



South Dakota Board of Regents

Fiscal Year 2016 Budget Hearing
Joint Appropriations Committee
February 3-4, 2015

Stewardship of Public Higher Education in South Dakota

South Dakota Board of Regents - 2015

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Jack Warner, Executive Director and CEO

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Board of Regents' Strategic Plan: Our vision and mission

- Dean M. Krogman, President

The 2020 Mission Statement

- The South Dakota Board of Regents' mission is to **provide an excellent, efficient, accessible, equitable, and affordable public university and special schools system**
 - that **improves South Dakota's overall educational attainment and research productivity,**
 - while **enriching the intellectual, economic, civic, social, and cultural life of the state, its residents, and its communities.**

Our Goals: Public Higher Education is Vital to South Dakota's Prosperity

- **Student Success**
 - Grow degree production to 7,450 per year by 2020.
 - Reflects growth rate in total graduates over the last five years
- **Academic Quality and Performance**
 - Document that academic programs are of the highest quality.
- **Research and Economic Development**
 - Increase annual research and contract expenditures to \$150 million by 2020.
 - Advance knowledge
 - Enhance technology transfer and commercialization
 - Catalyze economic development
- **Affordability and Accountability**
 - Reduce South Dakota's tuition and fee ranking to regional average by 2020.



Higher Education and Workforce Development

**A Strong Partnership:
Past, Present, and Future**

The state of public higher education in SD

- Jack Warner, Executive Director & CEO

How do we measure our success?

