

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance
Consent

AGENDA ITEM: 5 – I
DATE: October 6-7, 2021

SUBJECT

BOR Policies 6:1 – Facilities Planning & 6:10 – Legislative Authorization of Private or Grant Funded Facilities Revisions (First & Final Reading)

CONTROLLING STATUTE, RULE, OR POLICY

[SDCL § 5-14-3](#)

BACKGROUND / DISCUSSION

SDCL 5-14-3 was amended during the 2019 Legislative Session to adjust the threshold for capital improvements requiring a building committee from \$1.5M to \$5M. The proposed changes to BOR Policy 6:1 (Facilities Planning) and BOR Policy 6:10 (Legislative Authorization of Private or Grant Funded Facilities) are cleanup amendments to align the dollar threshold for capital projects with that reflected in SDCL 5-14-3.

IMPACT AND RECOMMENDATIONS

The proposed changes will bring the dollar threshold for capital projects reflected in BOR Policy 6:1 and BOR Policy 6:10 in line with the threshold in SDCL 5-14-3, which was increased from \$1.5M to \$5M during the 2019 Legislative Session.

ATTACHMENTS

Attachment I – BOR Policy 6:1 – Facilities Planning
Attachment II – BOR Policy 6:10 – Legislative Authorization of Private or Grant Funded Facilities

DRAFT MOTION 20211006_5-I:

I move to (1) waive the two-reading requirement of By-Laws Section 5.5.1, and (2) approve the first and final readings of BOR Policy 6:1 – Facilities Planning, as shown in Attachment I and BOR Policy 6:10 – Legislative Authorization of Private or Grant Funded Facilities, as shown in Attachment II.

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Policy Manual

SUBJECT: Facilities Planning

NUMBER: 6:1

A. PURPOSE

To require appropriate planning in regards to capital projects, infrastructure, and maintenance and repair.

B. DEFINITIONS

1. **Capital Projects:** Any repair, rebuilding, renovation, alteration or construction project that has a cost of \$1.5M or more. (SDCL 5-14-3).

C. POLICY

1. Physical Plant and Facilities Long Range Planning

- 1.1. Long range planning shall include, but not be limited to, capital improvements, major renovations, maintenance and repair of buildings and infrastructure, and campus beautification (landscape and trees).
- 1.2. The universities will be asked to prepare a 10-year capital plan each year as part of the annual budget request. The plan will include the justification for any proposed capital projects, the year planned and the fund sources that will be requested to fund the facility. The source of the maintenance and repair for any facility must be identified and included in the planning document.
- 1.3. The universities will be asked to prepare a 10-year maintenance and repair plan each year as part of the annual budget request that will identify all maintenance projects needed over that timeframe. The purpose is to identify the need and not simply a plan that matches available dollars.
- 1.4. Master Planning should be done to support capital investments in academic, athletic, and auxiliary facilities. The plans should include history of enrollments and details about enrollment projections; impact on maintenance and repair and funding sources for any new space; space utilization history and projections; local market comparisons if appropriate; detailed justification of need for the space tied to academic mission and program offerings; related demolition plans; projected costs and funding sources; overall vision and rationale for new spaces.
- 1.5. Long range plans should discuss effects of proposed projects on institutional infrastructure and resources and should address items such as pedestrian and motor

vehicle traffic patterns, emergency access and evacuation routes, delivery areas and routes, utilities and electronic communications networks and other related infrastructure elements.

FORMS / APPENDICES:

None

SOURCE:

BOR June 1991; April 1992; April 2019.

SOUTH DAKOTA BOARD OF REGENTS**Policy Manual**

SUBJECT: Legislative Authorization of Private or Grant Funded Facilities

NUMBER: 6:10

A. PURPOSE

To require that funding is in place before requesting legislation for capital projects.

B. DEFINITIONS

- 1. Capital Projects:** Any repair, rebuilding, renovation, alteration or construction project that has a cost of \$1.5M or more. (SDCL 5-14-3)

C. POLICY

1. Guaranteed Funding

Before a capital project may proceed to legislative authorization, private or grant dollars committed to the facility must be in-hand, pledged or guaranteed in writing by the university foundation, donor or funding entity.

FORMS / APPENDICES

None

SOURCE:

BOR May 2009; December 2018.