stork, to approve consent agenda items 4-A through 4-H. Motion passed.

Academic and Student Affairs – Consent

4-A (1) Agreements on Academic Cooperation – Black Hills State University

Authorize to approve Black Hills State University's agreement on academic cooperation with Mongolian National University of Education, as presented in the agenda item.

A copy of the Agreements on Academic Cooperation – Black Hills State University can be found on pages ____ to ____ of the official minutes.

4-A (2) Agreements on Academic Cooperation – Northern State University

Authorize to approve the agreement on academic cooperation between Northern State University and Okanagan College, Canada, as presented in the agenda item.

A copy of the Agreements on Academic Cooperation – Northern State University can be found on pages ____ to ____ of the official minutes.

4-A (3) Agreements on Academic Cooperation – University of South Dakota

Authorize to approve the agreement on academic cooperation between the University of South Dakota and 1) the University of Western Australia, and 2) the University of Groningen, Netherlands, as presented in the agenda item.

A copy of the Agreements on Academic Cooperation – University of South Dakota can be found on pages ____ to ____ of the official minutes.

4-B (1) Articulation Agreements – Black Hills State University

Authorize to approve the articulation agreement between Black Hills State University and Western Dakota Technical Institute, as presented in the agenda item.

A copy of the Articulation Agreements – Black Hills State University can be found on pages ____ to ____ of the official minutes.

4-B (2) Articulation Agreements – South Dakota State University

Authorize to approve the articulation agreement between South Dakota State University and Northcentral Technical College, as presented in the agenda item.

A copy of the Articulation Agreements – South Dakota State University can be found on pages ____ to ____ of the official minutes.

4-C Dual / Concurrent Credit Transfer of Credits Agreement – John Witherspoon College

Authorize to approve the Dual / Concurrent Credit Transfer of Credits Agreement with John Witherspoon College, as presented in the agenda item.

A copy of the Dual / Concurrent Credit Transfer of Credits Agreement – John Witherspoon College can be found on pages ____ to ____ of the official minutes.

4-D Naming Request – SDSMT – Chemistry and Applied Biological Sciences Department

Authorize to approve SDSMT's request to rename the Department of Chemistry and Applied Biological Sciences to the Department of Chemistry, Biology and Health Sciences, as presented in the agenda item.

A copy of the Naming Request – SDSMT – Chemistry and Applied Biological Sciences Department can be found on pages ____ to ____ of the official minutes.

4-E Fusion Center Joint Powers Agreement – DSU, Dept. of Public Safety & City of Sioux Falls Police Department

Authorize to approve the Joint Powers Agreement set forth in Attachment I of the agenda item and to authorize the DSU President to finalize and execute the JPA in substantially similar form to that set forth in Attachment I of the agenda item, as presented in the agenda item.

A copy of the Fusion Center Joint Powers Agreement – DSU, Dept. of Public Safety & City of Sioux Falls Police Department can be found on pages ____ to ____ of the official minutes.

4-F BOR Policy Revisions – Institutional Mission Statements (Second Reading)

Authorize to approve the second and final reading of the revised BOR Policies 1:10:1 through 1:10:6, as presented in the agenda item.

A copy of the BOR Policy Revisions – Institutional Mission Statements (Second Reading) can be found on pages ____ to ____ of the official minutes.

Budget and Finance – Consent

4-G BOR Policy 5:20 – Cash Management (Second Reading)

Authorize to approve the second and final reading of the revisions to BOR Policy 5:20 – Cash Management as shown in Attachment I of the agenda item, as presented in the agenda item.

A copy of the BOR Policy 5:20 – Cash Management (Second Reading) can be found on pages ____ to ____ of the official minutes.

4-H BOR Policy 5:22 Graduate Assistants and Fellows (Second Reading)

Authorize to approve the second and final reading of the revisions made to BOR Policy 5:22 – Graduate Assistants and Fellows as shown in Attachment I of the agenda item, as presented in the agenda item.

A copy of the BOR Policy Revisions (Second Reading) can be found on pages ____ to ____ of the official minutes.

Routine Information Items – Consent

4-I Capital Project List

A copy of the Capital Project List can be found on pages ____ to ____ of the official minutes.

4-J Building Committee Report

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

4-K Accreditation Status Report

A copy of the Accreditation Status Report can be found on pages _____ to _____ of the official minutes.

