

**BOARD OF REGENTS  
MINUTES OF THE MEETING  
December 11-13, 2012**

The South Dakota Board of Regents met on December 11-13, 2012 in the David B. Miller Yellow Jacket Student Union at Black Hills State University, Spearfish, South Dakota, with the following members present:

Kathryn Johnson, President  
Dean Krogman, Vice President  
Randy Schaefer, Secretary  
Terry Baloun, Regent  
James Hansen, Regent  
Harvey Jewett, Regent  
Randy Morris, Regent  
Patrick Weber, Regent

Also present during all or part of the meeting were Jack Warner, Executive Director and CEO; James Shekleton, General Counsel; Sam Gingerich, System Vice President for Academic Affairs; Janelle Toman, Director of Communications; Michele Anderson, Internal Auditor; Paul Turman, System Vice President for Research and Economic Development; Janice Minder, System Student Affairs; Daniel Palmer, Director of Institutional Research; Paul Gough, Director of Policy and Planning; Barbara Basel, Director of Human Resources; Monte Kramer, System Vice President of Finance and Administration; Dave Hansen, Director of Information Technology; Tracy Mercer, Information Research Analyst; James Abbott, USD; David Chicoine, SDSU; David Borofsky, DSU; Kay Schallenkamp, BHSU; Marjorie Kaiser, SDBVI and SDSU; Duane Hrcncir, SDSM&T; James Smith, NSU; Mark Lee, UC-Sioux Falls; Craig Johnson, UC-Rapid City; Kathy Johnson, Patty Dewey, Susan D'Anielle, Rod Custer, Kara Keeter, Lois Flagstad, Warren Wilson, Kathleen Parrow, David Wolff, Daluss Siewert, Curtis Card, Priscilla Romkema, Urla Marcus, Fay Labuke-Felster, Rosie Sprague, Pat Simpson, Susie Leahy, Sheila Acker, Laurie Harris, Taylor Degen, Mike McNeil, Sandy Crain, Sarah Pogany, Alyssa Niesen, Devon Halajian, Lucas Fralick, Rocky Maier, Lynne Monger, Michael Jastaff, Troy Hall, Micheline Nelson, Fred Nelson, Joe Valades, Susan Hupp, Shanai Doffey, Jodi Gabriel, Steve Wynia, BHSU; Cecelia Wittmayer, Elliott Breukelman, Stacey Krusemark, DSU; Calvin D. Phillips, Tom Hawley, Veronica Paulson, Kody Kyriss, Cody Folden, Joel McNeely, Kelsey Luckhirst, NSU; Pat Mahon, Tim Henderson, Kelli Shuman, Jordan Miller, Nick Kelly, Steve Gates, Sowmya Telakanti, Vinod S. Amar, Travis Noah, Antaony Amarsinghr, Spencer Ferguson, Katie Ross, Maxwell Mengershauser, Tyler Punt, Steven Hansen, Tyler Artz, SDSM&T; Wesley Tscheter, Dean Kattelmann, Kurt Cogswell, Laurie Nichols, Mary Kay Helling, Brandy Murby, Wyatt DeJong, Madeline Moellen, Courtland McCraine, Libby Trammell, Daniel Vellek, SDSU; Roberta Ambur, Chuck Staben, Sheila Gestring, Kurt Hackemer, Laurie Becvar, Dennis Smith, USD; Matt Fuks, SDSU Alumni Association; Loren Paul, SDEA; Gary Aguiar, SDEA/COHE; and Liza Clark, BFM.

## **TUESDAY, DECEMBER 11, 2012**

The Regents convened in open session at 6:00 p.m. on Tuesday, December 11, 2012, in the Presidents Conference Room at Black Hills State University.

IT WAS MOVED by Regent Schaefer, seconded by Regent Hansen that the Board of Regents Convene and Dissolve into Executive Session at 6:00 p.m. on Tuesday, December 11, 2012, in order to discuss personnel matters; that it adjourn at 9:00 p.m. and reconvene in executive session at 8:00 a.m. on Wednesday, December 12, 2012, in order to discuss personnel matters; pending and prospective litigation, contractual and collective bargaining matters, and to consult with legal counsel; that it rise from executive session at 1:30 p.m. to report its deliberations in executive session and to resume the regular order of business according to the published agenda. All members voting AYE. The MOTION CARRIED.

## **WEDNESDAY, DECEMBER 12, 2012**

Regent President Kathryn Johnson called the meeting of the Board of Regents to order at 1:33 p.m. on December 12, 2012, and declared a quorum present.

### **APPROVAL OF THE AGENDA**

IT WAS MOVED by Regent Morris, seconded by Regent Jewett to approve the amended agenda with the addition of III.W *BOR Policy 5:15 Athletics* on Committee B. All members voting AYE. The MOTION CARRIED.

### **APPROVAL OF THE MINUTES**

IT WAS MOVED by Regent Morris, seconded by Regent Hansen to approve the minutes of the regular October 9-11, 2012 meeting, special October 22, 2012 meeting, and the special November 9, 2012 meeting. All members voting AYE. The MOTION CARRIED.

### **PUBLIC HEARING TO ADOPT CHANGES TO SOUTH DAKOTA OPPORTUNITY SCHOLARSHIP RULES**

The purpose of the meeting was to conduct a public hearing on the proposed rules of the South Dakota Board of Regents numbered §§ 24:40:13:02, 24:40:13:12, and 24:40:13:20, adopted under the authority of SDCL 83-17-22 and 83-17-23.

Dr. Paul Turman explained that when the South Dakota Legislature created the South Dakota Opportunity Scholarship Program, it directed the Board to administer the program, SDCL § 13-55-30, and to promulgate rules for the program, SDCL § 13-55-36. During the 2010 Legislative session, a number of amendments to the statute that governs the Opportunity Scholarship established the need to modify the administrative rules for administering the program. Dr. Turman explained that in the past students who got to their final year of eligibility and who graduated early did not receive their final \$1,000 payment. A change in the administrative rules will allow that student to receive that payment. Regent Hansen asked about the required high school courses. Dr. Turman explained that

the coursework is now in the statute itself. He also explained the ACT sub score needs to be added in to the administrative rules because the statute didn't define it.

It was opened to the public to speak on the adoption of the new rules. No speakers stepped forth.

IT WAS MOVED by Regent Hansen, seconded by Regent Schaefer to adopt the draft South Dakota Opportunity Scholarship Program Rules presented in the attachment to this item, subject to such additional changes in matters of style and form as the Legislative Research Council may hereafter require; direct the Executive Director to forward the rules to the Interim Rules Review Committee of the South Dakota Legislature and to take such additional actions as are necessary and proper to secure their final approval in substantially the form here approved; and authorize the Executive Director to contract with eligible institutions who wish to participate in the Scholarship Program.

#### ROLL CALL VOTE

Johnson – AYE  
Krogman – AYE  
Schaefer – AYE  
Baloun – AYE  
Hansen – AYE  
Jewett – AYE  
Morris – AYE  
Weber – AYE  
Pagonis – NOT PRESENT

All members voting AYE. The MOTION CARRIED.

A copy of the Public Hearing to Adopt Changes to South Dakota Opportunity Scholarship Rules can be found on pages \_\_\_\_ to \_\_\_\_.

#### WELCOME AND PRESENTATION BY BHSU PRESIDENT KAY SCHALLENKAMP

President Kay Schallenkamp welcomed the audience to Black Hills State University. She was glad to have the Regents here when the campus is open and active. President Schallenkamp introduced Dr. Garth Spellman, chair of the Master of Science in Integrative Genomics program; Dr. Charlie Lamb, chair of the School of Natural Sciences; and Kyle Kennedy a recent graduate of Genomics Master's program. Spellman gave a history of the program and some of the student success of the program. He explained the program brings the different fields of science together to bear insight into the question of how an organism genome is shaped. He explained that they have had 16 graduates since the program's inception in 2006. Of these 16, two graduates are working in government, six graduates are enrolled in Ph.D. programs, two graduates received prestigious fellowship, one graduate in the Ph.D. program at Sanford Medical, two graduates in private enterprise, two recent graduates looking for Ph.D. programs, and one applying for fish and wildlife jobs. Since 2006 students have accounted for 38 presentations for regional, national, and international conventions.

## **REPORT AND ACTIONS OF EXECUTIVE SESSION**

Upon convening at 6:00 p.m. on Tuesday, December 11, 2012, the Board dissolved into executive session in order to discuss personnel matters. As shown on the official agenda, it adjourned at 9:00 p.m. and reconvened in executive session at 8:00 a.m. on Wednesday, December 12, 2012, in order to discuss personnel matters; pending and prospective litigation, contractual and collective bargaining matters, and to consult with legal counsel, rising from executive session at 1:30 p.m. to report its deliberations in executive session and to resume the regular order of business.