- Student Success – Supporting South Dakota's Workforce Development

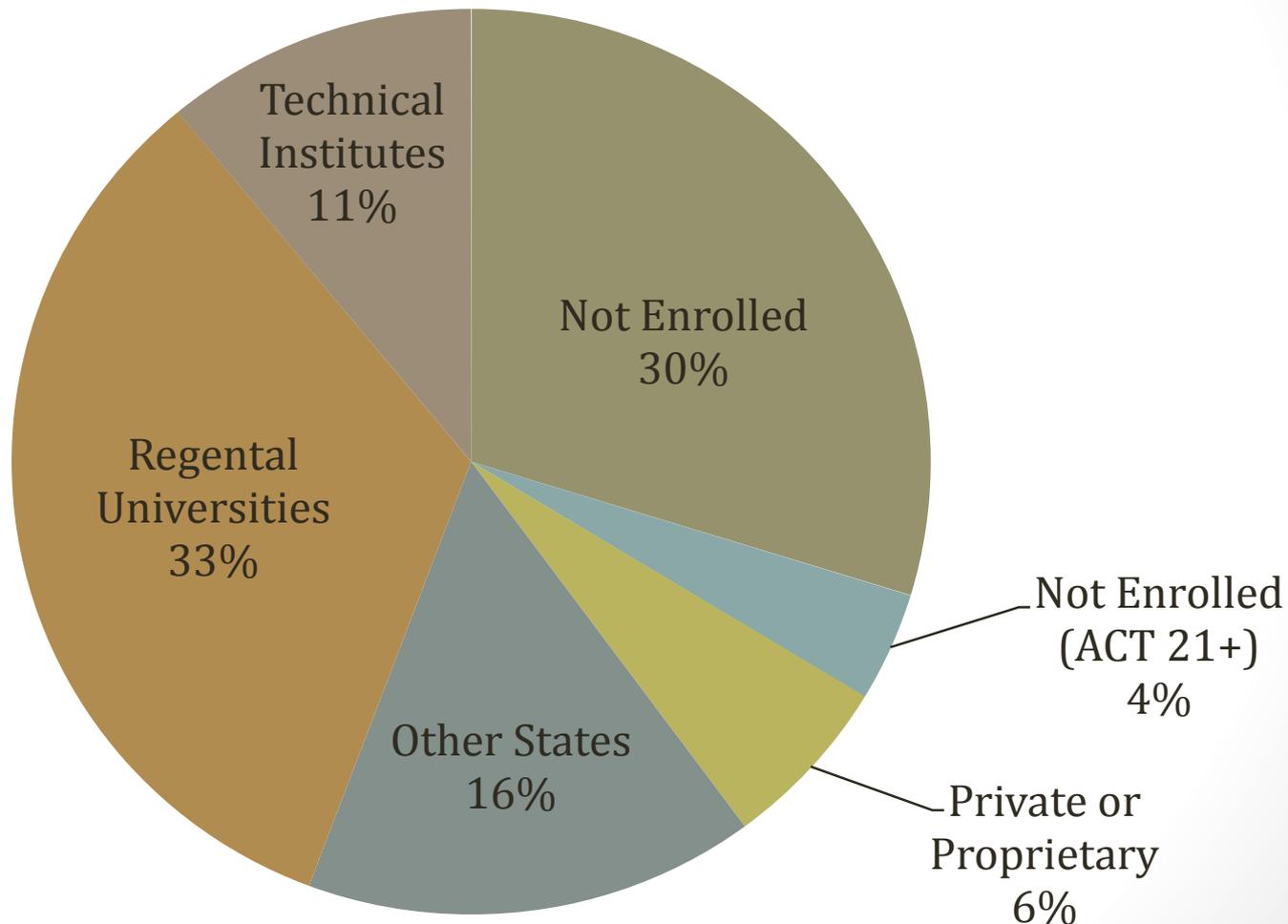
Priority #1: Student Success

Priority 1: Student Success	Current (2014)	Goal (2020)
Total Undergraduate Degrees Awarded	4,800	5,630
Total Graduate Degrees Awarded	1,550	1,820
Degrees Awarded to American Indian Students	132	220
Retention Rate (in-system)	77.7%	83.0%
Four-year Graduation Rate (at starting institution)	24.2%	27.0%
Six-year Graduation Rate (at starting institution)	51.6%	54.0%
Remediation Rate (High School Transition Report's entering cohort)	26.6%	22.0%

Policies Driving Student Completion

- **Reduced credit-hour requirements for most bachelor and associate degrees**
 - Bachelor: 128 to 120
 - Associate: 64 to 60
 - Student savings to degree of more than \$2,000
- **Remedial coursework redesign**
 - Co-requisite courses
 - Bridge programs
- **New degree for 'ready adults'**
- **Early-alert system**
 - Starfish
- **Beefed-up articulation agreements with technical institutes**
 - 313 agreements (2005-14)
- **College-readiness initiatives with DOE**
 - Target high school seniors
 - Provide assessment and intervention
- **State content standards aligned with new assessments**

Postsecondary Placement of SD High School Graduates



Sources: SD Department of Education; National Student Clearinghouse

Continued Growth in Graduates

- 26% increase in graduate production over last decade
- 1,287 more graduates in FY14 than in FY05

Graduate and Enrollment Growth at SD Public Institutions: Ten-Year Trend

	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>	<i>FY08</i>	<i>FY08</i>	<i>FY10</i>	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>Growth</i>
<i>Fall FTE Enrollments</i>	23,534	24,089	24,144	24,512	24,926	25,468	26,625	26,720	26,468	26,782	14%
<i>Grads - Associate</i>	387	398	452	401	423	419	432	413	485	461	19%
<i>Grads - Bachelor</i>	3,237	3,330	3,463	3,606	3,798	3,656	3,831	3,994	4,317	4,252	31%
<i>Grads - Graduate</i>	1,261	1,192	1,168	1,269	1,236	1,285	1,336	1,451	1,553	1,459	16%
Total	4,885	4,920	5,083	5,276	5,457	5,360	5,599	5,858	6,355	6,172	26%
Graduate Growth	-	35	198	391	572	475	714	973	1,470	1,287	679*

* Indicates that, since the base year of FY2005, the Regental system has produced an average of 679 more graduates per year than it did in the base year

Source: Regents' Information Systems

Six Year Graduation Rates: Steady Improvement Over Time

	2005 Cohort	2006 Cohort	2007 Cohort	2008 Cohort
Completed Degree at Home Institution	49.2%	49.6%	51.6%	52.1%
Completed Degree in BOR System	54.0%	54.1%	56.4%	56.5%
Completed Degree at Institutions Outside of BOR System	59.7%	59.9%	61.9%	62.5%
Continued Enrollment	67.2%	67.3%	69.1%	69.1%

Source: Regents' Information Systems, National Student Clearinghouse

Helping the At-Risk Student Succeed

- **Low-income students:**
 - Any student who ever received a Pell Grant prior to graduation.
- **American Indian students:**
 - Any student whose self-reported racial classification is either:
 - American Indian or Alaska Native, or
 - multi-racial, including American Indian or Alaska Native.
- **Nontraditional students:**
 - Any student whose age at the time of entry to the university system (at a given degree level) was 25 or greater.
- **Underprepared students:**
 - Any student who ever attempted a remedial course in English, mathematics, or reading.

Year	Low-Income Students	American Indian Students	Nontraditional Students	Underprepared Students
FY10	2,164	103	988	1,248
FY11	2,343	108	990	1,320
FY12	2,527	144	1,092	1,278
FY13	2,742	142	1,244	1,461
FY14	2,657	124	1,152	1,362

South Dakota's Jump Start Grant



- **First in the World (FIPSE) Grant from the U.S. Department of Education**
 - \$3.6 million grant over four years
 - 24 awards granted across U.S.; more than 500 proposals. South Dakota's application was funded third highest!
 - Improve access & success for 900 American Indian and low-income students
 - 7 participating institutions (all BOR institutions and Oglala Lakota College)
- **Main components of grant include:**
 - *Access Advisors* – Help navigate the path to college
 - *Summer Bridge* – Earn five credits prior to start of freshman year
 - *Earn & Learn* – Three summers of college credits and employment
 - *Living & Learning Communities* – First-year students live in same residence halls to provide community support
 - *Retention Advisors* – Student support and success planning
 - *Lending Library* – Stipends for textbooks and laptops

How do we measure our success?

