

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance
Consent

AGENDA ITEM: 8 – R
DATE: June 22-23, 2022

SUBJECT

BOR Policy 6:10 Revisions – Legislative Authorization of Private or Grant Funded Facilities (Second Reading)

CONTROLLING STATUTE, RULE, OR POLICY

[BOR Policy 6:10](#) – Legislative Authorization of Private or Grant Funded Facilities

BACKGROUND / DISCUSSION

At the May 2022 Board of Regents (BOR) meeting, the Regents reviewed the initial changes for Board Policy 6:10. This is the second and final reading of the policy.

A workgroup reviewed existing Board policies related to the building process and what changes/modifications could be implemented to expedite that process while still maintaining its integrity. The group consisted of Jerilyn Roberts, SDSMT; Les Olive, formerly of SDSU; Holly Farris, BOR staff; Stacy Watters, State Engineer; and other interested parties.

Policy 6:10 – Legislative Authorization of Private or Grant Funded Facilities has been modified to clarify that this policy applies to any funding outside of state general funds and to include reference to both SDCL § 5-14-1 and § 5-14-3.

IMPACT AND RECOMMENDATIONS

This is the second reading of the policy. There have been no additional edits since the first reading at the May Board meeting. The recommended revisions were approved by the Business Affairs Council and are supported by the Board office staff.

Board staff recommends approval.

ATTACHMENTS

Attachment I – Proposed Revisions to BOR Policy 6:10 – Legislative Authorization of Private or Grant Funded Facilities

DRAFT MOTION 20220622_8-R:

I move to approve the second and final reading of the proposed revisions to BOR Policy 6:10 – Legislative Authorization of Private or Grant Funded Facilities as outlined in Attachment I.

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 outside of state funding is in place before requesting legislation for capital projects.

B. DEFINITIONS

1. **Capital Projects:** Any new construction, addition, renovation, remodeling, or maintenance and repair that has a total project cost of \$5.0M or more shall be classified as a capital improvement (SDCL 5-14-3). All new construction or any addition beyond mechanical space, regardless of building size or total project cost, will be considered a capital improvement. (SDCL 5-14-1 and 5-14-3). 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, university foundation, donor or funding entity.

FORMS / APPENDICES

None

SOURCE:

BOR May 2009; December 2018.