

**BOARD OF REGENTS
MINUTES OF THE MEETING
January 12, 2018**

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**BOARD OF REGENTS
MINUTES OF THE MEETING
Board of Regents Central Office (Teleconference)
Pierre, South Dakota
January 12, 2018**

The South Dakota Board of Regents convened by teleconference at 4 p.m. Central Time on January 12, 2018 with the following members in attendance:

ROLL CALL:

Conrad Adam – PRESENT
John Bastian, Secretary – PRESENT
Jim Morgan – PRESENT
Pam Roberts – ABSENT
Randy Schaefer – PRESENT
Jim Thares – PRESENT
Joan Wink – PRESENT
Kevin Schieffer, Vice President – PRESENT
Bob Sutton, President – PRESENT

Also present were Mike Rush, Executive Director and CEO; members of the system office and other members of the regental system.

Regent Sutton called the public meeting of the Board of Regents to order at 4 p.m. and declared a quorum present.

APPROVAL OF THE AGENDA

The agenda was approved as published.

2018 LEGISLATIVE SESSION UPDATE

Dr. Mike Rush, BOR Executive Director, provided a brief overview of the 2018 Legislative Session to date. He said during the State of the State address Governor Daugaard highlighted workforce development and the importance of higher education. He mentioned the partnership among Dakota State University, Southeast Technical Institute, the Sioux Falls School District and the Department of Labor and Regulation which will provide a continuum of programs, certificates and degrees related to cyber security, networks and software. Additionally, he stated that 11.6 million jobs have been created since the recession and 11.5 million of those jobs have gone to people with some college. In addition, the Governor pointed out that since the recession, jobs requiring a bachelor's of science degree have grown by 8.4 million, those requiring an associate degree have grown by 3.1 million (after losing 2 million during the recession) and those requiring only a high school education have only grown by 80,000 (after losing 5 million during the recession.)

Dr. Rush provided an update on the DSU MadLabs bill, explaining that Senator Youngberg and Representative Mickelson wanted to sponsor this bill directly and so filed their own bill as House Bill 1075. House Bill 1075 includes the same text of the Board's previously filed House Bill 1057.

Dr. Rush also explained that in addition to the Board-sponsored bills discussed during the December Board meeting, two more Board-sponsored bills were filed. The additional bills were described:

- Nathan Lukkes, System Assistant Vice President of Research and Economic Development, explained that House Bill 1063 is a bill to eliminate the cap of 80 acres for the Sioux Falls research park. He said the original law limited the research park to 80 acres. While talking to potential tenants, it has become apparent that this limitation may be problematic and providing more flexibility to the parks would assist in addressing the unique needs of tenants. This bill does not mandate the Board to do anything, it only removes the previously stated space limitation.
- Dr. Monte Kramer, System Vice President of Finance and Administration, said Senate Bill 47 is a bill to authorize the completion of the sports performance enhancement facility arena and the outdoor track and soccer complex at the University of South Dakota, to make an appropriation therefor, and to declare an emergency. He explained that it reauthorizes expenditure authority previously granted to USD for the purpose of its sports performance expenditure enhancement facility arena. This allows USD to spend remaining dollars and close out the project.

On another topic, Dr. Paul Turman, Vice President of Academic Affairs, provided an overview of House Bill 1016, a bill to revise certain provisions regarding the authorization to provide postsecondary education. He said this is a Secretary of State bill that puts more formality into the state authorization process, which also includes a one-time \$2,500 application fee with an annual application fee of \$1,500. Dr. Rush said this is a positive effort and one that should improve the integrity of post-secondary education in South Dakota.

Regent Schieffer asked if House Bill 1016 affects other established post-secondary institutions in South Dakota. Dr. Rush answered by saying that the bill includes a list of institutions that are exempted from the registration fee, i.e. the regental institutes, technical institutes, and already established post-secondary institutions. Dr. Turman said unless an institution loses accreditation or is ordered to cease operation there is no jeopardy for those already established.

Dr. Rush said another bill filed today is House Bill 1073, a bill to provide the protection of free speech on the campuses of public institutions of higher education. He said many components of the bill are already reflected in Board policy, making the bill unnecessary. He expressed concern about the extensive reporting requirements specified in the bill, which would add significant administrative burden. He was also concerned that the bill puts South Dakota and its employees at a much greater risk of litigation. He asked the Board's opinion.

Regent Bastian said it seems that the bill opens employees up to personal liability as opposed to being sued as an employee. He feels the Board should oppose the bill for this as well as for a series of other reasons.

Dr. Janelle Toman, System Director of Communications, notes that although it does not yet have a hearing date/time this bill has been referred to its first committee, House Judiciary. She shared the membership of the House Judiciary committee. Dr. Rush said it would be helpful for campuses to reach out to their local representatives and if campuses have specific concerns or information they can provide, it would be great if they would send it to the Board office, attention Janelle Toman.

No Board member expressed interest in supporting House Bill 1073.

Regent Sutton emphasized that the opinion of the presidents and campuses will be very meaningful to the representatives. He urged them to reach out.

Dr. Rush acknowledged a proposal by Speaker Mark Mickelson to exempt higher education faculty from South Dakota's Collective Bargaining Statute. He said we will monitor that proposal and let the Board know as soon as we have legislation to react to. He said obviously the Board is committed to maintaining a positive, collaborative relationship with its faculty.

Regarding the Board of Regents' appropriations hearings scheduled for January 30 and 31, Dr. Kramer shared the schedule for the hearings and said the institutions plan to attend. He provided additional information on the format of the hearings as directed by the Legislative Research Council (LRC).

Dr. Rush explained that this format is very different than in years past and explained that this year Regent Sutton will present the introduction on behalf of the Board.

Regent Sutton agreed that the format being employed by the LRC is a significant departure from what has been done for the last several years, and everyone is learning the new process.

In closing, Dr. Toman said three of the Board-sponsored bills will be heard in committee next week and provided the dates, times and locations of those hearings.

Regent Sutton asked how many senate confirmation hearings will be heard for individual members of the Board this year. In response, Dr. Rush said there will be two senate confirmation hearings, one for Regents Thares and Wink. These will take place on February 1. He said when Senator Bolin took over as Senate Education chair he asked that the regents attend in person, rather than by phone or through a delegate. He confirmed that both Regents Thares and Wink are prepared to attend in person and all arrangements have been made.

ADJOURN

IT WAS MOVED by Regent Bastian, seconded by Regent Morgan, to adjourn the meeting of the full Board at 4:45 p.m.

ROLL CALL:

Adam – AYE
Bastian – AYE
Morgan – AYE
Roberts – ABSENT
Schaefer – AYE
Thares – AYE
Wink – AYE
Schieffer – AYE
Sutton – AYE

Motion Passed. Meeting adjourned.

The South Dakota Board of Regents adjourned its special meeting on January 12, 2018 and will meet again in regular session on March 27-29, 2018 in Spearfish, South Dakota.

I, Mike Rush, Executive Director and CEO of the South Dakota Board of Regents, declare that the above is a true, complete and correct copy of the minutes of the Board of Regents meeting held on January 12, 2018.

A handwritten signature in black ink that reads "Mike Rush". The signature is written in a cursive, flowing style.

Mike Rush
Executive Director and CEO