

**BOARD OF REGENTS
MINUTES OF THE MEETING
Board of Regents Central Office
Pierre, South Dakota
May 13, 2014**

The Board of Regents convened via teleconference at 9:00 a.m. on May 13, 2014.

ROLL CALL:

Terry Baloun – PRESENT
Harvey Jewett – PRESENT
Kathryn Johnson – PRESENT
Dean Krogman – PRESENT
Randy Morris – ABSENT
Randy Schaefer – PRESENT
Joe Schartz – PRESENT
Kevin Schieffer – ABSENT
Bob Sutton – PRESENT

The MOTION CARRIED.

Regent President Dean Krogman called the meeting of the Board of Regents to order, and declared a quorum present.

IT WAS MOVED by Regent Sutton, seconded by Regent Schaefer that the Board of Regents Convene and Dissolve into Executive Session at 9:00 a.m. on Tuesday, May 13, 2014, in order to discuss personnel matters, pending and prospective litigation, and to consult with legal counsel; that it rise from executive session at 9:30 a.m. to resume the regular order of business and to report its deliberations while in executive session.

ROLL CALL VOTE:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – ABSENT
SUTTON – AYE

The MOTION CARRIED.

The Board of Regents convened via teleconference at 9:30 a.m. on May 13, 2014.

ROLL CALL:

Terry Baloun – PRESENT
Harvey Jewett – PRESENT
Kathryn Johnson – PRESENT
Dean Krogman – PRESENT
Randy Morris – ABSENT
Randy Schaefer – PRESENT
Joe Schartz – PRESENT
Kevin Schieffer – PRESENT
Bob Sutton – PRESENT

The MOTION CARRIED.

Regent President Dean Krogman called the meeting of the Board of Regents to order, and declared a quorum present. He acknowledged and welcomed all the attendees who joined the meeting via the webcast streamed live through South Dakota Public Broadcasting.

Also present during all or part of the meeting were James Shekleton, General Counsel; Sam Gingerich, System Vice President for Academic Affairs; Janelle Toman, Director of Communications; Paul Turman, System Vice President of Research and Economic Development; Michele Anderson, Internal Auditor; Barbara Basel, Director of Human Resources; Monte Kramer, System Vice President of Finance and Administration; Claudean Hluchy, Budget Manager; and members of public attending via webcast.

APPROVAL OF THE AGENDA

IT WAS MOVED by Regent Jewett, seconded by Regent Schaefer to approve the agenda as published.

ROLL CALL:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED.

APPROVAL OF THE MINUTES

IT WAS MOVED by Regent Jewett, seconded by Regent Schaefer to approve the minutes of the regular meeting on April 1-3, 2014 as well as the special meeting held on April 30, 2014.

ROLL CALL:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED.

REPORT AND ACTIONS OF EXECUTIVE SESSION

Upon convening at 9:00 a.m. on Tuesday, May 13, 2014, the Board dissolved into executive session in order to discuss personnel matters, pending and prospective litigation, and to consult with legal counsel, rising from executive session at 9:30 a.m. to report its deliberations in executive session and to resume the regular order of business.

Regent Sutton reported that while in executive session, the Board considered personnel matters, pending and prospective litigation, consulted with legal counsel, and gave directions to its executive director and general counsel concerning these matters.

IT WAS MOVED by Regent Sutton, seconded by Regent Baloun that the Board approve directions given to the executive director and the general counsel with respect to matters discussed in executive session, that it:

1. Accept the appointment of Dr. Judy Dittman as vice president of academic affairs for DSU with an effective date of March 22, 2014 at an annualized salary of \$150,000; accept the appointment of Ms. Kathy Larson as executive director of the DSU Foundation with an effective date of May 7, 2014 at an annualized salary of \$90,000; accept the appointment of Dr. Jan Puszynski as vice president of research for SDSM&T with an effective date of April 23, 2014 at an annualized salary of \$171,392; accept the administrative changes at BHSU that effective February 1, 2014 gives Ms. Corrine Hansen the title change of Director of University and Community Relations and a salary

adjustment to an annualized salary of \$80,000; accept the resignation of Mr. Jeffrey Baylor at USD June 1, 2014.