4-L FY20 Public Service Activity (PSA) Report

A copy of the FY20 Public Service Activity (PSA) Report can be found on pages _____ to _____ of the official minutes.

ACADEMIC AND STUDENT AFFAIRS

5-A (1) BOR Policy 1:29 – State Authorization Reciprocity Agreement (SARA) Revisions (First Reading)

Dr. Jay Perry, System Vice President for Academic Affairs, explained that NC-SARA is a national initiative making distance education courses more accessible to students across state lines, as well as making it easier for states to regulate and institutions to participate in interstate distance education. At the October 2014 Board meeting, the Board approved the original version of Board Policy 1:29 – State Authorization Reciprocity Agreement (SARA). This policy emerged as the State of South Dakota joined NC-SARA; in addition, an executive order of the Governor designated the Board of Regents as SARA State Portal Entity for South Dakota.

Since that time, the policies and procedures governing NC-SARA have changed considerably, as the founding documents of NC-SARA transitioned from four regional agreements to one unified agreement in 2015. Also, some of the early policy guidance from NC-SARA has been incorporated into an NC-SARA Manual, clarifying many topics for NC-SARA participants. As such, the current Board Policy regarding SARA is outdated.

Dr. Perry noted that the revisions to Board Policy 1:29 will simplify the policy and make frequent reference to the NC-SARA manual, which governs many aspects of the BOR Policy. When revisions are made to the NC-SARA manual, the BOR will not need to update its policies. In addition, the sections of the policy regarding the state SARA fee and the student complaint process have undergone minor revision. The section regarding institutional appeals for institutions has been updated to more accurately reflect NC-SARA policy.

IT WAS MOVED by Regent Wink, seconded by Regent Lund, to approve the first reading of the proposed revisions to BOR Policy 1:29 – State Authorization Reciprocity Agreement (SARA), as presented in Attachment I of the agenda item. Motion passed.

A copy of the State Authorization Reciprocity Agreement (SARA) Revisions (First Reading) can be found on pages _____ to _____ of the official minutes.

5-A (2) BOR Policy 2:23 – Accelerated Graduate Program Policy Revisions (First Reading)

Dr. Jay Perry, System Vice President for Academic Affairs, said the Board of Regents approved changes to BOR Policy 2:5 at its April 2019 meeting to require Board approval for graduate accelerated programs consisting of thirteen (13) or more credit hours. Previously, all such accelerated programs required individual Board approval. However, BOR Policy 2:23 now contradicts the new language in BOR Policy 2:5. The proposed revision to BOR Policy 2:23 aligns language with the Board's previously approved language in BOR Policy 2:5 as it related to accelerated graduate programs.

Considering that this policy change contains merely clean up language, Regent Morgan asked if it was necessary to have a second reading. The group agreed that a first and final reading was appropriate.

IT WAS MOVED by Regent Wink, seconded by Regent Lund, to approve the first and final reading of the proposed revisions to BOR Policy 2:23 – Program and Curriculum Processes, as presented in Attachment I of the agenda item. Motion passed unanimously.

A copy of the BOR Policy 2:23 – Accelerated Graduate Program Policy Revisions (First Reading) can be found on pages _____ to _____ of the official minutes.

7. Diversity Forum: Intersection of Education and Workforce

The Board of Regents hosted a panel discussion on the significance of educating future employees on diversity and cultural awareness. The following individuals participated as panelists: David Owen, SD Chamber President; Nathan Sanderson, SD Retailers Association Executive Director; Carla Gatzke, Daktronics VP for Human Resources; Sandra Ogunremi, Regional Health Manager of Diversity, Inclusion & Equality; and Nicole Freeseemann, Raven VP of Human Resources.

Each panelist shared a brief opening statement before answering questions posed by the Board members and students.

Nicole Freeseemann, VP of Human Resources at Raven, said diversity and inclusion is a hot topic for employers today. She said companies like Raven are becoming global at an ever increasing rate. There is a great need for employees to respect differences as well as see similarities. She said Raven's culture is founded on respect. In its assessment, respect is the same as inclusion. In the Raven family, it is expected that employees be accepting of each other's differences and that same concept is built into training and development practices. Nicole Freeseemann said society is becoming increasingly multi-cultural and, therefore, promoting cultural awareness is critical.

David Owen, SD Chamber President, noted that diversity is a term coined in the 1400s, ironically, at a time when people lived in very small villages and didn't travel far from home. He went on to explain that South Dakota's demographics are changing. South Dakota is becoming more diverse.