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

IT WAS MOVED by Regent Schaefer, 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. Award the title of Professor Emeritus to Tim Molseed (BHSU), Lonell Moeller (SDSU), and Barry Timms (USD), as well as, the title of Professor Emerita to Barbara Gauger (USD). A copy of the resolutions of recognition can be found of pages \_\_\_\_ to \_\_\_\_ of the official minutes.
2. Approve the leave request for Vojislav Kalanovic for the 2013 spring semester (SDSM&T) and Kathleen Danker for the 2013 spring semester (SDSU).
3. Approve the personnel actions as submitted by the Board office, campuses, and special schools. A copy of the personnel actions can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.
4. Approve awarding two (2) years of prior service credit toward tenure for Nathan Deichert (BHSU).

All members voting AYE. The MOTION CARRIED.

## **REPORT OF THE COUNCIL OF PRESIDENTS AND SUPERINTENDENTS**

Dr. Warner reported that the Council of Presidents and Superintendents met on November 27, 2012 in Pierre. He explained that remedial coursework was reviewed and a pool of resources was identified for remediation redesign. Collective Bargaining was discussed and the group also reviewed 2013 legislative plans. New technology initiatives were also reviewed and discussed.

President Smith of Northern State University took a moment to introduce NSU's new Vice President of Student Affairs, Calvin Philips.

## **REPORT AND ACTIONS OF THE EXECUTIVE DIRECTOR**

Dr. Warner referenced a few items of importance on the agenda, the approval of new programs, especially the Ph.D. in Physics for which funding should be approved. He noted that BHSU has a couple of master degrees on the agenda. The Sustainability field is relatively new field with many new opportunities for graduates. He also mentioned the School of Mines plans to offer a B.S. in Applied Biological Sciences. Dr. Warner pointed out two items on the agenda, student migration and placement outcomes, which address the myth of brain drain in South Dakota.

Dr. Warner referenced the Interim Actions taken by the Executive Director on behalf of the Board of Regents. A copy of the Interim Actions of the Executive Director can be found on pages \_\_\_\_ to \_\_\_\_.

## **STUDENT FEDERATION REPORT**

Mr. Rory Fenske, student federation executive director, reported that the student federation convened the previous evening. He started with a request that in the future Regents do not schedule Board meetings over finals week. Mr. Fenske explained during their meeting the group spoke with Dr. Janice Minder on the Starfish project and the Etext committee. Mr. Fenske noted that the students don't want to be forced strictly into Etexts. He explained some students aren't ready for that transition. He said the group is excited about the DegreeWorks and the Ellucian projects. In addition, they talked with Dr. James Shekleton, and Patrick Weber spoke to the group about being a student regent and how to improve relationships between the regents and students.

## **STUDENT ORGANIZATION AWARDS – DAKOTA STATE UNIVERSITY**

Lois Flagstad, Vice President for Student Life, presented BHSU's student organization awards.

Swarm Advertising Solutions accepted the award for Academic Excellence. Swarm Advertising Solutions works to promote an understanding of advertising, encourage advertising professionalism, develop individual abilities and promote fellowship and free exchange of ideas. The Yellow Jacket Veterans Club accepted the award for Community Service. The Yellow Jacket Veterans is a social group that was formed to help military veterans adjust and become successful as civilians and college students. ShutterBuzz accepted the award for Organizational Leadership. ShutterBuzz provides an outlet for persons with an interest in photography to share their knowledge, learn from one another, and experience photography on a deeper level.

Pat Mahon, Vice President for Student Affairs/Dean of Students, presented SDSM&T's student organization awards.

The South Dakota School of Mines American Society of Civil Engineers accepted the award for Academic Excellence. The South Dakota School of Mines American Society of Civil Engineers student chapter's primary mission is to promote the professional development of its members. Circle K International accepted the award for Community Service. Circle K International is an organization devoted to community service, develops leaders, and promotes fellowship. Triangle

Fraternity accepted the award for Organizational Leadership. Triangle Fraternity was founded upon the principles of honor, friendship, character, brotherhood, courage and ideals fostering both professional development and a network of life-lasting friendships.

A copy of the Student Organization Awards – BHSU and SDSM&T can be found on pages \_\_\_\_ of the official minutes.

## **NEW PROGRAMS**

### **BHSU M.S. IN SUSTAINABILITY**

Dr. Paul Gough explained that Black Hills State University submitted a proposal for a B.S. in Sustainability. The University requests authorization to deliver the program online with implementation in 2013. BHSU requests authorization to deliver the program at the University Center Rapid City and at the University Center Sioux Falls with implementation to be determined based on student demand. The University does not request new State resources or new student fees to implement the program. The program would be funded with self-support tuition.

Regent Johnson asked if this program will be completely online or face-to-face at the University Centers. Dr. Rodney Custer, provost and vice president of Academic Affairs at BHSU, answered that it will be online but they want the option to offer it face-to-face at the Centers. Dr. Custer spoke to the Regents about the sustainability program and job projections in the field. He believes the program has potential to bring national notoriety.

Regent Johnson commented on meeting workforce needs. She said a portion of the jobs students will have in the future haven't even been invented yet. She feels the sustainability program is one of those.

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to (1) approve the Black Hills State University proposal for an M.S. in Sustainability described in Attachment I; (2) authorize Black Hills State University to deliver the M.S. in Sustainability online with implementation in 2013; and (3) authorize Black Hills State University to deliver the M.S. in Sustainability at the University Center - Rapid City and at the University Center - Sioux Falls with implementation contingent on demand sufficient to support delivery. All members voting AYE. The MOTION CARRIED.

A copy of New Program – BHSU B.S. in Sustainability can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **BHSU M.S. IN SECONDARY EDUCATION**

Dr. Gough explained that Black Hills State University submitted a proposal for a M.S. in Secondary Education. The degree would replace existing teacher certification programs for people with bachelor's degrees in a teaching discipline and will address the needs of teachers in the rural parts of the state.

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to (1) approve Black Hills State University's proposal for a Master of Science in Secondary Education as described in Attachment I. (2) authorize the University to deliver the degree at the University Center Rapid City and online. All members voting AYE. The MOTION CARRIED.

A copy of New Program – BHSU M.S. in Secondary Education can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **SDSM&T B.S. IN APPLIED BIOLOGICAL SCIENCES**

Dr. Gough explained that South Dakota School of Mines and Technology submitted a proposal for a B.S. in Applied Biological Sciences. The proposed program supports the Board's strategic goals. SDSM&T does not request any new State resources or additional student fees to implement the program. Hrcir noted how that biological sciences influence all of the engineering and physical science projects.

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to approve South Dakota School of Mines & Technology's proposal for a B.S. in Applied Biological Sciences as described in Attachment I. All members voting AYE. The MOTION CARRIED.

A copy of New Program – BHSU B.S. in Applied Biological Sciences can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **SDSM&T AND USD PH.D. IN PHYSICS**

Dr. Gough explained that South Dakota School of Mines and Technology and the University of South Dakota submitted a proposal for a Ph.D. in Physics. The program is designed to support the State's investment in the Sanford Underground Research Facility. The Board's FY14 budget request included resources for a Ph.D. in Physics at SDSM&T and USD. Governor Dennis Daugaard's recommended FY14 state budget includes resources for the program.

Acting President Hrcir noted that they have been at this one for a number of years and was pleased that the Governor has approved support. He noted that we need a Ph.D. program to attract quality students. The Ph.D. program is the next logical step.

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to approve the South Dakota School of Mines & Technology and the University of South Dakota proposal for a Ph.D. in Physics as described in Attachment I, with implementation in FY14 contingent on appropriations from the Legislature consistent with the Governor's recommendation. All members voting AYE. The MOTION CARRIED.

A copy of New Program – SDSM&T and USD Ph.D. in Physics can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **USD MINOR IN DANCE**

Dr. Gough explained that the University of South Dakota submitted a proposal for a minor in Dance. The University believes that the proposed minor will make the University's graduates more versatile and more marketable when they pursue careers after graduation. The courses in the minor are taught for the University's existing programs. No new resources are needed to implement the minor.

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to approve the University of South Dakota's proposal for a Minor in Dance with the usual conditions. All members voting AYE. The MOTION CARRIED.

A copy of New Program – USD Minor in Dance can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **NEW DELIVERY SITES**

### **SDSU PH.D. IN NURSING, ABERDEEN, RAPID CITY, SIOUX FALLS**

Dr. Gough explained that the University of South Dakota requests authorization to offer the Ph.D. in Nursing in Aberdeen, Rapid City, and Sioux Falls. The University believes that offering the program in Rapid City, Sioux Falls, and Aberdeen will provide Registered Nurses who cannot relocate or commute to Brookings with the opportunity to prepare for teaching positions.

Regent Johnson noted that the item says it will be self-support and asked if there are any program fees that will be applied to this to generate funds.

Laurie Nichols commented that the nursing fees will apply to the graduate students.

IT WAS MOVED by Regent Hansen, seconded by Regent Weber to authorize South Dakota State University to deliver the Ph.D. in Nursing in Aberdeen, Rapid City, and Sioux Falls as described in Attachment I. All members voting AYE. The MOTION CARRIED.