2. Approve the FY15 annualized salaries to be effective for FY15. A copy of the FY15 salaries can be found on pages 1293 to 1354 of the official minutes.
3. Approve the tenure and promotion requests of the universities. The BHSU tenure or promotion requests were approved for the following faculty members: David Bergmann was promoted to Professor; Ryan Clark was granted tenure and promoted to Associate Professor; Scott Clarke was granted tenure and promoted to Associate Professor; Laura Colmenero-Chilberg was promoted to Professor; Gina Gibson was granted tenure and promoted to Associate Professor; Albert Juhrend was promoted to Professor; Kathleen Matthew was granted tenure and promoted to Professor; Parthasarathi Nag was promoted to Professor; Ann Porter was promoted to Professor; Timothy Steckline was promoted to Professor; and David Wilson was promoted to Professor. The DSU tenure and promotion requests were approved for the following faculty members: Kristel Bakker was promoted to Professor; and Linda Parks was granted tenure and promoted to Associated Professor. The NSU tenure and promotion requests were approved for the following faculty members: Greg Blair was granted tenure and promoted to Associate Professor; Virginia Lewis was promoted to Professor; and Ricardo Rojas was granted tenure and promoted to Associate Professor. The SDSM&T tenure and promotion requests were approved for the following faculty members: Karen Braman was promoted to Professor; Jennifer James was promoted to Professor; Jeffrey McGough was promoted to Professor; Rajesh Shende was granted tenure and promoted to Associate Professor; and John F. Sawyer was granted tenure and promoted to Associate Professor. The SDSU tenure or promotion requests were approved for the following faculty members: Kenneth Olson was promoted to Professor; Scott Pedersen was promoted to Professor; Sanjeev Anand was promoted to Professor; Xingyou Gu was promoted to Professor; Russell Daly was promoted to Professor; Jason McEntee was promoted to Professor; Emily Toronto was promoted to Professor; Timothy Nichols was promoted to Professor; Hu Zhong was promoted to Professor; Omathanu Perumal was promoted to Professor; Shafiqur Rahman was promoted to Professor; Heike Bucking was granted tenure; Timothy Nichols was granted tenure; Linda Herrick was granted tenure; Chandrasekher Gudiseva was granted tenure; Michael Gonda was granted tenure and promoted to Associate Professor; Katie Bertrand was granted tenure and promoted to Associate Professor; Adam Hoppe was granted tenure and promoted to Associate Professor; Paul Baggett was granted tenure and promoted to Associate Professor; Nathan Jorgensen was granted tenure and promoted to Associate Professor; Chalon Ragsdale was granted tenure and promoted to Associate Professor; Cynthia Elverson was granted tenure and promoted to Associate Professor; and Hemachand Tummala was granted tenure and promoted to Associate Professor. The USD tenure or promotion requests were approved for the following faculty members: Matthew Fairholm was promoted to Professor; Grigoriy Sereda was promoted to Professor; Dan Van Peurseem was promoted to Professor; Darlene Farabee was granted tenure and promoted to Associate Professor; Angela Helmer was granted tenure and promoted to Associate Professor; Jacob Kerby was granted tenure and promoted to Associate Professor; Kelly McKay-Semmler was granted tenure and promoted to Associate Professor; Shane Nordyke was granted tenure and promoted to Associate Professor; Shane Semmler was granted tenure and promoted to Associate Professor;

Miglena Sternadori was granted tenure and promoted to Associate Professor; Nicholas Benson was granted tenure and promoted to Associate Professor; Tracelyn Gesteland was granted tenure and promoted to Associate Professor; Young Ae Kim was granted tenure and promoted to Associate Professor; Christopher Meyer was granted tenure and promoted to Associate Professor; Ying Deng was granted tenure and promoted to Associate Professor; Danielle De-Jager-Loftus was granted tenure and promoted to Associate Professor; Molly Rozum was granted tenure; and Andrew Shim was granted tenure. The SSOM tenure or promotion requests were approved for the following faculty members: Victor Huber was granted tenure and promoted to Associate Professor; Carlos Tellaria was promoted to Professor; and Becca Jordre was granted tenure and promoted to Associate Professor. The BHSU tenure or promotion requests were denied for the following faculty members: BHSU 6 was denied tenure and promotion to Associate Professor; and BHSU 7 was denied tenure and promotion to Associate Professor. The SDSM&T tenure or promotion requests were denied for the following faculty members: SDSM&T 2 was denied promotion to Professor. The SDSU tenure or promotion requests were denied for the following faculty members: SDSU 2 was denied promotion to Professor; SDSU 6 was denied to promotion to Professor; SDSU 12 was denied promotion to Professor; SDSU 24 was denied tenure and promotion to Associate Professor; and SDSU 26 was denied tenure and promotion to Associate Professor. The USD tenure and promotion requests were denied for the following faculty members: USD 2 was denied promotion to Professor; USD 5 was denied promotion to Professor; and USD 13 was denied tenure and promotion to Associate Professor. A copy of the tenure and promotions can be found on pages 1278 to 1292 of the official minutes.

