



Joint Committee on Appropriations  
SENATOR JOHN WIJK, CO-CHAIR  
REPRESENTATIVE CHRIS KARR, CO-CHAIR

May 22, 2019

Dr. Paul B. Beran, Executive Director  
Board of Regents  
306 E. Capitol Ave., Suite 200  
Pierre, SD 57501

Sheila Gestring, President  
University of South Dakota  
414 E. Clark Street  
Vermillion, SD 57069

Tom Jackson Jr., President  
Black Hills State University  
1200 University Blvd  
Spearfish, SD 57799

### Letter of Intent Regarding University Center Operations

Dear Dr. Beran, President Gestring, and President Jackson Jr.:

This Letter of Intent sets forth a particular view held by the Joint Committee on Appropriations (JCA) in approving your appropriation in the 2019 Legislative session. As such, this Letter of Intent seeks to supplement that legislation with specific policy guidance as approved on May 22, 2019.

While the guidance does not have the direct force of statutory law, it rests solidly on a long-standing tradition of Legislative-Executive relationships in South Dakota and it will be used by the Joint Committee as one basis for the fiscal oversight of your agency and its continued funding.

It is the intent of the JCA that the University of South Dakota and Blacks Hills State University each provide a written report by July 1, 2019 regarding the operations of the University Center they administer detailing the following items:

- Produce a new budget unit including actual and projected expenditures and FTEs;
- Provide the overhead rate for the different colleges within the University regarding the Responsibility Centered Management (RCM) model and explain how and why the overhead rate was derived;
- Provide an updated GOAC financial statement for each university center incorporating the RCM model overhead rate for FY13-FY18;
- Provide detailed comparison of differences or duplication of degrees, classes, and programs of study between the state's four technical institutes and the University Center;
- Provide for two legislators to be on the advisory board as appointed by the co-chairs of the JCA; and
- Define success and failure by providing goals, metrics, and a timeline outlining the next three years of operations and an exit plan for what happens if failure to obtain the goals and metrics occurs.

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Senator John Wiik  
Lead Co-Chair, Joint Committee on Appropriations

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Representative Chris Karr  
Co-Chair, Joint Committee on Appropriations

cc: Marty Guindon, Auditor General  
Liza Clark, Commissioner, Bureau of Finance and Management