A copy of New Delivery Site – SDSU Ph.D. in Nursing, Aberdeen, Rapid City, Sioux Falls can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **SDSU B.S. IN INTERDISCIPLINARY STUDIES, RAPID CITY**

Dr. Gough explained that the University of South Dakota requests authorization to offer the B.S. in Interdisciplinary Studies at University Center – Rapid City. The University does not request additional resources to deliver the program in Rapid City. Delivery will be funded with self-support tuition revenue. No additional courses or facilities are needed to offer the program at University Center – Rapid City.



IT WAS MOVED by Regent Hansen, seconded by Regent Weber to authorize South Dakota State University to deliver the B.S. in Interdisciplinary Studies in Rapid City as described in Attachment I. All members voting AYE. The MOTION CARRIED.

A copy of New Delivery Site – SDSU B.S. in Interdisciplinary Studies, Rapid City can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **FY13 ONE-TIME FUNDING EXPENDITURES**

#### **REMEDIAL COURSE REDESIGN**

Dr. Paul Turman gave an update related to the remedial course redesign and strategies being pursued by a number of Regental campuses. He explained the collaboration with the Department of Education that brings remedial coursework to students in their senior year of high school that will kick off in January of this year.

Regent Weber asked if the student takes the remedial course along with the regular course to supplement to make sure the student gets credit for the regular course. Dr. Turman said that is correct and that it has been proven very successful. Regent Weber commented that it would be promising to remediate the student while keeping them with their cohort. Regent Baloun said this is really the right thing to do. Regent Jewett feels it will be a benefit to those who didn't think about math in the last two years of high school. He feels the regents need to continue to search for better way to prepare students, and he applauds this program.

A copy of Remedial Course Redesign can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

#### **PERFORMANCE IMPROVEMENT FUNDS**

Dr. Turman spoke to the performance improvement fund and the process in which the institutions engaged in order to apply for the monies. He briefed the board on how the funds were awarded.

A copy of Performance Improvement Funds can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

#### **PERFORMANCE FUNDING PROJECT ALLOCATIONS**

Dr. Turman gave a brief summary of the performance funding project and explained how each institution used their allocation. The focus was on student success.

A copy of Performance Funding Project Allocations can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **COMPLYING WITH THE PROGRAM INTEGRITY RULES – APPROVAL FOR DELIVERY OF ONLINE PROGRAMS**

Regent Johnson commented that this needs to be considered carefully.

Dr. Sam Gingerich said that background for this item was presented to the Board in October. He said at that time, staff recommended that the approval process for new programs be amended to include approval to offer the program online if the HLC definition was met. The Commission now states that if more than 50% of the courses required for any program can be completed online, the institution should be reporting the program as an online offering. Using this definition, many programs offered within the system should be identified and reported to the Commission as offered online. After some discussion Board members asked that this item be further refined and that the campuses provide examples of the impacts these external processes are having.

Dr. Gingerich explained the reports the universities developed listing programs approved for delivery face-to-face, on line, or both and those that have been approved only for face-to-face delivery but meeting the HLC requirement that they be reported as a program delivered online.

However, this expectation contradicts system practice which is based on the premise that all requirements of a program can be completed online before it is so recognized. Further, Board authorization is required before a campus can advertise that a program can be delivered online. Campuses seek Board approval using the “New Site Request” process. There is a conflict between the system practice and Commission requirements. This becomes further convoluted as institutions comply with DOE eligibility requirements to participate in Title IV financial aid.

He explained that this item addresses processes that will categorize programs based on a definition that works from a discrete, two state reality: online delivery or face-to-face delivery. However, as was discussed at the last meeting, this overlooks “blended” instruction. He said the presidents have discussed this and have agreed that in those cases where a campus was planning to establish a physical presence that included the delivery of any face-to-face coursework in a region historically served by another, the originating campus is obligated to establish a partnership that will allow a collaborative delivery of services. This agreement does cover blended delivery of courses/programs since in all of these cases, some instruction is face-to-face.

Dr. Gingerich said that staff recommends that the new program approval process be revised to align with these external requirements. Rather than limiting delivery sites of new programs to face-to-face on campus or at a specified location(s) or on-line, another option should be added. This option will be used to identify those programs that can be completed more than 50% but less than 100% online. Including this in the approval process will align Board approval processes with HLC reporting requirements. Further, institutions will still need to seek approval to move a program from 50-100% online to fully online.

Regent Jewett voiced confusion. He asked about how our system approves the location of where a course is going to be delivered. Dr. Gingerich explained we approve locations for programs not courses. Regent Jewett feels that if we approve a face-to-face course in Sioux Falls and it

morphs into a hybrid course, it shouldn't be able to be moved. He would like a list of courses that morphed into hybrid courses and out of the university centers back to the campuses.

Regent Krogman asked if collaboration is an outside issue. He suggests the regents talk about that separately.

Regent Johnson said she would like to see it more clearly spelled out when the Board approves delivery of programs. She suggested three categories: 1) face-to-face at particular location, 2) hybrid at a particular location, and 3) online. If a program morphs into something that has more than 50% online they need to come back to us and get our approval. Regent Jewett agreed.

Regent Krogman noted that we need to report them as required. The higher education commission is requiring four categories. Regent Johnson said we will report them to the commission using the four categories, but for our purposes of our approval there will be three categories.

Dr. Jack Warner gave further explanation of the four categories classifying institutions as to the percentage of online vs. face-to-face. To determine what bucket the institutions fall into there is a determination of the mix of program types and according to the HLC there is face-to-face and online. Their definition for online programs is different than ours. When we approve a program for online delivery we say the whole program is available online, but they say fifty percent has to be online. We are trying to align approval going back with their guidelines. The categorization of institutions is almost irrelevant. The other source of confusion is what the Board actually approves. The Board doesn't approve course delivery, they approve program delivery. What the item before you would do would continue the practice of approving face-to-face delivery with a street address as well as continue online delivery approval. He said the Board can approve the meaning of that. The third area, which is not recognized by HLC, says that whenever a program lands at a particular location even if it fits the HLC definition for online we will grant approval for a location.

Regent Johnson asked for clarification of the chart on page two of the item. Dr. Gingerich explained the reasoning why the charts were different for each campus.

IT WAS MOVED by Regent Jewett seconded by Regent Morris to approve the program categorizations provided by the campuses with the agreement that the new program approval process would be revised, adding a category for those programs that can be completed more than 50% but less than 100% online. A collaborative partnership is required whenever an institution provides any face-to-face delivery of a program in a region historically served by another institution. All members voting AYE. The MOTION CARRIED.

A copy of the item prepared for Complying with the Program Integrity Rules – Approval for Delivery of Online Programs can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **2011-2012 CAAP REPORT**

Dr. Daniel Palmer explained that Board Policy 2:28 *Proficiency Examinations* specifies that all degree-seeking students are required to meet satisfactory performance requirements on the *Collegiate Assessment of Academic Proficiency (CAAP)* exam, a nationally-normed achievement test developed by ACT, Inc. comprising four subtests (writing skills, reading, mathematics, and science reasoning). He said the *CAAP Outcomes Report* describes student performance on the CAAP examination during the 2011-2012 academic year. Subsequently, the *ACT-to-CAAP Gains Analysis* further examines the link between matched ACT scores and CAAP scores to explore the value-added offered by Regental institutions.

In summary, the report shows system-wide reading rose slightly. Our students test above national average in all areas. There was more evidence in gains this year than in the previous year.

Regent Weber asked when a student who falls into a remediation category fails what are their chances of passing and graduating. Dr. Palmer said that students that remediate usually do well the second time. Only about two percent of original test takers do not advance past proficiency.

A copy of the item prepared for 2011-2012 CAAP Report can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BONDS, 2013A, REFUNDING OF UNIVERSITY OF SOUTH DAKOTA HOUSING AND AUXILIARY FACILITIES REVENUE BONDS, SERIES 2003**

Dr. Monte Kramer said several of the universities have been engaged in a review of outstanding bonds and the possibility of refinancing given the current financing rates. USD is the only school moving forward at this time as their 2003 bonds were the only outstanding bonds that will be eligible for a full refunding as of April 1, 2013.

The USD 2003 Series bonds were issued a year prior to the consolidation of the individual campus operations into the Housing and Auxiliary Facilities System. As part of the 2003 issue, USD was required to carry a Debt Service Reserve Fund (DSRF) in the amount of \$1,156,180 as security on the debt, equal to the highest year of debt service over the life of the bonds. Refunding the 2003 bonds would no longer require a DSRF as the refunding would now be secured by the combined System. The DSRF can now be invested back into the USD auxiliary System. This factor made the refunding very attractive given potential projects at USD.

The net present value savings of the refunding is estimated at \$1,523,002.14 as of November 20, 2012. The All-In-True-Interest-Cost of the Refunding is estimated at 2.797%. The issue was structured to take full advantage of the current market financing rates. This was done by issuing as many bonds as possible without increasing the annual debt service and thereby maximizing the project fund. The project fund amount will be approximately \$2,652,071.12 including all present value savings, the DSRF less cost of issuance.