4. Approve awarding the title of Assistant Professor Emeritus of Health Information Management to Joyce Havlik (DSU); Associate Professor Emeritus of English to Maureen Murphy (DSU); Professor Emerita of Geography to Janet Gritzner (SDSU); Professor Emeritus of Mechanical Engineering to Alexandros Moutsoglou (SDSU); Professor Emeritus of Sociology to Ron Stover (SDSU); Dean Emeritus to Michael Keller (USD); and Professor Emerita to Linda Reetz (USD). A copy of the resolutions of recognition can be found of pages 1438 to 1442 of the official minutes.
5. Approve the leave request for Molly Enz for the Spring 2015 semester (SDSU); Cable Hardin for the Spring 2015 semester (SDSU); Michael Keller for the Spring 2015 semester (SDSU); Qiquan Qiao for the Fall 2014 semester (SDSU); Maria C. Spitz for the Spring 2015 semester (SDSU); Christine Stewart for the Fall 2014 semester (SDSU); Barbara L. Brockvelt for the Fall 2014 semester (USD); Kelly Duncan for the Spring 2015 semester (USD); Mark D. Dixon for the Spring 2015 semester (USD); Jose D. Flores for the Fall 2014 semester (USD); Angela Helmer for the Spring 2015 semester (USD); Chaoyang Jiang for the 2014-2015 academic year (USD); David Moskowitz for the Spring 2015 semester (USD); Lee Ann Roripaugh for the Spring 2015 semester (USD); Miglena Sternadori for the Fall 2014 semester (USD); Sarah Townsend for the 2014-2015 academic year (USD) and to reduce the approved leave for Kenneth Blanchard from the full academic year to Fall 2014 semester only (NSU); and Guangwei Ding from the full academic year to Fall 2014 semester only (NSU).
6. Approve the request to grant tenure on appointment to Dr. Lance Roberts, Department Head/Professor of the Mining Engineering and Management Department (SDSM&T);

Dr. Vitaly Kudryavtsev, Professor of Physics (SDSM&T); and Dr. Richard Schnee, Associate Professor of Physics (SDSM&T).

7. Accept the recommendations of the hearing officer and enter an order denying SDSU Professional Employee Grievance No. 13-001.

ROLL CALL VOTE:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED.

FY16 INFORMAL BUDGET HEARINGS

The Board agreed that the informal budget hearings, which have historically been held in conjunction with the June Board meeting, will be held in a similar fashion during the upcoming June BOR meeting. This format includes a discussion with all of the presidents, superintendents, and the Board discussing highest priorities and key budget issues. As in past years, the final budget adoption will occur at the August Board meeting.

Regent Jewett asked if the regents should return to the format that was used previously, including separate hearings with the campuses.

In response to Regent Baloun's question, Claudean Hluchy confirmed that the budget requests would be broken into ongoing base requests and one-time budget requests.

A copy of the FY16 Informal Budget Hearings can be found on page **1355**.

SDSU NEW FOOTBALL STADIUM FACILITY DESIGN PLAN

Dr. Monte Kramer explained that SDSU requests approval of its Facility Design Plan for a New Football Stadium to replace Coughlin Alumni Stadium at an estimated cost of \$65,000,000. He stated that the only change to the project from the Facility Program Plan approved in October 2013 is that the enclosed square footage has been reduced. The remaining segments of the new stadium project remain unchanged. The seating capacity is 19,359, virtually unchanged from the proforma number of 19,340.

The total project cost estimate is currently at \$64,934,192 which is within the \$65,000,000 budget. The budget includes contingency allowances of slightly more than 10% of the

construction costs. These contingencies are divided into a design contingency for \$1,509,519 and a construction contingency for \$1,509,520 for a total contingency of \$3,019,039. These amounts are essentially a risk factor allotted to the project as the project cost is being established at the design development stage to allow for small changes in the design and throughout the construction of the project. The total contingency amount represents about 6% of the raw construction costs.

In addition to this, there is a cost escalation contingency of \$1,076,789 (about 2% of raw construction costs). The project will be constructed over a two-year time span. Some trades will not be utilized on the project until 12 to 18 months into the project. The raw construction estimate is expressed in present day dollars. This contingency factor will make an allowance for cost escalation during the construction phases of the facility. This contingency is built into the current construction costs listed on the attached estimate breakdown.

There is also a project contingency of \$1,341,887. This amount is retained by the owner (approximately 2.5% of full construction costs) for application towards anything in the project that may run over cost, owner initiated change orders, and variability in owner soft costs. This amount is listed as a line in the current construction costs provided on the attached estimate breakdown.