- Academic Quality and Performance – Supporting South Dakota's Workforce Development

Priority #2: Academic Quality and Performance

Priority 2: Academic Quality and Performance	Current (2014)	Goal (2020)
Percent Passing Licensure and Certification Exams	93.2%	95.0%
Number of Accredited Programs	91	100
Number of New Graduate Programs	7	7
Students Participating in Experiential Learning	2,658	3,250

Responsive, Dynamic Academic Programming

- **New program development**

- Rigorous approval process includes:
 - Intent-to-plan proposal
 - Program proposal
 - System and/or external review
 - Approval by system provosts, system presidents, and Board of Regents
- Since 2010, 83 new academic programs approved (minor, major, and graduate program level)

- **Existing program reviews**

- All programs externally reviewed every seven years for quality and improvement
- All programs reviewed annually for minimum productivity standards
- Since 2010, 76 under-producing academic programs terminated (minor, major, and graduate program level)

Residency in Teacher Preparation

- ***Students in the field both semesters of senior year***
 - Research-based clinical model featuring ‘co-teaching’
 - Secondary content delivered in first three years
 - Online or site-based courses in seventh semester
 - Implemented in elementary grades first, with grade 7-12 programs to follow
 - Exceptions for art and music programs
- ***Collaborative design by BHSU, DSU, NSU, SDSU, and USD***
 - Implementation preceded by successful pilots across South Dakota
 - Varying timelines for full implementation
 - Some course delivery at shared hub sites

Collaborative Principal Preparation

- ***Shared Master of Education degree in principal preparation (BHSU, NSU, SDSU, and USD)***
 - Result of two-year review process involving stakeholders
 - Emphasizes specific challenges in rural settings
 - Nationally recognized best practices in administrator training
 - Cohort selectively recruited
 - Online learning and face-to-face sessions at central location
 - Competency-based summer and semester experiences broader than courses
 - Experiences guided jointly by university instructors and practicing principals
 - Embedded internship in each experience, focusing on authentic challenges
 - Mastery of competencies demonstrated through evidence, artifacts, and projects
- ***Continued work by collaborative task force***
 - Determining start date, schedule, and location
 - Identifying instructors, practicing principals, and internship mentors

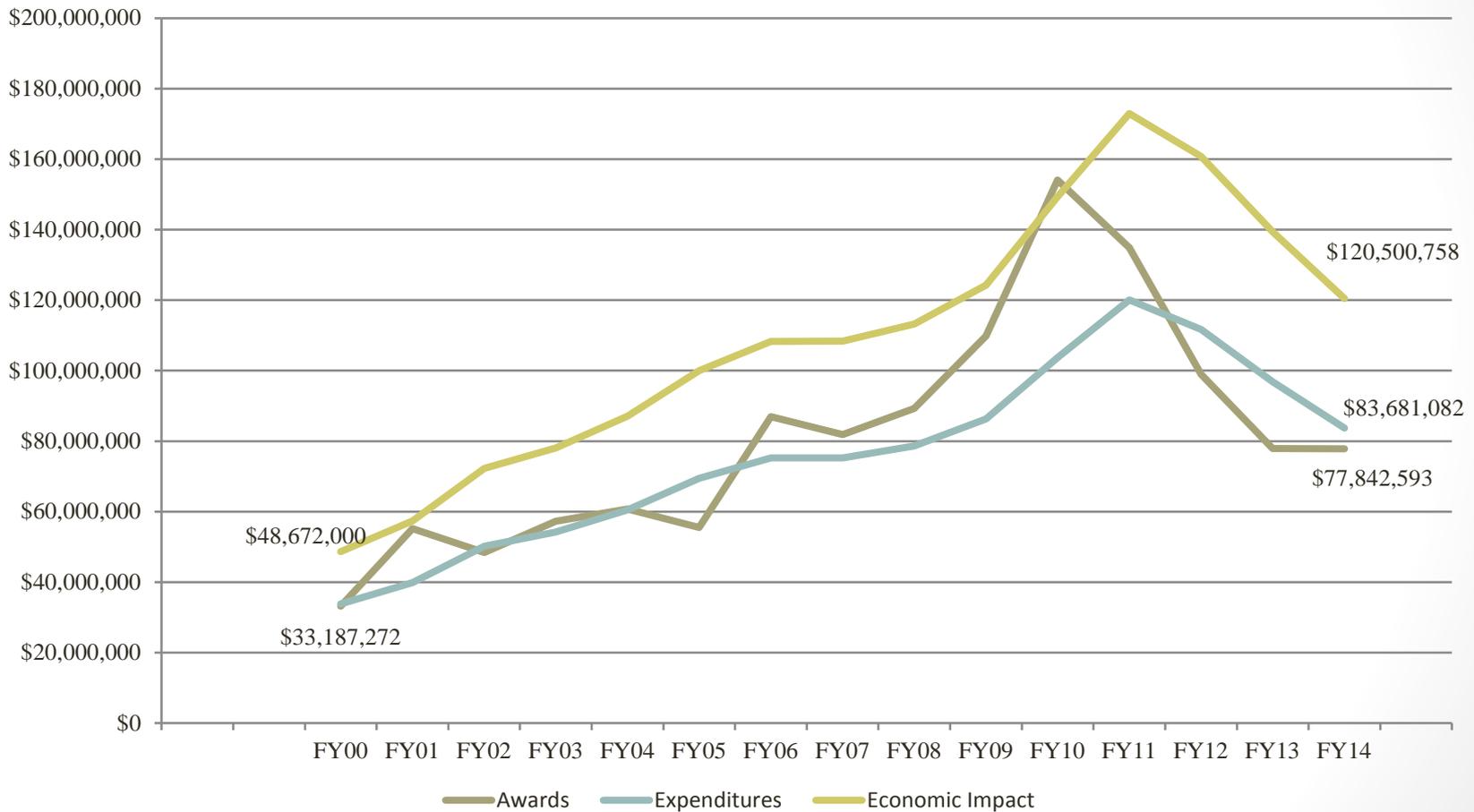
How do we measure our success?