USD is currently looking at the opportunity to purchase additional apartments that could be part of the Auxiliary System. If no deal can be worked out within available dollars, the dollars will be invested in current renovation and maintenance projects for the current facilities. Any purchase would require Board review and approval.

The Board is requested to authorize (i) the financing of the acquisition of (a) apartment-style facilities for the Institutional System for the University of South Dakota (“USD”) and/or (b) improvements to, or remodeling or renovation of, housing facilities in the USD Institutional System (the “USD Project”) and (ii) the refunding of the Board’s University of South Dakota Housing and Auxiliary Facilities Revenue Bonds, Series 2003 (the “Series 2003 USD Bonds”) through the issuance of the referenced Revenue Bonds (the “Bonds”). The debt service reserve fund for the Series 2003 USD Bonds in the amount of approximately \$1,156,167 would be released and used to pay a portion of the cost of refunding the Series 2003 USD Bonds.

Except for the distribution of the preliminary official statement, the documents approved under this action will not be completed and executed until the Bonds are issued; *provided* that the Bond Purchase Agreement and the official statement will not be completed and executed until the Bonds are sold to the underwriter.

IT WAS MOVED by Regent Baloun, seconded by Regent Jewett to authorize the issuance of an additional series of Bonds under the Amended and Restated Bond Resolution adopted by the Board on October 21, 2004 (the “Original Resolution”) to finance the USD Project and the refunding of the Series 2003 USD Bonds and costs of issuance (Attachment II—Eighth Supplemental System Revenue Bond Resolution (the “Eighth Supplemental Bond Resolution”)), but only if (i) the net present value of the savings as a result of the refunding shall be at least \$750,000 and (ii) the aggregate debt service on the Bonds does not exceed the aggregate debt service on the Series 2003 USD Bonds.

#### ROLL CALL VOTE

Johnson – AYE  
Krogman – AYE  
Schaefer – AYE  
Baloun – AYE  
Hansen – AYE  
Jewett – AYE  
Morris – AYE  
Weber – AYE  
Pagones – NOT PRESENT

All members voting AYE. The MOTION CARRIED.

IT WAS MOVED by Regent Baloun, seconded by Regent Jewett to approve the contract with the underwriter, BMO Capital Markets GKST Inc., who will market the Bonds for the Board; *provided, however*, that the aggregate principal amount of Bonds sold pursuant thereto shall not exceed \$13,200,000, shall mature not later than April 1, 2028 and shall be sold at an

underwriter's discount of not more than 0.625% of Bond proceeds (Attachment III—Bond Purchase Agreement).

ROLL CALL VOTE

Johnson – AYE  
Krogman – AYE  
Schaefer – AYE  
Baloun – AYE  
Hansen – AYE  
Jewett – AYE  
Morris – AYE  
Weber – AYE  
Pagones – NOT PRESENT

All members voting AYE. The MOTION CARRIED.

IT WAS MOVED by Regent Baloun, seconded by Regent Jewett to approve an escrow agreement with The First National Bank in Sioux Falls, the Registrar for the Series 2003 USD Bonds, to provide for the defeasance of all of the outstanding Series 2003 USD Bonds. (Attachment IV—Escrow Agreement).

ROLL CALL VOTE

Johnson – AYE  
Krogman – AYE  
Schaefer – AYE  
Baloun – AYE  
Hansen – AYE  
Jewett – AYE  
Morris – AYE  
Weber – AYE  
Pagones – NOT PRESENT

All members voting AYE. The MOTION CARRIED.

IT WAS MOVED by Regent Baloun, seconded by Regent Jewett to ratify the distribution of the preliminary official statement and approving the official statement to reflect the actual costs of the transaction once they are determined and the Bonds are ready for sale (Attachment V—draft Preliminary Official Statement).

ROLL CALL VOTE

Johnson – AYE  
Krogman – AYE  
Schaefer – AYE

Baloun – AYE  
Hansen – AYE  
Jewett – AYE  
Morris – AYE  
Weber – AYE  
Pagones – NOT PRESENT

All members voting AYE. The MOTION CARRIED.

IT WAS MOVED by Regent Baloun, seconded by Regent Jewett to authorize the President of the Board, the President of the University of South Dakota, the Executive Director of the Board and other Board officials to perform those acts and to execute those documents necessary to complete the bond issue, the Eighth Supplemental Bond Resolution, the Bond Purchase Agreement and the Escrow Agreement, including but not limited to negotiation with a bond insurer with respect to providing bond insurance for the Bonds, or determining not to procure bond insurance for the Bonds, as the Executive Director deems to be beneficial to the Board (Attachment I—Board action to approve the issuance of revenue bonds).

All members voting AYE. The MOTION CARRIED.

ROLL CALL VOTE

Johnson – AYE  
Krogman – AYE  
Schaefer – AYE  
Baloun – AYE  
Hansen – AYE  
Jewett – AYE  
Morris – AYE  
Weber – AYE  
Pagones – NOT PRESENT

All members voting AYE. The MOTION CARRIED.

IT WAS MOVED by Regent Baloun, seconded by Regent Jewett to make the certifications required prior to the issuance of additional Bonds under Section 14(K) of the Original Resolution based on the Actual Net Revenues of the System for each of the two most recent Fiscal Years and the Projected Net Revenues of the System for each of the succeeding three Fiscal Years (Attachment VI).

ROLL CALL VOTE

Johnson – AYE  
Krogman – AYE  
Schaefer – AYE  
Baloun – AYE

Hansen – AYE  
Jewett – AYE  
Morris – AYE  
Weber – AYE  
Pagonos – NOT PRESENT

All members voting AYE. The MOTION CARRIED.

A copy of Housing and Auxiliary Facilities System Revenue Bonds, 2013A, Refunding of University of South Dakota Housing and Auxiliary Facilities Revenue Bonds, Series 2003 can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **PEARSON MYLABS UPDATE**

Dr. Gingerich gave an update regarding Pearson MyLabs. He said the current contract with Pearson Education for MyMathLab is expiring. However, the campuses are still committed to using this product primarily because the approach it supports is proving to be successful. Furthermore, the system level agreement also provided for significant savings for students on all campuses. A new contract is being negotiated.

As this contract is approached, it has been noted that the use of Pearson's MyLabs in other disciplines is rapidly expanding and in many cases, these are bundled with a related e-text. In fact, the system office has been monitoring faculty adoption of MyLabs products over the years and the growth rate has been 15-20%/year. Since this growth has occurred, the contract is being negotiated to extend the preferred pricing students in any section required to by a MyLabs/e-text bundle.

Dr. Gingerich said the campuses are also considering strategies to redesign remediation in composition, reading and study skills as well as in math. He said, as the Board is aware, the system has established a small grants program to support saleable pilot projects addressing some aspect of placement and remediation. Almost every one of the proposals included the use of a Pearson's MyLab product. These items will also be covered by the contract being negotiated.

Dr. Kurt Cogswell, Head of the Department of Mathematics and Statistics at SDSU, made a brief presentation about SDSU's experiences with MyMathLabPlus. He said the current satisfaction of the program is good. They are high quality materials, but there is no flow control on Pearson products. Students are free to jump around in the materials and make bad choices on how they use them. SDSU has developed study guides that walk them through the materials. They also have had problems with how data is delivered. Pearson recently purchased Anewton. The discussion landed on the fact that there is better flow control with the Anewton technology. Another benefit is that a learning profile is developed as a student works through a course. If they take another MyMathLabsPlus course that information follows them.

Regent Hansen asked how many students are still dropping out. Dr. Cogswell says the dropout rate reduced dramatically. He said that 70 percent of students completed more than a semester's worth of material. Regent Hansen asked about the self-paced part of the program for the



individual student and whether or not all the universities are using that option. Dr. Gingerich replied no. All campuses are using the MyMathLabsPlus, but not all are using the self-paced option. BHSU and NSU are using a classroom-based environment, but it is more competencies based. SDSU, USD, and DSU use a competency based and self-paced approach.

Regent Krogman asked if the Regents need to approve the contract being considered. Dr. Gingerich said this one can be approved at the Board office. Regent Jewett asked what happened to the 40 people who dropped out. Dr. Cogswell said that they can try again.

Regent Weber asked about the funding model. Are the students paying for the courses and not getting credit for it? Dr. Gingerich said this is remedial.

A copy of Pearson MyLabs Update can be found on pages \_\_\_\_\_ to \_\_\_\_\_ of the official minutes.

### **E-TEXT COMMITTEE REPORT**

Dr. Janice Minder gave a summary of the work done by the e-text committee up to this point. She said the goal is to meet with student federation throughout the process as they are a major stakeholder. The committee created includes people from student affairs, academic affairs, technology affairs, business affairs, bookstores, and students to understand how e-text is being used in the classroom. The goal is to understand the student and faculty attitude towards digital materials. The group is looking at how best students learn, costs, accommodations, and technology needs. We know the landscape is changing so this committee is going to review those issues and bring back recommendations.