Project construction alternates have been identified to provide flexibility in awarding various bid packages to improve SDSU's ability to maintain the project budget and to allow the possibility of enhancing the project should bids be received that are highly favorable. Similar considerations are being made to equipment, furnishings, and technology components of the project.

Additional details of the proposed project can be found in SDSU's attached Facility Design Plan document, project cost estimate, and associated schematic drawings.

Wesley Tschetter clarified that the building authority bonding is at 3.9 percent.

IT WAS MOVED by Regent Baloun, seconded by Regent Schaefer to approve SDSU's New Football Stadium Facility Design Plan at an estimated cost of \$65,000,000. Funding for this project will be \$36,000,000 in Revenue Bond sales, \$27,000,000 in private donations and SDSU Foundation Guarantee, and \$2,000,000 in University Funds.

ROLL CALL:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED.

A copy of the SDSU New Football Stadium Facility Design Plan can be found on pages 1356 to 1371.

GRADUATION LISTS

Regent President Krogman asked Dr. Sam Gingerich that the number of graduates at each institution be sent to all the board members.

IT WAS MOVED by Regent Jewett, seconded by Regent Schartz to approve the BHSU, DSU, NSU, SDSM&T, SDSU, USD, and SDSBVI graduation lists contingent upon the students' completion of all degree requirements.

ROLL CALL:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED.

A copy of the Graduation Lists can be found on pages 1372 to 1437.

RESOLUTIONS OF RECOGNITION

IT WAS MOVED by Regent Sutton, seconded by Regent Jewett to recognize Leroy (Buzz) Stevenson (DSU), Janice Hanson (SDSU), Shelley L. Teal (SDSBVI), and Angeline Usselman (SDSBVI) for their years of dedicated service to the public higher education system of South Dakota.

ROLL CALL:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE

SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED.

A copy of the Resolutions of Recognition can be found on pages 1438 to 1442.

SDSM&T EASEMENT RESOLUTION

Dr. James Shekleton explained that SDSM&T requests that the Board adopt a resolution requesting the Commissioner of School and Public Lands to draw up documents for submission to the Governor to grant the City of Rapid City a perpetual pedestrian/bicycle easement over the west portion of the south properties belonging to the State of South Dakota.

IT WAS MOVED by Regent Jewett, seconded by Regent Johnson to adopt the attached resolution pursuant to the power vested in the Board under SDCL § 5-2-10, requesting the Commissioner of School and Public Lands to draw up all necessary documents and to request that the Governor approve, on behalf of the South Dakota School of Mines and Technology, and in consideration for which the City of Rapid City vacated that portion of Hawthorne Avenue lying North of East Saint Andrews Street, as shown on an engineering document set forth as Exhibit A to the resolution and incorporated therein as though fully set forth, and other good and valuable consideration, a grant to the City of Rapid City of a perpetual easement for the placement of a pedestrian and bicycle pathway over that portion of Outlot O of the East Half of the Southeast Quarter of the Southwest Quarter (E½SE¼SW¼) and in Lots One (1) through Ten (10) of Block One (1) of the East Half of the Southeast Quarter of the Southwest Quarter (E½SE¼SW¼) of Section Six (6), Township One North (T1N), Range Eight East (R8E) of the Black Hills Meridian, Rapid City, Pennington County, South Dakota, as shown on an engineering document set forth as Exhibit A to the resolution and incorporated therein as though fully set forth.

ROLL CALL:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED.

A copy of the SDSM&T's Easement Resolution can be found on pages 1443 to 1446.

ADJOURN

IT WAS MOVED by Regent Johnson, seconded by Regent Scharz to adjourn the meeting of the full board at 9:52 a.m.

ROLL CALL VOTE:

BALOUN – AYE
JEWETT – AYE
JOHNSON – AYE
KROGMAN – AYE
MORRIS – ABSENT
SCHAEFER – AYE
SCHARTZ – AYE
SCHIEFFER – AYE
SUTTON – AYE

The MOTION CARRIED. Meeting adjourned.

The South Dakota Board of Regents adjourned its regular business meeting on May 13, 2014 and will meet again in regular session on June 11-12, 2014 in Vermillion, South Dakota.

I, Jack Warner, 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 meetings held on May 13, 2014.

A handwritten signature in black ink, appearing to read "Jack Warner". The signature is fluid and cursive, with the first name "Jack" and last name "Warner" clearly distinguishable.

Jack Warner
Executive Director and CEO