- Research and Economic Development – Supporting South Dakota's Workforce Development

Priority #3: Research and Economic Development

Priority 3: Research and Economic Development	Current (2014)	Goal (2020)
Grants and Contracts Expenditures	\$97 million	\$150 million
License Agreements	15	25
Licenses Signed with Start-Up Companies	8	15
Science, Technology, Engineering, and Mathematics (STEM) Majors	1,630	1,950

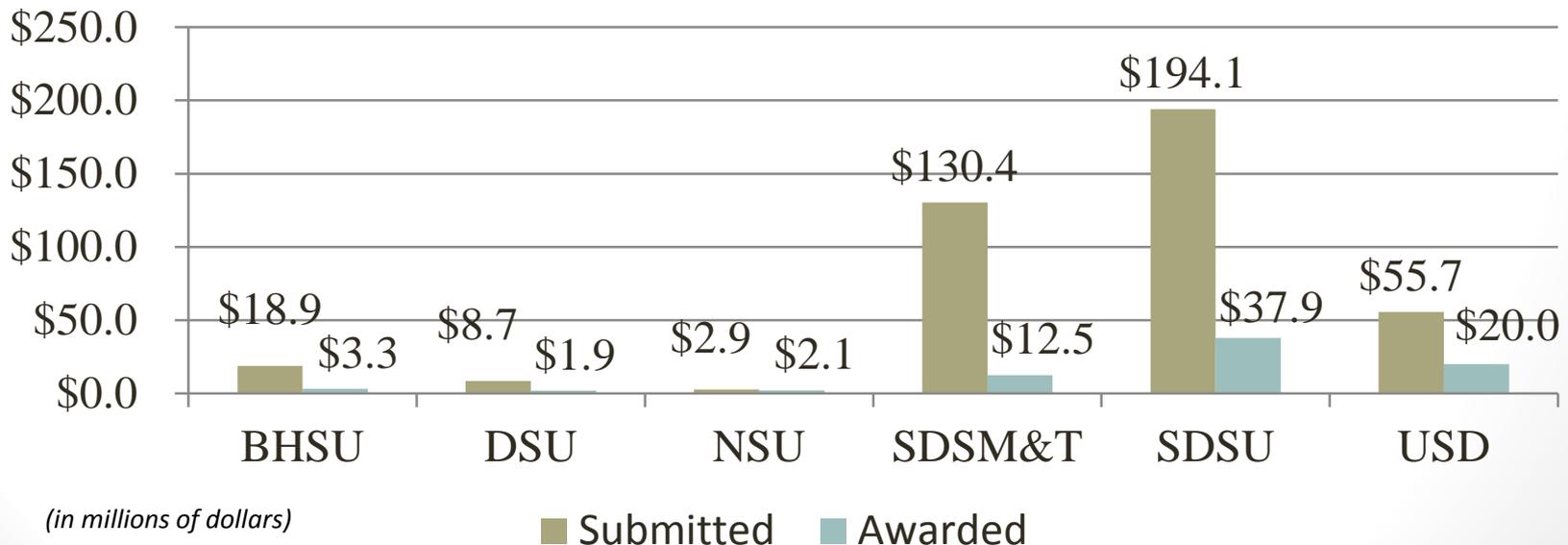
Research is Economic Development



Research is Job Development

- **Job creation - Faculty research efforts (FTE): 653**
- **Research innovations – FY07-FY14**
 - Invention disclosures – 381
 - Patent & intellectual property protections filed – 172
 - Patents/licenses issued – 91