Regent Schaefer asked if students are buying e-text now. Dr. Minder said yes. Some texts are available in both digital and hardcopy. Regent Johnson asked about the life-time of e-text. Dr. Minder said that they are working to establish baselines. Example includes: students might have the complete e-text until they graduate or they might have the option to print it out. Regent Jewett asked if this was modified or is that the marketplace. Dr. Minder said it would be a negotiation with the publisher.

A copy of the e-Text Committee Reports can be found on pages \_\_\_\_\_ to \_\_\_\_\_ of the official minutes.

### **ATHLETIC INSURANCE**

Dr. Minder said the athletic insurance policy adopted by the board for secondary athletic insurance is considered a blanket insurance policy, whereby all students are covered who participate in sanctioned sports. Since it is a blanket insurance policy, the premium is based on headcount and there is no provision for a negative check off procedure. The secondary insurance would pick up where the primary insurance did not provide coverage for out-of-pocket expenses.

SDSU and USD have already implemented the athletic insurance at the university's expense and have set policy due to Division I recruitment needs. DSU and SDSM&T made a decision to pay for this coverage as well during the initial year to ensure a comprehensive communication

strategy could be engaged. BHSU and NSU opted for a different method due to budgetary concerns. They decided to charge a fee to assist in covering costs of the plan [this is not an unusual practice/policy for some universities nationally].

During the implementation phase of the insurance, SDBOR had received complaints regarding the insurance fee. Due to the timing of the implementation for 2012-13 academic year, both BHSU and NSU then opted to pay the insurance.

Dr. Minder said the system is at a point in time where a decision about how to proceed with athletic insurance is critical. She gave a brief summary of three fundamental perspectives on athletic insurance that the Regents need to decide among. She said the decision the Regents will need to make is important to comply with NCAA requirements. NCAA has determined that insurance gaps need to be managed to ensure liability is mitigated by families and student athletes. Any of the options will be satisfactory under the NCAA requirements. Each option has both positive and negative consequences.

The board discussed the options.

Regent Johnson said that the lowest cost is to buy the policy that covers everyone. Regent Baloun asked what percentage of students who don't have coverage. Dr. Minder didn't have a concrete number. She noted what needs to be looked at is if their insurance is meeting the mandate. Regent Schaefer asked the definition of appropriate coverage. Dr. Minder said that isn't defined by NCAA. She said we would have to determine and define appropriate coverage. Regent Jewett asked if the revisions of the health care plan eliminate the specific policies. Dr. Minder said that international students will not have the necessary insurance for sports.

IT WAS MOVED by Regent Schaefer, seconded by Regent Morris to approve the Board of Regents office to identify a plan structure allowing families/students to provide proof of insurance allowing a negative check off. As this is a blanket policy with one premium due to the vendor, the campuses who determine to charge the fee will be required to absorb the difference out of the athletic budget in the premium paid by the student and that of the total premium due because of the negative check off. All voted AYE, except Regent Weber. The MOTION CARRIED.

A copy of Athletic Insurance can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**THURSDAY, DECEMBER 13, 2012**

Regent President Johnson called the meeting of the Board to order at 9:41 a.m.

### **REPORT AND ACTIONS OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS**

Regent Morris presented the report and actions of the Committee on Academic and Student Affairs as follows. He said he would like a follow-up presentation to the full board from staff.

## **INFORMATIONAL ITEMS**

### **Institutional Items of Information**

The Committee received Institutional Items of Information submitted by Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines and Technology, South Dakota State University, University of South Dakota, South Dakota School for the Blind and Visually Impaired, and South Dakota School for the Deaf. No action required. A copy of the Institutional Items of Information can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **Annual Curriculum Report**

Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines and Technology, South Dakota State University, and the University of South Dakota have provided reports on the approved minor course and minor program modifications of the VPAA's for the previous year. Information only. A copy of the Annual Curriculum Report can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **2012-2013 Discipline Councils**

Discipline Councils are established each fall and the campus representatives for each council have been compiled in a matrix that was provided to the committee. It was moved by Regent Weber and seconded by Regent Baloun to approve the list of campus representatives for the 2012-2013 discipline councils. Motion passed. A copy of the 2012-2013 Discipline Councils can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **CONSENT CALENDAR**

### **FY2012 Distance Education Report**

The *FY2012 Distance Education Report* replaces last year's *Off-Campus Education Report*, which merged material from an assortment of related reports that in previous years had been presented separately: 1) the *Electronic University Consortium Annual Report*, 2) the *University Centers Annual Report*, and 3) various ad hoc analyses of distance education data. The goal of the current report is to provide a summary of performance data related to SDBOR's distance delivery initiatives. The Executive Summary and Full Report were provided to the committee. Information only. Regent Morris asked that this report go to the full board. He noted the report showed that distance and hybrid courses have a good completion rate. A copy of the FY2012 Distance Education Report can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**SUBSTANTIVE ITEMS**

**New Certificate Request: DSU – Informational System, Business Analytics Certificate**

It was moved by Regent Baloun and seconded by Regent Weber to approve DSU’s request for a certificate in Information System, Business Analytics. Motion passed. A copy of the New Certificate Request: DSU – Informational System, Business Analytics Certificate can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**Cooperative Agreement – USD**

It was moved by Regent Weber and seconded by Regent Baloun to approve the proposed cooperative agreement between USD and the Consortium of Transatlantic Studies and Scholarship (CTSS). Motion passed. A copy of the Cooperative Agreement – USD can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**Full Report**

IT WAS MOVED by Regent Morris, seconded by Regent Weber to adopt the report and actions of the Committee on Academic and Student Affairs. All members voting AYE. The MOTION CARRIED. A copy of the Full Report can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**REPORT AND ACTIONS OF THE COMMITTEE ON BUDGET AND FINANCE**

Regent Krogman presented the report and actions of the Committee on Budget and Finance as follows:

**INFORMATIONAL**

**Institutional Items of Information**

The Committee received the Institutional Items of Information from BHSU, DSU, NSU, SDSM&T, SDSU, USD, SDSBVI, and SDSD. No action required. A copy of the Institutional Items of Information can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**Capital Project List**

The Committee received the Capital Project List that identifies the current capital improvement projects along with the Regental representative, estimated dollar amount, the source of funds for the project, and the current status of the project. The list includes the Board’s second ten-year Capital Plan which was approved by the 2005 Legislature, and the Science and Laboratory facilities approved by the 2008 Legislature. Information only. A copy of the Capital Project List can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **Building Committee Report**

The Committee received information regarding the activities of the various building committees that had met since the last meeting as follows: the Building Committee for the SDSU Cow-Calf Education Research Unit selected designArc to design the project; the Building Committee for the SDSU Utility Infrastructure Upgrades selected HR Green to design the project; the Building Committee for the SDSU North Tunnel Extension and Supplemental Plant selected Farris Engineering to design the project; the Building Committee for the SDSU Visual Arts Building selected Koch Hazard/BNIM to design the project; the Building Committee for the SDSU Headhouse-Greenhouse Building approved the preliminary design, authorized the A/E to issue contract documents to award the foundation and exterior shell of this project, and approved the facility design plan and program plan; the Building Committee for the SDSU Architecture, Math and Engineering Building selected Sioux Falls Construction to oversee the project; the Building Committee for the SDSU Indoor Practice and Human Performance Facility authorized SDSU to proceed with design of the project; the Building Committee for the USD Sports Performance Enhancement/DakotaDome Renovation approved the facility program plan for the project; the Building Committee for the NSU Johnson Fine Arts Center selected Baldrige & Nelson Architects to design the project; and the Building Committee for the USD Muenster University Center Expansion approved the Facility Design Plan and the guaranteed maximum price for the project. Information only. A copy of the Building Committee Report can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **Student Accounts Receivable as of 6-30-12**

The Committee received FY12 collections data. This process has become more efficient and consistent across the system as it now includes collecting all monies due after the drop/add. Information only. A copy of Student Accounts Receivable as of 6-30-12 can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **Minnesota Reciprocity**

The Committee received information regarding the rates paid by Minnesota students and South Dakota students when attending either Minnesota or South Dakota state schools. Information only. A copy of the Minnesota Reciprocity can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **CONSENT CALENDAR**

IT WAS MOVED by Regent Krogman, seconded by Regent Hansen to approve the following items on the consent calendar:

## **M&R Institutional Project Updates**

Approve SDSU's request to expand the southeast residential parking lot by 210 spaces at a cost of \$400,000. Funding for this project will come from parking and traffic funds.

Approve SDSU's request to upgrade the Olson Biochemistry laboratory suites at a cost of \$500,000. Funding for this project will come from grand indirect cost recovery funds.

All voted AYE. The MOTION CARRIED.

### **SUBSTANTIVE**

#### **BOR Policy 6:7 – Building Plaques**

IT WAS MOVED by Regent Hansen, seconded by Regent Jewett to approve the recommended changes to BOR Policy 6:7: Building Plaques to include the names of SDBA board members and the SDBA executive secretary. All voted AYE. The MOTION CARRIED.