He emphasized that a major concern for South Dakota businesses is finding workers. He said part of the solution is employing those with diverse backgrounds. As far as higher education's role in this, he said it is essential that students be provided exposure to a broad swath of thinking and perspectives because that is how they are going to learn critical thinking and become future leaders in the work world.

Nathan Sanderson, SD Retailers Association Executive Director, said retail businesses value intellectual diversity and diversity of perspective. He noted this conversation is actually the intersection of politics and policy, especially in a time where society is more politically polarized than it has ever been. He said the way to navigate this is communication, and the way it is communicated is so critical in the process.

Carla Gatske, VP of Human Resources at Daktronics, noted that 1,000 of Daktronics's 2,500 employees live across the country. It also has customers in over 70 countries. She said from her perspective in business, inclusion is not only respect but it is also the knowledge of how to leverage differences. She said diversity of experiences and perspectives helps Daktronics' employees understand customers' needs. When 80% of Daktronics' employees got their bachelor's degree in South Dakota, from the company's perspective, it is critical that graduates of South Dakota universities have curious and open mindsets.

Sandra Ogenremi, Regional Health Manager of Diversity, Inclusion & Equity, explained that diversity is asking everyone to the party and inclusion is asking them to dance. She said at Regional Health all are welcome. She said cultural awareness is first about taking a step back from yourself in order to understand your own beliefs and values. Secondly, it's about understanding the difference of how you would normally behave versus the norms of behavior in other cultures. She said this concept is critically important to Regional Health because they deal with patients. Being able to consider things from the patients' perspective is directly related to the quality of care they can provide.

In response to a question from Regent Lund, Nicole Freeseemann explained that Raven interviews for cultural fit which include shared values. Those values create an environment of inclusion and diversity. She said Raven aims to build a diverse workforce through its recruitment practices.

Sandra Ogenremi explained that physician recruits will often ask if they will be accepted in Rapid City. When that happens, she connects them with others from their area of the world to let them know they will be welcomed and accepted.

Recognizing that this conversation is political, Regent Wink asked for panelists' suggestions of how to navigate it. Nathan Sanderson said it is not what you say, it is how you say it. Because much of the dialog has been about diversity centers, yet there is not one system approach to diversity efforts, it has to be navigated institution to institution. He emphasized that communication is critical, and it is important to infuse a political lens when communicating with lawmakers.

David Owen said there is great power in telling the truth quietly and letting advocates like those in business and industry set the record straight.

Dr. Beran asked the panelists what they expect employees should bring to the workplace from their educational experience. In response, Nicole Freeseemann said they are looking for open minded and curious employees, who can collaborate with one another and break down barriers without adding new ones. Sandra Ogenremi said Regional Health wants welcoming employees who can be a grace to others and focus on the purpose for which they are there, which is positively caring for patients. Carla Gatzke said Daktronics is looking for those who create welcoming environments, have diverse perspectives, and can communicate to problem solve. She urged higher education to incorporate opportunities into the curriculum and extracurricular activities that allow students to practice these skills. David Owen said it is important that students (future employees) always allow the possibility that their opponent is right or at least has a point. Students should leave higher education with the ability to put the headlines into context.

DSU student Carl Peterson asked panelists what they would do in the business setting if one of their employees had a hateful mindset. In response, Nathan Sanderson said he is generally leery of anyone with a set agenda. People who come with an agenda tend to only want to be interested in that agenda. He followed up by saying if someone comes into the workplace that does not fit the company's culture, then they don't belong in that organization. Carla Gatzke said it is not mindset, rather bad behaviors that need to be corrected. Sandra Ogenremi stressed the importance of considering why a behavior comes, as it may not be intended in an offensive way. People with different cultural norms may not know the behavior is inappropriate.

In response to a question by Regent Thares, Sandera Ogenremi said when there is in-fighting it is critical to listen and understand why. Nicole Freeseemann agreed it is important to seek to understand differences first and then educate second. She said the cultural values of the workplace need to be made clear and if the employee cannot abide within those values the employee should not work there.

SDSMT student RyAnne Blau asked the panelists their suggestions on what future leaders can do to ensure success later on. In response, David Owen said rounding yourself out as a true human being will make you more valuable. Higher education is not just about getting a job, it is about broadening your life. Nathan Sanderson said there was no particular class or activity, rather the entire experience of being at an institution of higher learning and interacting with others of different backgrounds that made the biggest impact. Carla Gatzke said industry wants employees to be able to work together, so she recommends fostering their ability to think critically, work with others, collaborate, form teams, etc.