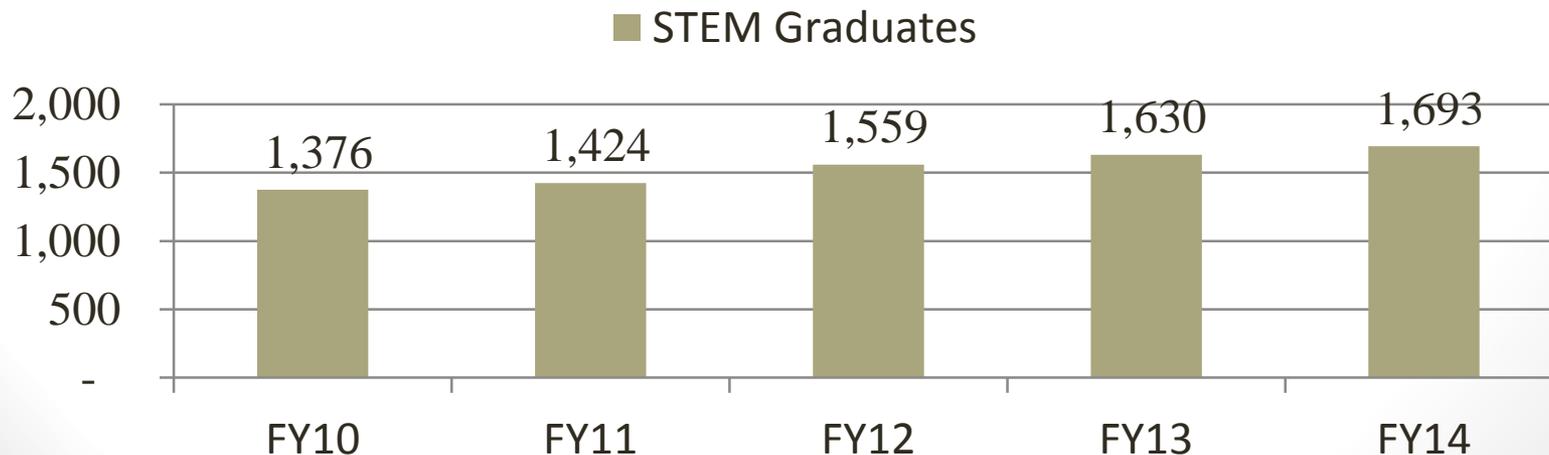
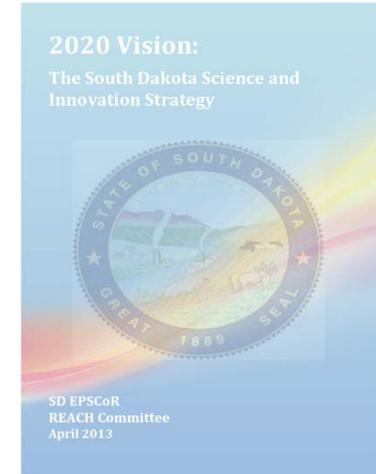
FY14 Institutional Grant Activity



Source: BOR system office

2020 Vision: The South Dakota Science and Innovation Strategy

- **Produce graduates for targeted industry sectors:**
 - Value-Added Agriculture and Agri-business
 - Energy and Environment
 - Materials and Advanced Manufacturing
 - Human Health and Nutrition
 - Information Technology/Cyber Security/Information Assurance
- **Graduate programs to foster new innovations**



Source: Regents' Information Systems

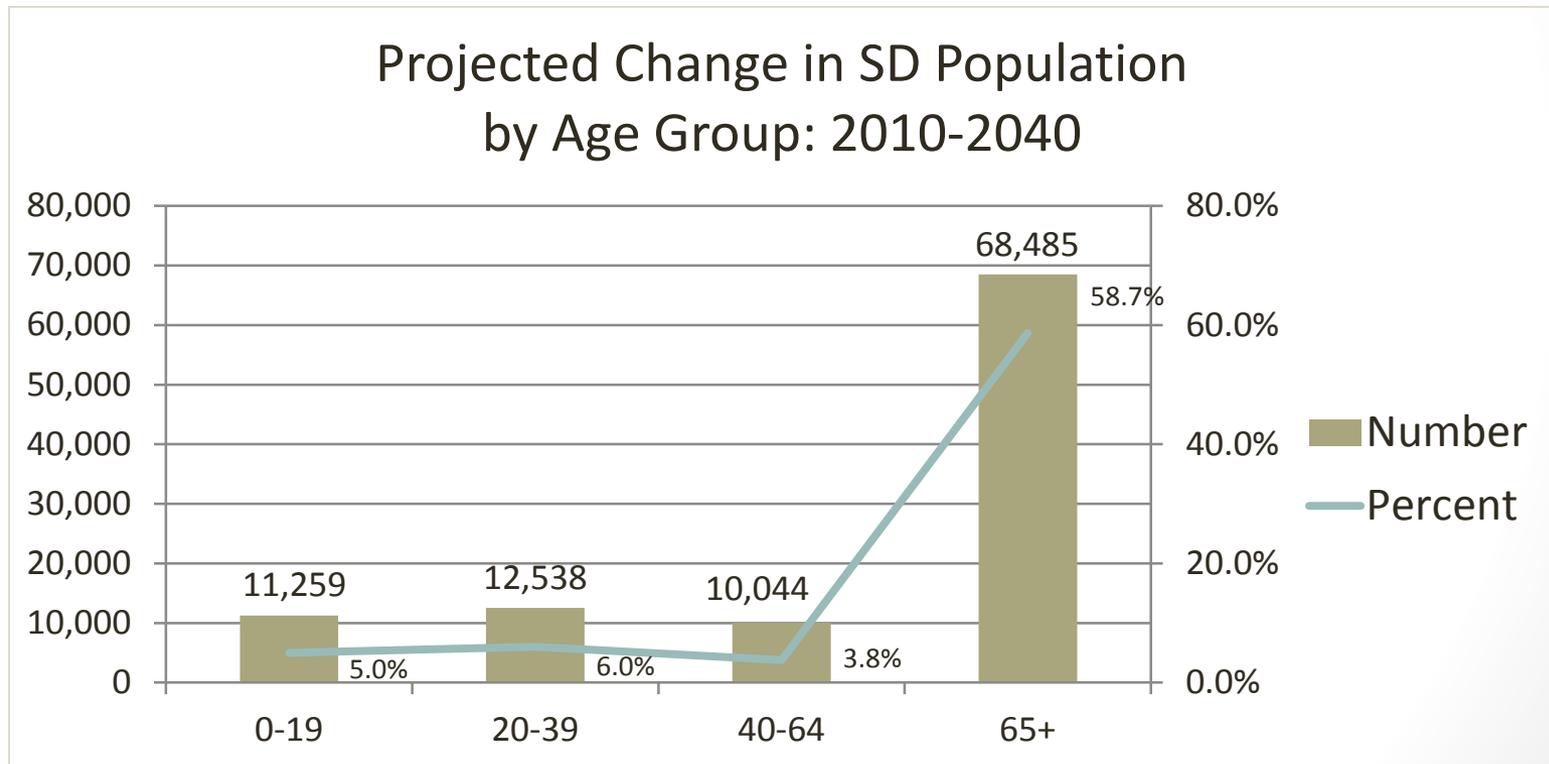
Attracting and Retaining a Future Workforce