#### **FY13 HEFF M&R Revised Allocation & Project List**

IT WAS MOVED by Regent Schaefer, seconded by Regent Hansen to approve the HEFF allocation increase and the revised project list for FY13. All voted AYE. The MOTION CARRIED.

#### **FY14 M&R Fee Project List**

IT WAS MOVED by Regent Johnson, seconded by Regent Schaefer to approve the FY14 M&R Fee project list funded with the maintenance and repair fee revenue. All voted AYE. The MOTION CARRIED.

#### **FY14 M&R Auxiliary Project List**

IT WAS MOVED by Regent Hansen, seconded by Regent Schaefer to approve the FY14 Maintenance & Repair Auxiliary project list to be funded with auxiliary revenues. All voted AYE. The MOTION CARRIED.

#### **FY14 HEFF M&R Allocation & Project List**

IT WAS MOVED by Regent Schaefer, seconded by Regent Jewett to approve the HEFF allocation and the requested projects for FY14. All voted AYE. The MOTION CARRIED.

#### **FY14 M&R AES Project List**

IT WAS MOVED by Regent Hansen seconded by Regent Schaefer to approve the FY14 AES Maintenance & Repair project list to be funded by the pesticide tax. All voted AYE. The MOTION CARRIED.

#### **BHSU New Residence Hall Facility Program Plan**

BHSU noted the program plan increases the housing stock. The plan includes suite style housing. It will be cheaper for students to live on campus. Enrollment has increased and the school will

not have any difficulty filling the additional 33 beds. The plan increases ADA compliance. Regent Johnson asked about the ability to have summer conferences and if that was included in the revenue. BHSU replied that was not included in the revenue projection.

IT WAS MOVED by Regent Hansen, seconded by Regent Schaefer to approve BHSU's Facility Program Plan to construct a residence hall and adjacent parking lot at an estimated cost of \$11,154,317. Funding for this project will come from \$8,021,301 from debt financing, \$2,133,016 from auxiliary RRR cash reserves and FY14 and FY15 revenues, and a \$1,000,000 payment from university funds for the transfer of Pangburn to academics. Waiting until early calendar year 2014 to bond for further revenue system projects will allow completion of the current bonded projects and provide another year of enrollment information for BHSU.

The plan requires an increase in current hall rates of 5% for both FY14 and FY15, and a 7% increase for the same years for a double apartment. Parking fees are also proposed to increase by 34% in FY14. Because the plan is contingent upon these fee increases the Board will need to approve these fee increases in order for the project to proceed. All voted AYE. The MOTION CARRIED.

#### **SDSM&T Campus Loop Road – Revised Preliminary Facility Statement**

SDSM&T testified that the road is crucial because it allows a road south of the King Center. It connects the back half of campus and prepares the school for the future.

IT WAS MOVED by Regent Schaefer, seconded by Regent Johnson to approve SDSM&T's Preliminary Facility Statement to construct a Campus Loop Road at an estimated cost of \$1,100,000. Funding for this project will come from a Federal Department of Transportation grant in the amount of \$390,000, HEFF M&R Funds of \$350,000 and SDSM&T Parking Funds of \$360,000. The project may proceed without a building committee as long as estimated costs do not exceed \$1.5M. All voted AYE. The MOTION CARRIED.

#### **SDSU Frost Arena HVAC Replacement – Preliminary Facility Statement and Facility Program Plan**

IT WAS MOVED by Regent Schaefer, seconded by Regent Hansen to approve SDSU's Preliminary Facility Statement request to replace the HVAC units in Frost Arena at an estimated cost of \$1,447,974. If approved, SDSU requests assignment of a building committee to assist with the project planning and implementation. Funding for this project will be \$947,974 from FY13 HEFF funds and \$500,000 from FY14 HEFF funds. All voted AYE. The MOTION CARRIED.

#### **SDSU Medary Commons Renovation Preliminary Facility Statement and Facility Program Plan**

Dr. Kramer noted that this will require legislation.

IT WAS MOVED by Regent Jewett seconded by Regent Hansen to approve SDSU's Preliminary Facility Statement and Facility Program Plan to add a small addition to and renovate Medary Commons at an estimated cost of \$3,000,000. Funding for this project will be \$735,941

in FY13 HEFF Funds, \$1,514,059 in FY14 HEFF Funds, and \$750,000 in FY14 University Support Fees. If approved, this project will need to be added to the 2013 Legislative package for Board approval. The Board President should appoint a building committee to oversee the project. All voted AYE. The MOTION CARRIED.

#### **SDSU Cow-Calf Unit – Facility Program Plan**

IT WAS MOVED by Regent Schaefer seconded by Regent Hansen to approve the SDSU Cow-Calf Unit Facility Program Plan. The project can then move forward for full design. The bond funds will not be available until FY14 so the actual construction cannot begin until after the bond proceeds are available. If approved, and legislation is deemed necessary by SDBA bond counsel, legislation will need to be submitted to amend HB1051 from the 2012 session to allow the facility to be sited north of SDSU on campus property. All voted AYE. The MOTION CARRIED.

#### **SDSU Architecture, Math & Engineering – Facility Program Plan**

IT WAS MOVED by Regent Hansen seconded by Regent Jewett to approve SDSU's Facility Program Plan to develop design plans for construction of an Architecture, Mathematics and Engineering Building at an estimated cost of \$17,082,800. Funding for this project will be \$10,000,000 from the FY2014 issuance of HEFF bonds and \$7,082,800 in gifts guaranteed through the SDSU Foundation. Bond proceeds will not be available until fall 2013 or spring 2014. All voted AYE. The MOTION CARRIED.

#### **SDSU Swine Educational & Research Unit – Facility Program Plan**

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to approve SDSU's Facility Program Plan to construct a multi-unit Swine Education and Research Facility at an estimated cost of \$5,518,899. Funding for this project will come from donations through the SDSU Foundation. If approved, this project will need to be added to the 2013 Legislative package for Board approval. All voted AYE. The MOTION CARRIED.

#### **SDSU Storage Building Replacement – Preliminary Facility Statement and Facility Program Plan**

IT WAS MOVED by Regent Jewett, seconded by Regent Hansen to approve SDSU's Preliminary Facility Statement and Facility Program Plan to build two new storage facilities at an estimated cost of \$325,000 and exempt this project from the Capital Improvement approval process. Funding for this project will be grant and contract indirect recovery funds and institutional plant funds. If approved, this project will need to be added to the 2013 Legislative package for Board approval. All voted AYE. The MOTION CARRIED.

#### **SDSU – Bear Butte Valley Water, Inc. Easement**

IT WAS MOVED by Regent Jewett seconded by Regent Hansen 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 the grant of perpetual easements and a temporary construction easements on lands occupied by the South Dakota State University in Meade County, South Dakota, to the Bear Butte Valley Water, Inc., a South Dakota corporation, whose address is PO Box 351, Sturgis, South Dakota 57785 as follows, and as shown more specifically in the engineering drawings attached to the resolution:

for the construction and operation of a water distribution system, including pipelines, valves, meters, hydrants and all other appurtenant equipment and fixtures on and within the east sixty three feet (63'), including the Section line right-of-way, of Grantor's property described as follows: Section 13: Government Lot 4, Township 5 North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota; Section 24: Government Lots 1, 2, 3 and 4, Township 5 North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota; and Section 25: Government Lots 1 and 2, Township 5 North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota; and

for the construction and operation of a reservoir, booster station and water lines as part of a water distribution system, three tracts along the east one thousand three hundred sixty seven feet of the south section line, the first tract comprising the south two hundred feet (200') from a point one thousand three hundred sixty-seven feet (1,367') west of the southeast corner of the section to a point one thousand one hundred sixty-seven feet (1,167') west of the corner, and the second tract comprising the south sixty-three feet (63') from a point one thousand one hundred sixty-seven feet (1,167') west of the southeast corner of the section to a point one hundred feet west of the corner, and a third tract comprising the south one hundred feet (100') of the east one hundred feet(100') of Section 13: Government Lot 4, Township 5 North, Range 5 East of the Black Hills

All voted AYE. The MOTION CARRIED.

#### **USD Mechanical Overhaul and Modernization Preliminary Facility Statement**

IT WAS MOVED by Regent Hansen seconded by Regent Schaefer, to approve USD's Preliminary Facility Statement at an estimated cost of \$10,000,000. Funding for this project will be \$8,000,000 from HEFF bonding and \$2,000,000 in other funds. If approved, the Board should assign a building committee to this project. The bond funds will not be available until fall of 2013 or spring of 2014. All voted AYE. The MOTION CARRIED.

#### **USD Physics and Crystal Growth Preliminary Facility Statement, Facility Program Plan & Facility Design Plan**

Regent Jewett asked about the location of Patterson Hall. He received clarification that physics will not move to Patterson.

IT WAS MOVED by Regent Hansen, seconded by Regent Schaefer to approve USD's Preliminary Facility Statement, Facility Program Plan and Facility Design plan to renovate the second floor of Patterson Hall for a cost not to exceed \$1,682,947. Funding for this project

includes \$200,000 from Federal and State Grants, \$196,211 in HEFF funds and \$1,286,736 from grants overhead recovery funds. All voted AYE. The MOTION CARRIED.