USD student Carson Zubke said diversity efforts have had a lot of conversation lately. He asked if panelists have seen an increasing level of cultural awareness in their employees over the last 10 years. Nathan Sanderson said there is no doubt that the workforce is getting people with more diversity and diversity of thought.

Sandra Ogenremi said that when employees come from different states they are in shock. People who come from the east coast are surprised at the smiling and waving that happens in South Dakota. As a nation, we are very different. Sometimes we have to help employees learn about this culture. She suggested that the workplace needs people who can help new employees navigate these changes when they come.

Regarding a question about the universities' diversity offices, Nathan Sanderson said there probably is not regular business contact with diversity offices, which is not necessarily bad. He recognized that part of the impetus for the panel is that there has been so much legislative focus on the diversity centers. He said as conversations go on about diversity offices, keep in mind the way in which those entities are communicated externally and internally. Keep in consideration the intended messages and the way in which the messages are communicated. David Owen said he does not have experience with the diversity offices but said Sioux Falls is living diversity and doing it really well.

Another DSU student said DSU does not have a diversity office and wonders if the panelists see this as a disadvantage. Carla Gatzke said not having a diversity office itself is not a disadvantage but the diversity effort should be addressed somehow. She said we want our organizations to be welcoming, and diversity centers create a good model for welcoming all.

Regent Thares noted that immigration patterns are a major change, and we need to understand and respect those cultures.

Campus Community Forum

The Board responded to questions from the campus community.

THURSDAY, OCTOBER 3, 2019

Breakfast Meeting with Area Legislators

Senator Kris Langer (District 25), Representative Marli Wiese (District 8), and Representative Randy Gross (District 8) met with Board members to informally discuss priorities in the public university system. Topics included the Dakota's Promise need-based scholarship proposal, collaboration among universities, and outlook for the upcoming legislative session.

The Board reconvened at 9:00 a.m.

ACADEMIC AND STUDENT AFFAIRS – Continued

5-B South Dakota Jump Start Evaluation Report

Dr. Jay Perry, System Vice President for Academic Affairs, explained that the South Dakota Jump Start program was funded in 2014 through a First in the World (FITW) grant from the Fund for the Improvement of Postsecondary Education (FIPSE) administered by the US Department of Education. The US Department of Education awarded the \$3.6 million grant to South Dakota as one of twenty-four such awards from more than 500 proposals. The intent of the grant was to improve access and success for 900 American Indian and low-income students at seven institutions (all Board of Regents institutions and Oglala Lakota College).

He explained that Jump Start provided in-depth services to low-income and American Indian students across South Dakota, in addition to studying the results of the program to generate momentum toward completion of a college degree. Qualifications for participation in the program included South Dakota residency (or graduate of a South Dakota high school), and status as American Indian or low income. The program sought to support two cohorts of students: first time degree-seeking undergraduates for the 2015-16 and 2016-17 academic years. Components of the program included: access advisors, summer bridge program, earn & learn opportunities for free college credit in the summer, living & learning communities, retention advisors, and a lending library.

Deb Thorstenson, Jump Start Program Director, provided highlights of the findings and answered questions.

A copy of the South Dakota Jump Start Evaluation Report can be found on pages _____ to _____ of the official minutes.

5-C Academic Advising Study Follow-up

Dr. Jay Perry, System Vice President for Academic Affairs, explained that the Board received a report on academic advising at system institutions during its August 2019 meeting. During those discussions, the Board requested follow-up information on the number of advisors and associated personnel costs at each institution. He provided an overview of the follow-up information. He noted that in addition to benefits of professional advising identified in the August 2019 report, it is important to note that professional advising (i.e., non-faculty advisors) also frees up faculty workload to concentrate on teaching and research endeavors.

Dr. Perry explained that the university system currently employs 82.65 FTE as professional advisors. The total personnel cost is \$5,600,302, with nearly \$530,000 of that total currently paid through various grant programs. Since 2010, the university system has witnessed a 3% increase in first-year retention rates at the starting institution and within the system as a whole. More importantly, the four-year graduation rate has improved by 15% during that time.

A copy of the Academic Advising Study Follow-up can be found on pages _____ to _____ of the official minutes.