- 2014 Freshmen Migration Study
 - South Dakota is a **net importer of college freshmen**:
 - 2,693 freshmen imported from other states
 - 1,382 freshmen lost to other states
 - Net gain to South Dakota = +1,331 students
 - Import-to-export ratio has improved steadily since 2000
 - Gain to SD improved by nearly 60% between 2010 and 2012
- Placement Study of Public University Graduates
 - 73% of South Dakota resident students **remain in state** after college to work or pursue additional education
 - 33% of out-of-state students also stay in the state following graduation



Workforce Development

- Unique demographic challenges facing South Dakota



How do we measure our success?

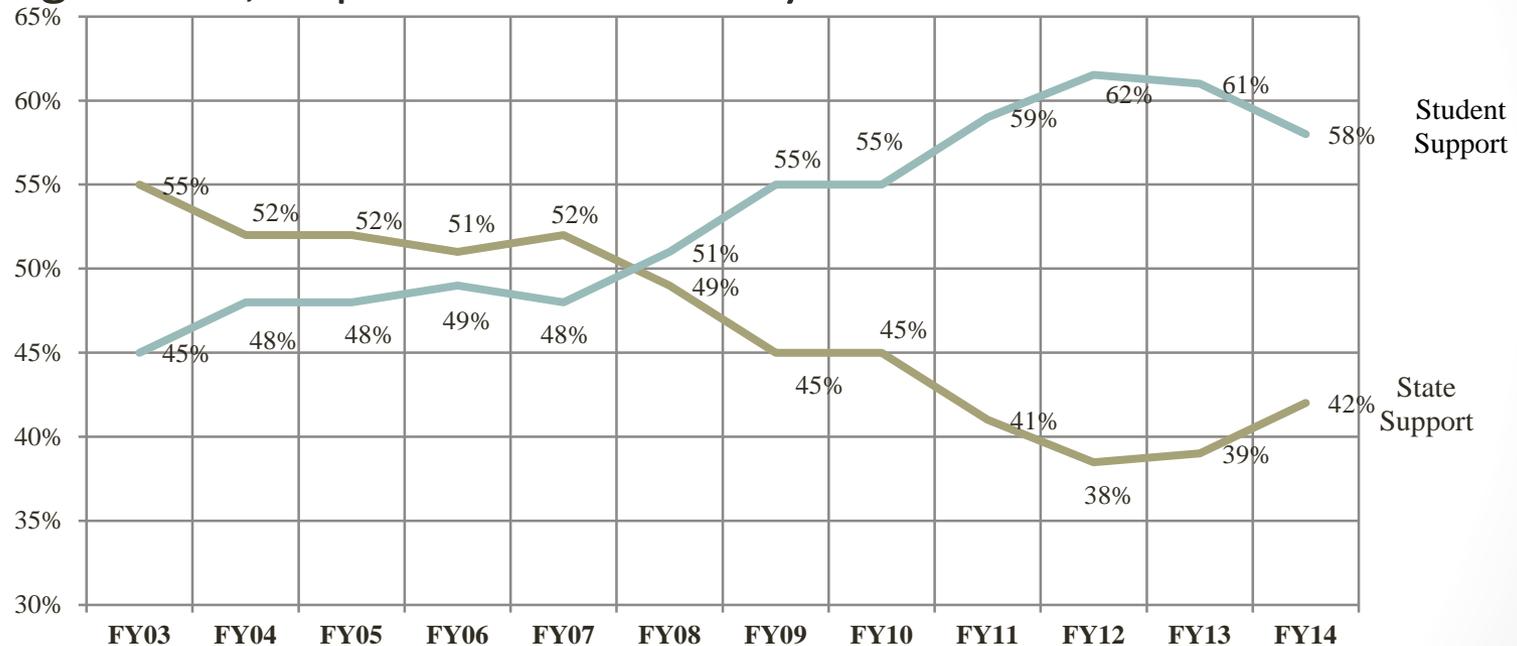
- Affordability and Accountability – Supporting South Dakota's Workforce Development