### **BHSU Foundation Master Lease**

IT WAS MOVED by Regent Hansen, seconded by Regent Jewett to approve the facility design as submitted and authorize the President of the Board of Regents execute the attached lease between the Board and the Black Hills State University Foundation presented in Attachment I. All voted AYE. The MOTION CARRIED.

### **Easement for University Center – Rapid City**

IT WAS MOVED by Regent Schaefer, seconded by Regent Hansen 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 the grant of a perpetual easement on 1,600 square feet of real property occupied by the University Center, Black Hills, in Pennington County, South Dakota, to Monte Vista Properties, LLC, a South Dakota limited liability company, of 3600 Sheridan Lake Road, Rapid City, South Dakota 57702 (“Grantor”), owner of record of real property located at 4040 Cheyenne Boulevard, Rapid City, South Dakota 57703, with the legal description Heartland Retail Center, Block 1, Lot 3, in consideration of reciprocal easement to be granted by the State of South Dakota for the Benefit of the property described as Heartland Retail Center, Block 1, Lot 3, as shown on an engineering document set forth as Exhibit A to the resolution and incorporated therein as though fully set forth, for the purpose of providing the benefited property access across the burdened property through both properties joint access point. All voted AYE. The MOTION CARRIED.

### **BHSU Request for Sidewalk Easement**

IT WAS MOVED by Regent Schaefer seconded by Regent Hansen to adopt a 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 the grant of a perpetual easement on 133 square feet of real property occupied by the Black Hills State University in Lawrence County, South Dakota, to the City of Spearfish for installation, maintenance reconstruction, repair, and operation of a sidewalk located at the southwestern corner of the intersection of Hillsview Drive and Saint Joe Street in the City of Spearfish. Which easement is shown on an engineering document set forth as Exhibit A to the resolution and incorporated therein as though fully set forth. All voted AYE. The MOTION CARRIED.

### **SDSU – Plat and Easement for 11<sup>th</sup> Street**

IT WAS MOVED by Regent Hansen, seconded by Regent Krogman to adopt a 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 the grant of a perpetual easement on lands occupied by the South Dakota State

University in Brookings County, South Dakota, to the City of Brookings, for installation, maintenance reconstruction, repair, and operation, including right to ingress and egress, of utility easements and described as:

The South Ten Feet (S10') of the North Fifty-Five Feet (N55' )of the West One Thousand Four Hundred Thirty Feet (W1430') of the East One Thousand Four Hundred Sixty-Three Feet (E1463'); and the South Ten Feet (S10') of the North One Hundred Thirty-Five Feet (135') of the West Seventy-Seven Feet (W77') of the East One Hundred Ten Feet (E110') of the Southeast Quarter (SE¼) of Section 24, Township 110 North, Range 50 West of the 5th Principal Meridian, City of Brookings, Brookings County, State of South Dakota as shown on Exhibit A, attached to and made part of this easement.

All voted AYE. The MOTION CARRIED.

### **SDSU Aurora Storage Shed Rental Agreement Request and Draft Lease**

IT WAS MOVED by Regent Hansen, seconded by Regent Schaefer to authorize South Dakota State University to enter into a lease with the South Dakota Crop Improvement Association, for use of a machine shed to be located in the N ½, SW ¼ of Section 26 of Brookings County, for a term commencing on March 1, 2013 and ending March 1, 2020, for non-cash consideration in the form of certain facility improvements to be provided on behalf of the university for the estimated cost of \$32,000, by the SDSU Foundation Seeds. All voted AYE. The MOTION CARRIED.

### **BOR Policy 5:15 Athletics**

IT WAS MOVED by Regent Schaefer, seconded by Regent Hansen to approve a change in board policy to bring policy in-line with the October action to HEFF for maintenance and repair.

### **Full Report**

IT WAS MOVED by Regent Schaefer, seconded by Regent Hansen to adopt the report and actions of the Committee on Budget and Finance. All members voting AYE. The MOTION CARRIED. A copy of the Full Report can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **SUMMER STUDY LEGISLATION**

Dr. Warner said that on November 27, 2012, the Postsecondary Education Interim Committee finished its summer study of performance funding for postsecondary education systems in South Dakota. The committee, chaired by Sen. Russell Olson, produced three pieces of draft legislation to be considered in the 2013 legislative session.

On a 9-0 vote of the committee, these bills were advanced for introduction when the session opens January 8, 2013:

1. An Act to establish the public purpose and goals of postsecondary education, to provide for the funding of postsecondary education, and to create the Council on Higher Education Policy Goals, Performance, and Accountability.
2. An Act to require the Department of Labor and Regulation to determine certain job placement outcomes for graduates of all public postsecondary education institutions in the state.
3. An Act to require the reporting of the outcomes of certain licensure and certification examinations.

The board reviewed, discussed, and endorsed the draft legislation. Regent Hansen commented that this is critical for higher education in South Dakota. He strongly recommends support of this legislation.

It was moved by Regent Hansen, seconded by Regent Schaefer to support the legislation. All voting AYE. The MOTION CARRIED.

A copy of Summer Study Legislation can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **USD AND SDSU ATHLETIC FACILITY FUNDING COMMITMENTS**

Dr. Monte Kramer summarized the status of the current athletic facility projects at USD and SDSU and presented the foundation commitment letters for each project.

Regent Baloun asked how much of SDSU's goal amount of \$32 million had been raised. SDSU President Chicoine responded that at this point roughly \$27 million had been pledged.

IT WAS MOVED by Regent Baloun, seconded by Regent Morris to accept the Foundation commitment letter amounts of \$24,088,559 for USD and \$32,000,000 for SDSU with the understanding that any increases above the estimated costs of the projects must be funded with private donations. All members voting AYE. The MOTION CARRIED.

A copy of USD and SDSU Athletic Facility Funding Commitments can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **FY14 GOVERNOR'S BUDGET RECOMMENDATION**

Ms. Claudean Hluchy gave a summary of the FY14 Governor's Budget Recommendation. She said the Board of Regents saw a total net decrease in all funds of \$31,297,421. General funds saw an overall increase of \$5.3 million or 3.2%. This does not include the employee compensation package. The employee compensation package will cost over \$2 million without the salary increase. Federal funds had an overall decrease of \$43,026,983 or (19.5%). Other fund authority increased by \$6.3 million or 1.5%. FTE within the system had a net increase of 34.0 or .7%. This brings our total budget in FY14 in all funds to \$773,955,080 and 5,073.4 FTE.

Regent Jewett asked how much we would have to raise tuition in order to cover salary policy. Monte Kramer said he would speculate at least 4.5%. Regent Morris commented that before we

talk about inflation and anything else we are talking a 5.5% increase. Regent Weber said we shouldn't assume that the students are comfortable with increasing the salary policy fee. Regent Hansen said the students didn't agree to this being increased by 1% every year. Regent Jewett said it was good that this is brought up so everyone knows where we are coming from. Regent Baloun said this is not a surprise to us. We are always looking for money available to reduce the burden on students. Regent Krogman said we need to make sure we are competitive to recruit professors and we will have to have dialogue with students so they realize why tuition rises. A copy of FY14 Governor's Budget Recommendations can be found on pages \_\_\_ to \_\_\_ of the official minutes.

### **TUITION AND FEES STRUCTURE COMMITTEE UPDATE**

Dr. Kramer summarized the work done by the tuition and fees structure committee. He said the committee's role is to investigate the merits of tuition and fee suggestions and whether or not the change is in the best interest of students and the system. He presented three recommendations. (1) Change the eligibility for residency to indicate that high school graduates are always eligible for resident tuition instead of just seven years; grant residency to a non-resident when they marry a resident; increase the age of an emancipated person for residency from 21 to 24. (2) Include the Centers in reduced tuition for state employees. (3) A recommendation from the Business Affairs council on the language in BOR policy that allows identity of scholarship sources as there is a limited pool of fund sources that are identified to fund general scholarships.

Dr. Kramer explained the proposed and new language. Proposed Language 5:15(4) and 3:15(5): Athletic scholarships may be funded from athletic gate receipts, athletic sponsorships, athletic broadcasting agreements, athletic guarantees, athletic commissions, advertising revenue, facility rentals, extra-curricular concession profits, vending profits, business related profits with the exception of the Auxiliary System, trademark royalties, camp profits, ticket sales and donations. New Language 3:15(8): General university scholarships awarded on a need or merit basis may be funded from advertising revenue, facility rentals, extra-curricular concession profits, vending profits, business related profits with the exception of the Auxiliary System, trademark royalties, camp profits, ticket sales and donations. He noted there is support for the change amongst the Council of Presidents.

The board discussed the use of an elective non-resident tuition or fee increase based on market and program needs by each institution that would be used to support the academic and student programs at the schools as well as fund scholarships. Regent Jewett asked for clarification on the Centers. Would employees pay half of self-support rates or state support rates? Dr. Kramer explained the discount would be the same. The dollar amount only would be the same. The student would pay self-support rates off campus and state-support on campus. Regent Jewett said he is reluctant to grant discounts. The state should pay for those discounts.