5-D Diversity Centers Presentation

Janelle Toman, System Director of Communications, explained that demographics across the United States are changing. Universities nationwide increasingly will mirror the diversity of society, representing a wide variety of religious, socioeconomic, and political backgrounds. As a result, universities have developed programming and services to address diversity and inclusion. In the South Dakota public university system, all of our universities have some level of programming. Three institutions – South Dakota School of Mines & Technology (SD Mines), South Dakota State University (SDSU), and the University of South Dakota (USD) -- have established diversity centers.

She said recent attention to the topic of intellectual diversity has prompted interest in the mission and function of the diversity centers. She introduced representatives from SD Mines, SDSU and USD who presented information and answered questions about the centers' mission and goals, daily functions, structure and staffing, and budget.

Jesse Herrera, Director of the Center for Inclusion, and Pat Mahon, Vice President of Student Development/Dean of Students, presented on behalf of SD Mines. Michaela Willis, Vice President of Student Affairs, and Kas Williams, Chief Diversity Officer, presented on behalf of SDSU. Kim Grieve, Vice President of Student Affairs and Dean of Students, and Lamont Sellers, Chief Diversity Officer, presented on behalf of USD.

In response to clarifying questions, Director Herrera clarified that he offers an emotional intelligence and intercultural competency assessment for students who wish to better understand themselves and better understand how they best work in workplace teams. Additionally, he shared information about the university's Inclusion Committee, explaining that the group talks about the practical things on campus that truly signal inclusion.

Chief Diversity Officer Williams explained accreditation requirements related to diversity and the repercussions of not complying. Vice President Willis further described related offices that fall outside of SDSU's Office of Diversity, Inclusion, Equity and Access. These include the Wokini Initiative, American Indian Student Center, the Multicultural Affairs office, the Veteran's Affairs office, and the International Affairs office.

In response to a question by Regent Wink, the presenters told their stories about why they went into their profession.

Regent Lund asked about how speakers are invited to campus. Panelists said student organizations invite speakers and pay for them through the General Activity Fee and through corporate sponsorships. Additionally, faculty members invite speakers into the classroom.

In response to a question related to intellectual diversity and the role of diversity centers in this regard, panelists said there are always ways to get better at fostering intellectual diversity. However, the myth around diversity centers is that they are trying to quiet voices. On the contrary, they work to bring all voices to the table, which is important to the learning process but also encourages student retention and graduation.

A copy of the Diversity Centers Presentation can be found on pages _____ to _____ of the official minutes.

5-E Dakota's Promise Scholarship Program

Dr. Paul B. Beran, Board of Regents Executive Director and CEO, and Dr. Jay Perry, System Vice President for Academic Affairs, explained that at the August 2019 Board retreat and business meeting, the Board of Regents voted to support a state budget request for a needs based scholarship program. The scholarship is designed as a \$4 million program, with roughly \$2 million being requested of the state and \$2 million in private dollars as a 1:1 match. Along with the budget

request approved at its August 2019 meeting, the Board approved broad outlines for Dakota's Promise Scholarship eligibility.

Dr. Beran explained that this scholarship is designed to focus on a financially at-risk group of students who have the most opportunity to succeed per the following eligibility requirements: Pell eligible; ACT 22+; GPA 3.0+; South Dakota resident; first time; full time (12+ credits per semester); degree seeking – 2 or 4 year; no remedial coursework needed; and the requirement to accumulate 30 credit hours per academic year (including summer) and maintain in good standing status.

He said it gives a palpable and reachable goal to move this cohort's current four-year graduation rate of 41% to the average four-year graduation rate of 50%. The success of these students (i.e., graduation) will mean a more than 70% chance that they will stay in South Dakota upon graduation. He estimated 470 students entering the program each year and a 10% matriculation rate year after year, meaning this scholarship is estimated to provide \$2,500 to 1,616 students each year once the program is fully ramped up (i.e. four years after inception).

Dr. Beran reported that Regent Schieffer suggested we also build in an index so as not to lose buying-power in the future.

A copy of the Dakota's Promise Scholarship Program can be found on pages ____ to ____ of the official minutes.

BUDGET AND FINANCE

6-A Fall 2018 Facilities Utilization Report

Scott Van Den Hemel, System Compliance Officer, provided an overview of the Fall 2019 facilities utilization report.

Regent Roberts said she is disappointed that these numbers fall short of the stated goals. Discussion ensued about how the goals were originally set and how they compare to other states' goals.

