

**BOARD OF REGENTS  
MINUTES OF THE MEETING  
Board of Regents Central Office (Teleconference)  
Pierre, South Dakota  
March 18, 2015**

The Board of Regents convened via teleconference at 11:00 a.m. (central time) on March 18, 2015 with the following members in attendance:

**ROLL CALL:**

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

Also present were Jack Warner, Executive Director and CEO; Monte Kramer, System Vice President of Finance and Administration; Paul Turman, System Vice President of Academic Affairs; James Shekleton, General Counsel; Janelle Toman, Director of Communications; Claudean Hluchy, Budget Manager; Molly Weisgram, System Director of Student Affairs and Executive Administrative Assistant to the CEO and Board; President James Smith, Tom Hawley, Connie Ruhl-Smith, NSU; Kathleen Fairfax, SDSU; Aberdeen American News Reporter.

Regent Vice-President Schaefer called the public meeting of the Board of Regents to order and declared a quorum present.

**APPROVAL OF THE AGENDA**

IT WAS MOVED by Regent Schieffer, seconded by Regent Schartz to approve the agenda as published.

**ROLL CALL:**

Dean Krogman – ABSENT  
Randy Schaefer – AYE  
Bob Sutton – AYE  
Terry Baloun – AYE  
John Bastian – AYE  
Harvey Jewett – AYE  
Kathryn Johnson – ABSENT  
Joe Schartz – AYE  
Kevin Schieffer – AYE

The MOTION CARRIED.

**MEMORANDUM OF AGREEMENT – DEVELOPMENT OF THE CONFUCIUS INSTITUTE AT NORTHERN STATE UNIVERSITY**

Dr. Jack Warner introduced the item, explaining that NSU is seeking approval of the Memorandum of Agreement between Northern State University and the University of Jinan for the Development of the Confucius Institute. The CI will provide basic Mandarin instruction and associated programs at NSU that encourage understanding of Chinese culture that are to be essentially cost-free operationally. He confirmed that the agreement has been thoroughly vetted by system vice president of academic affairs Dr. Paul Turman and legal counsel Dr. James F. Shekleton. He recommends approval and noted that the agreement is in the appropriate form.

NSU President James Smith further explained the agreement and said that although tuition and fee revenues from these activities would be modest, an anonymous pledge of \$400,000 from a private donor will cover any startup costs not provided by the Chinese funding entity, Hanban (CIH or Confucius Institute Headquarters). CIH will provide \$150,000 in startup funds, a 3,000 volume library of Chinese books and teaching materials, and airfares for all visiting personnel. Base funding and cost reimbursements of budgetary needs will not require substantial fronting of expenses by NSU due to an annual base funding system that is used by Hanban. All salaries of visiting personnel will also be provided via CIH. NSU will provide residence hall housing for visiting Chinese instructors.

IT WAS MOVED by Regent Jewett, seconded by Regent Schartz to approve the memorandum of agreement between Northern State University and the University of Jinan for the Development of the Confucius Institute.

Regent Schieffer asked President Smith if the Mandarin being taught is the standard dialect. President Smith confirmed that the University of Jinan (UHN) is located 45 minutes from Beijing and is considered to be a dialect that does not include an accent.

Additionally, Regent Schieffer asked about the governing board of eight individuals. He asked what happens if the eight individuals are evenly divided on an issue. He asked what happens if there is an institutional disagreement. President Smith explained that the eighth member of the group is a nonvoting ex-officio member. This was the understanding with the parties involved during the negotiations of the agreement.

**ROLL CALL:**

Dean Krogman – ABSENT  
Randy Schaefer – AYE  
Bob Sutton – AYE  
Terry Baloun – AYE  
John Bastian – AYE  
Harvey Jewett – AYE  
Kathryn Johnson – ABSENT

Joe Schartz – AYE  
Kevin Schieffer – AYE

The MOTION CARRIED.

**ADJOURN**

IT WAS MOVED by Regent Baloun, seconded by Regent Schieffer to adjourn the meeting of the full board at 11:15 a.m.

**ROLL CALL:**

Dean Krogman – ABSENT  
Randy Schaefer – AYE  
Bob Sutton – AYE  
Terry Baloun – AYE  
John Bastian – AYE  
Harvey Jewett – AYE  
Kathryn Johnson – ABSENT  
Joe Schartz – AYE  
Kevin Schieffer – AYE

The MOTION CARRIED. Meeting adjourned.