Priority #4: Affordability and Accountability

Priority 4: Affordability and Accountability	Current (2014)	Goal (2020)
Three-Year Federal Student Loan Default Rate	6.3%	5.3%
Regional Ranking for Undergraduate Resident Tuition & Fees	6 th best	4 th best
Percent of Operating Budget Funded by the State	39%	50%
Students Served by South Dakota School for the Deaf	440	450
Students Served by South Dakota School for the Blind and Visually Impaired	260	270

State Support Impacts Affordability

- Tuition freeze, supported by the Governor and the 2014 Legislature, improved affordability for South Dakota students



State support of South Dakota public higher education increased from **38%** to **42%** over the past two years.

Default Rates: South Dakota Students Pay Back Their Debts

Average Loan Default Rates for Institutions in the United States 2009-2011 Three-Year Averages

	All Institutions	Public	Private	Proprietary
South Dakota	11.7%	8.4%	9.8%	22.3%
Nation	13.8%	12.4%	7.3%	21.1%
SD State Rank	22	7	37	43

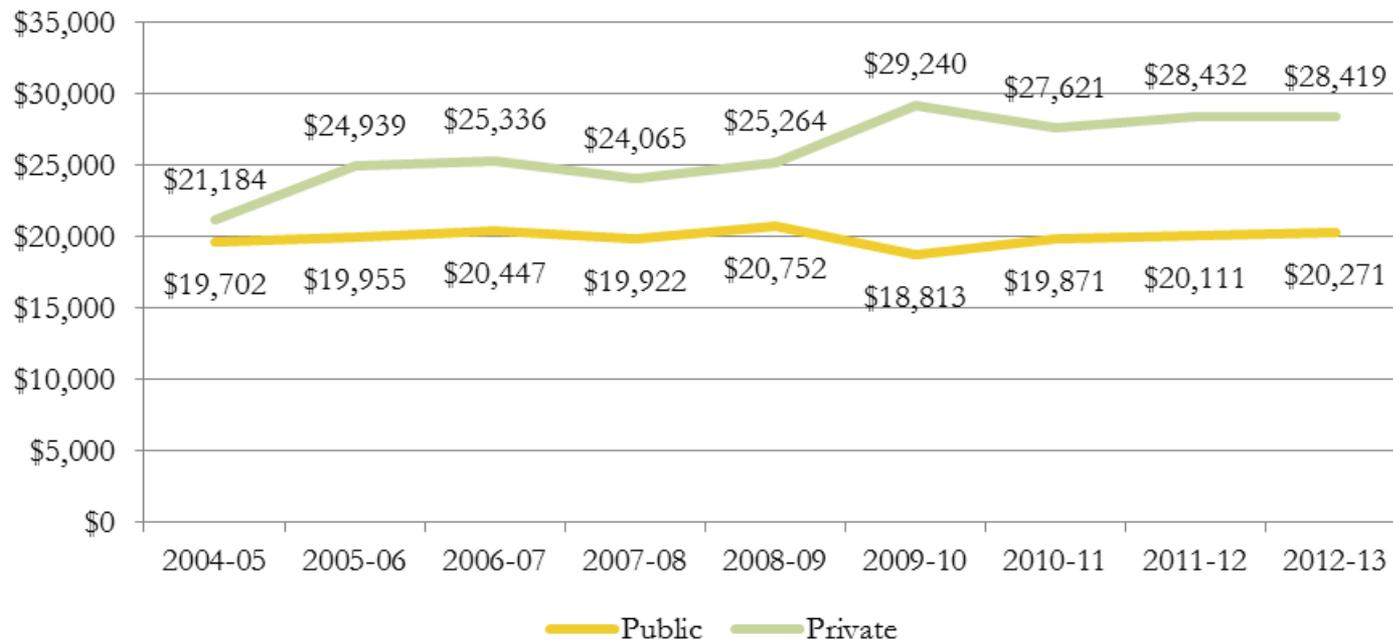
South Dakota Postsecondary Loan Default Rates 2009-2011

Institution Type	2009	2010	2011	Average
Private	9.4%	9.4%	10.5%	9.8%
Proprietary	22.0%	23.8%	21.0%	22.3%
Regental	6.3%	7.7%	6.3%	6.8%
Technical	10.2%	15.4%	13.8%	13.1%

Source: U.S. Department of Education

Student Loan Debt

Average Student Loan Debt of Graduates, South Dakota Inflation-Adjusted (2005 Dollars)



Committee questions

- Responses to questions from Joint Committee on Appropriations' chairs
(e-mail dated December 15, 2014)

Questions?