Compliance Officer Van Den Hemel said this report does not address the quality of the space nor whether faculty are avoiding space because it is not suitable for the way they need to teach.

Regent Thares asked how these reports instruct us to make change. In response, Compliance Officer Van Den Hemel said much of the work has been done at the campus level. If there is a system-wide direction, the Board office will help implement.

Regent Roberts said it is time to take action. She suggested having one university at a time address the relevant information in the report and share its action plan for how to get the goals met.

Dr. Beran recommended the Board enlist a firm that has a national perspective that can compare both quantity and quality.

There was consensus of the Board members that as a first step, each university should come before the Board to address its information and share an action plan. This will begin with Northern State University in December 2019.

A copy of the Fall 2018 Facilities Utilization Report can be found on pages ____ to ____ of the official minutes.

6-B HEFF Cash Flow Statement

Heather Forney, System Vice President of Finance & Administration, provided an overview of the HEFF Cash Flow Statement, explaining that the primary source of dollars to fund construction, maintenance and renovation of university academic facilities is the tuition dollars placed into the Higher Education Facilities Fund (HEFF).

She said based on current assumptions and revenues, \$10.5 million of projects can be bonded in FY22 and \$12.5M in FY27. If this happens, it will have taken 15 years to complete the projects that were originally thought to be completed in 10 years.

She noted that there will be some proposed changes to the 2012 Ten-Year Capital Plan priorities as part of the 2020 legislative package. Given the Board's approval of the USD Allied Health facility as part of the FY21 budget request, USD will request a change to the legislation to move its \$7.5 million from Dakota Hall to the new facility. BHSU will also request a change to the E. Y Berry Library project to add up to 5,000 GSF to the building and increase funding from maintenance and repair funds by \$4.9 million, making the total project cost estimate \$9.4 million.

The plan would be to issue bonds for the USD Allied Health Facility (\$7.5 million) and the E.Y Berry Library (\$3.0 million) in FY22. In FY22, the fund will also pick up the interest costs portion of the debt service for the SDSU Performing Arts Center, of around \$510,000 per year. The remaining SDSU projects totaling \$12.5 million would not be bonded until FY27 based on current projections.

Regent Roberts explained that Regent Thares has agreed to examine this further on behalf of the Budget and Finance Committee.

A copy of the HEFF Cash Flow Statement can be found on pages ____ to ____ of the official minutes.

6-C FY21 Proposed Legislation

Heather Forney, System Vice President of Finance & Administration, explained that each year the Regental institutions are asked to identify any capital projects or legislative requests that potentially could go before the Legislature. Each request must include descriptions and explanations and fund sources for any capital projects. Per Board policy, institutions must have the funds in-hand or guaranteed and available immediately from its respective foundation before the request can go before the Legislature.

Vice President Forney provided an overview of the FY21 proposed legislation.

A copy of the FY21 Proposed Legislation can be found on pages _____ to _____ of the official minutes.

6-D USD Health Sciences Building Preliminary Facility Statement

Adam Rosheim, USD Vice President of Finance & Administration, described the University of South Dakota's request for approval of its Preliminary Facility Statement to plan a 45,000 square foot state-of-the-art Health Sciences building that will support the anticipated growth and demand for health care workforce professionals in South Dakota. The new facility will provide a contemporary environment that strengthens the environment for classrooms, lab settings, collaborative and inter-professional efforts, and hands-on experiences in healthcare simulation, which are a critical focus of the School of Health Sciences (SHS).

According to USD, primary constituents to be served by this facility are the students, faculty, and staff of eight of the 10 Health Sciences majors (Addiction Counseling and Prevention, Dental Hygiene, Health Sciences, Masters of Public Health, Medical Laboratory, Nursing, Physician Assistant, and Social Work). Additionally, external constituents will be served through the use of clinical skills, simulation and dental hygiene clinic space that will exist in the new facility. The focus of this project is to provide a state-of-the-art contemporary building which will support the academic, research, and service missions of eight of USD's fastest growing majors in health professional disciplines.

Approval of the Preliminary Facility Statement allows the campus to do appropriate planning and does not constitute approval of the project by the Board. The planning phase of the project is recommended by the Board office.

In response to a question by Regent Thares, Vice President Rosheim addressed USD's plan for maintenance and repair for this project.

IT WAS MOVED by Regent Roberts, seconded by Regent Lund, to approve the Preliminary Facility Statement for the USD Health Sciences Building, as presented. Motion passed.