Regent Baloun asked to hear the thoughts from the Centers. Mark Lee University Center - SF said that the center leaders discussed the discount in length. Regent Baloun asked about Pierre. Would they be able to handle the influx? Mark Lee, Dean of University Center - SF, said the university center directors support it. He explained that full tuition paying students always take first priority. And he also stated that he feels state employees should not be limited by location. Regent Johnson

asked if the calculation was made on how many additional students would be necessary to pay for the change. Dr. Lee explained they had at University Center - SF and the number wasn't significant. Regent Morris asked if the main universities be taking the hit on this. President Johnson said she felt the key is the capacity issue. She feels it is a win to fill the seats. Regent Baloun asked again about the capacity issue in Pierre. Dr. Warner said he had conversations with the director of CUC and he said that he was concerned about the viability of the Pierre center if we don't do the reduced tuition. He doesn't feel capacity would be an issue. Regent Hansen is in support of the reduced tuition especially in the Pierre. Regent Schaefer asked if we could afford that many students paying half price. Dr. Warner said he thinks so because it would help build the section size. Regent Schaefer said the regents should make a decision to cut costs dramatically or add enrollment. Regent Baloun asked if the regents need to move on this today. President Johnson explained that we wouldn't need to rule on this until April when the rest of the tuition items are handled. Regent Baloun suggested a pilot program. Regent Jewett feels we do need the reduced tuition in Pierre but expects a list of discounts for other groups. Dr. Kramer said we have been funding student growth without state support for years. The universities and Centers are looking at new ways to attract students. He also noted that this has been worked on for two years. Regent Baloun said we have to give credibility to the Centers that the full priced person will still get priority.

IT WAS MOVED by Regent Krogman seconded by Regent Schaefer to (1) approve the residency classification changes and, include the changes in the legislative package for 2013; (2) approve expansion of the fund sources to be used for scholarships. All members voting AYE. The MOTION CARRIED.

Dr. Kramer discussed item number four. He explained he brought these items today for information so that the Board wasn't first hearing about them in April. He explained the South Dakota tuition structure. He said the universities charge 150% tuition to non-residents but charge them the same fees. Dr. Kramer said this would be an increase in cost in non-resident tuition increase to use those monies for student services, academic programming, and scholarships. Dr. Kramer noted the campuses wish to make this an elective. Regent Jewett asked if the Centers would be affected by the change. Dr. Kramer said they would not. President Johnson said she feels the Board should make the decision if this is a tuition or fee. Dr. Kramer said everyone would do it the same way. If campuses would want to use different amounts, and use tuition they would be contributing more to the HEFF fund and they wouldn't get that money back. Regent Morris said we have room to move here and not every school will be able to charge the same amount. It should be up to the individual institution. Regent Jewett said they still would have to come back to the Board on approval. Regent Weber said this should go on tuition side but be conscious of the fact that we have been trying to decentralizing the money. Regent Baloun likes that we are \$6,000 less than competitors and are equal or higher than surrounding states.

Regent Jewett would like to separate the HEFF discussion. HEFF was developed by the legislature to avoid a fight. Dr. Warner envisioned the process to work by asking the Board if you have a tolerance to allow the institutions to make the determinations of their own tuition and fee assessment. Then we would bring to the Board the dollar amount and whether it would be on the tuition or fee side. The Board would have final approval, while giving the universities the ability to decide what their markets can tolerate. It would be specific recommendation to be approved by the Board. President Johnson looked to the Board to see if this is something they

would consider. The Board indicated they would and asked Dr. Kramer to come back in April with some options and impacts of those options. On the fifth item, Dr. Kramer requested that the board await further details on a resident tuition rate for the Child of Alum program to see if the program is likely to generate additional students and revenues.

A copy of Tuition and Fees Structure Committee Update can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **BUDGETED VERSUS ACTUAL TUITION CREDIT HOURS**

Ms. Mary Ellen Garret said the institutions now retain 80% of the tuition and system fee revenue generated at their institution. Rather than a pool of resources, the universities now manage their budgets so they are in-line with their actual tuition revenues under the concept of University Managed Resources. The institutions establish their operating budgets based on what they believe their revenue stream will be.

Ms. Garret compared the institutions' tuition revenue budget and projected revenues for FY13. She also discussed the condition statement for the System Tuition Fund, which holds the board's five percent reserve which is available to address enrollment swings in the system, as well as other board priorities and critical needs.

She said a report will be brought up in the future that will be a different style of report. The new report will cover both actual revenues and actual budgets. President Johnson said she wanted to see the impact of students taking a course online because it is happening more and more. She noted that students are taking courses online and are upset that they are paying more.

A copy of Budgeted Versus Actual Tuition Credit Hours can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

### **FY12 ATHLETIC REPORT**

Ms. Hluchy presented the FY12 Athletic Report, which is a financial report required to be provided to the board annually.

Regent Weber commented that there is a problem with athletic funding. He feels that there is a lot of money coming in through General Activity Fees. Students don't know that they are not getting in free to games and events but actually paying a high price. President Johnson said that student leadership should take the lead on having that conversation with the students. Regent Weber feels that students should be a part of the budgeting process. President Johnson said student government should be disseminating the information on General Activity Fees. Dr. Kramer noted that all campuses have a GAF committee made up of students that would have that information and could share it. President Johnson asked Regent Weber to talk to the student federation about getting attention to this.

A copy of FY12 Athletic Report can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **NET MIGRATION OF HIGH SCHOOL GRADUATES**

Dr. Palmer explained that this analysis uses data acquired from the US Department of Education to draw comparisons between two groups: 1) first-time freshmen from other states who enroll in postsecondary institutions in South Dakota, and 2) first-time freshmen from South Dakota who enroll in postsecondary institutions in other states. Specifically, the analysis is based on members of the high school graduating class of 2009-2010 who were first-time college students in fall 2010.

He said when we subtract students we gain and those we lose we have an increase of 830. We had the highest number this year in the last 15 years. Our ratios are better than the entire state's ratios. South Dakota does well in national comparisons. South Dakota does well bringing in students from Iowa and Minnesota. We are flat with North Dakota students. President Johnson commented that this is definitely good news and verifies the roll the universities play in addressing the demographic problem in South Dakota.

A copy of Net Migration of High School Graduates can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **PLACEMENT OUTCOMES OF REGENTAL STUDENTS**

Dr. Palmer said this analysis explores a dataset generated through the combined efforts of three different data providers: Regents Information Systems, the South Dakota Department of Labor and Regulation, and the National Student Clearinghouse. The principal goal of the analysis was to examine the extent to which Regental degree completers are retained in the state of South Dakota after graduation.

Results of the analysis show 66.2% of graduates were found to be enrolled or employed in South Dakota one year after graduation. When you look at only South Dakota residents three out of four students are still in South Dakota. President Johnson clarified that the take away message is 73% of South Dakota students are still here one year after graduation. 32% of out-of-state students who graduate from South Dakota are working or going to school here one year later. Regent Morris added the educational attainment shows we have a long ways to go in meeting graduate level students. Dr. Warner pointed out the correlation between educational attainment and the state's median income. It's no surprise that South Dakota ranks 34<sup>th</sup> in median income. President Johnson said it looks like the balance will be to move our education system to higher degrees and changing our economy to require those higher degrees.

A copy of Placement Outcomes of Regental Students can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

## **UNIVERSITY OF SOUTH DAKOTA RESEARCH PARK**

Dr. Shekleton explained that the University of South Dakota requests that the board authorize the formation of a nonprofit corporation to promote and to oversee the development of a research park on the land set aside for that purpose at the University Center, Sioux Falls.



IT WAS MOVED by Regent Baloun, seconded by Regent Jewett to authorize Kathryn O. Johnson, Jack R. Warner, and James W. Abbott to incorporate the University of South Dakota Research Park, to adopt by-laws for the corporation and, in anticipation of the grant of a lease for such purposes, to begin the process of promoting the development of a research park on the lands previously set aside for that purpose. All members voting AYE. The MOTION CARRIED.

A copy of University of South Dakota Research Park can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**BOARD SPONSORED LEGISLATION**

Dr. Shekleton presented eight bills prepared for the board's consideration.

IT WAS MOVED by Regent Hansen, seconded by Regent Weber to authorize the Executive Director to submit the proposed bills, to prepare additional legislation that may be required, and to make such modifications or, following their introduction, amendments to the bills as may be in his best judgment prudent, provided that such modifications or amendments shall not change the fundamental purpose of the authorized legislation. And the Board authorizes the Board President to submit other legislation as needed. All members voting AYE. The MOTION CARRIED.

A copy of Board Sponsored Legislation can be found on pages \_\_\_\_ to \_\_\_\_ of the official minutes.

**ADJOURN**

IT WAS MOVED by Regent Hansen, seconded by Regent Jewett to adjourn the meeting of the Board of Regents on December 13 at 11:50 a.m. All members voting AYE. The MOTION CARRIED.