A copy of the USD Health Sciences Building Preliminary Facility Statement can be found on pages _____ to _____ of the official minutes.

6-E DSU Education and Economic Development Corporation (DSUSOAR)

Nathan Lukkes, Board of Regents General Counsel, explained that DSU requests that the Board authorize the formation of a nonprofit corporation (DSUSOAR) pursuant to its authority under SDCL chapter 5-29, and consistent with the Articles of Incorporation set forth in Attachment I of the agenda item, and the By-Laws set forth in Attachment II of the agenda item. He explained that DSUSOAR will serve two primary purposes for DSU. It will promote and provide cyber and related education programs to individuals outside of the traditional credit bearing and post-secondary degree granting environment; and develop, maintain and operate economic

development initiatives that support the teaching, research, or service mission of the university by expanding opportunities for Dakota State University faculty members, researchers, and students to participate in the application of research results and technological innovations in commerce, government, or public service. This will also include the development of a research park.

General Counsel Lukkes said rather than a real estate-based research park, this model is more of a virtual research park.

IT WAS MOVED by Regent Roberts, seconded by Regent Schaefer, to authorize Executive Director Beran, President Griffiths, and Provost Moran to incorporate DSUSOAR by filing Articles of Incorporation in substantially similar form to those set forth in Attachment I of the agenda item, to adopt the by-laws for the corporation in substantially similar form to those set forth in Attachment II of the agenda item, and begin the process of developing the programs and activities to support the purpose of this corporation, as presented. Motion passed.

A copy of the DSU Education and Economic Development Corporation (DSUSOAR) can be found on pages _____ to _____ of the official minutes.

6-F Mid-American Energy Easement Resolution (USD)

Nathan Lukkes, Board of Regents General Counsel, explained that MidAmerican Energy Company is seeking an easement for construction of a natural gas transmission / distribution pipeline across a portion of the land occupied by the University of South Dakota (USD) in Clay County. The location of the natural gas pipeline does not unnecessarily interfere with USD's use of the land, and construction of the pipeline is in furtherance of the renovations at the Dakota Dome.

He said USD requests that the Board of Regents adopt the Resolution set forth in Attachment I of the agenda item requesting the grant of an easement to MidAmerican Energy Company to erect, construct, reconstruct, replace, repair, use, maintain, and operate a natural gas transmission or distribution pipeline, together with all necessary and appurtenant incidental structures and appliances necessary for the operation and maintenance of such pipeline. The foregoing will allow MidAmerican Energy Company to locate and/or maintain a portion of its natural gas pipeline on USD's property in Clay County.

IT WAS MOVED by Regent Roberts, seconded by Regent Lund, to approve and adopt the Resolution set forth in Attachment I of the agenda item, requesting the Commissioner of School and Public Lands to proceed with the easement as stated therein, as presented. Motion passed.

A copy of the Mid-American Energy Easement Resolution (USD) can be found on pages _____ to _____ of the official minutes.

Regent Roberts noted that the Capital Projects List and the Building Committee Report are under the consent agenda as informational items. However, she requested that Vice President Forney bring these to the full Board once a year to describe them in more detail.

The Board dissolved into Executive Session at 11:30 a.m.

Report and Actions of Executive Session

Regent Morgan reported that the Board dissolved into executive session at 11:00 a.m. on Wednesday, October 2, 2019, to consult with legal counsel and discuss personnel matters, pending and prospective litigation, contractual matters, and marketing or price strategies by a board of a business owned by the State when public discussion may be harmful to the competitive position of the business, before recessing at 2:30 p.m. to resume the regular order of business. The Board reconvened in Executive Session at 11:30 a.m. on Thursday, October 3, 2019, to continue discussing the earlier referenced matters before rising from Executive Session at 2:00 p.m. to resume the regular order of business. He said while in Executive Session, the Board discussed the matters just described, which included certain recommended actions as set forth in the Secretary's Report and other matters permitted by law.

IT WAS MOVED by Regent Morgan, seconded by Regent Schaefer, that the Board approve the recommended actions as set forth in the Secretary's Report and that it publish said Report and official actions in the formal minutes of this meeting. Motion passed.

ADJOURNMENT

IT WAS MOVED by Regent Roberts, seconded by Regent Morgan, to adjourn the meeting. Motion passed. The meeting adjourned at 2:02 p.m. Motion passed.