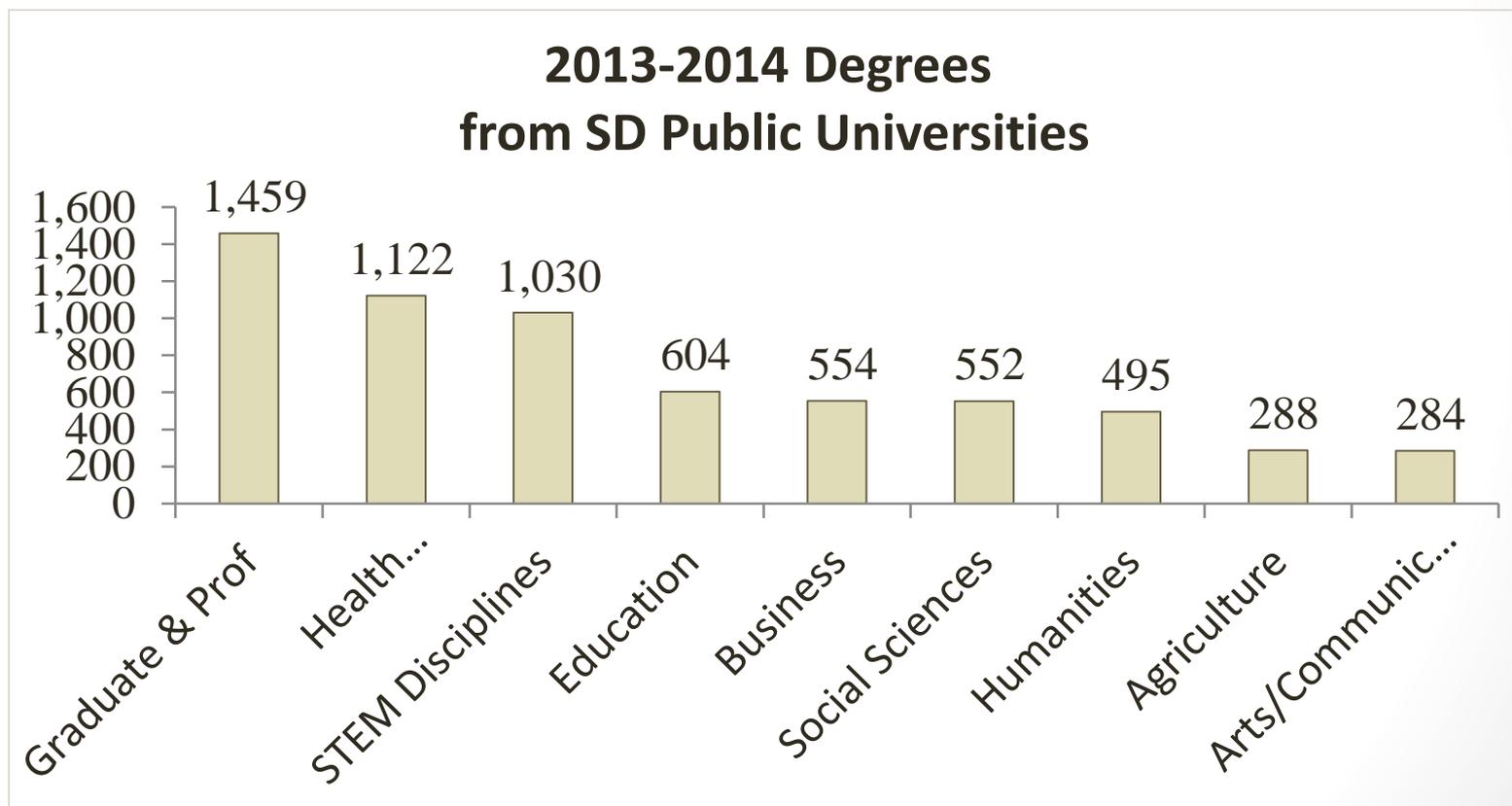
1. What actions does BOR take to guide students into critical fields? Since we have a workforce shortage in certain areas, is there a way we can work towards showing students where the jobs are and where they are not?
2. Why does BOR spend money to offer degrees if there are no jobs in that field?

Strategies to Prepare Students for Tomorrow's Careers

- Build cadre of professional advisors.
- Communicate importance of college preparation: the 'Select Dakota' postcard campaign.
- Guided Pathways pilot: Designed for students who are uncertain about choice of major and want to explore academic opportunities, without harming prospects for on-time graduation.
 - Example: SDSU Exploratory Studies Tracks
 - Education, Social Science, and Management
 - Humanities, Fine Arts, and Design
 - Health Sciences
 - Engineering, Technology, and Math
 - Agriculture and Natural Sciences
- Prepare and share data on 'critical fields'.

Filling the Workforce Pipeline

- Preparing South Dakotans for tomorrow's workforce



Academic Programming for Economic Development

New programs since 2010:

Graduate Degrees: 25 (Master's & Doctorate)
 Undergraduate Degrees: 58 (Bachelor, Associate, Minors)

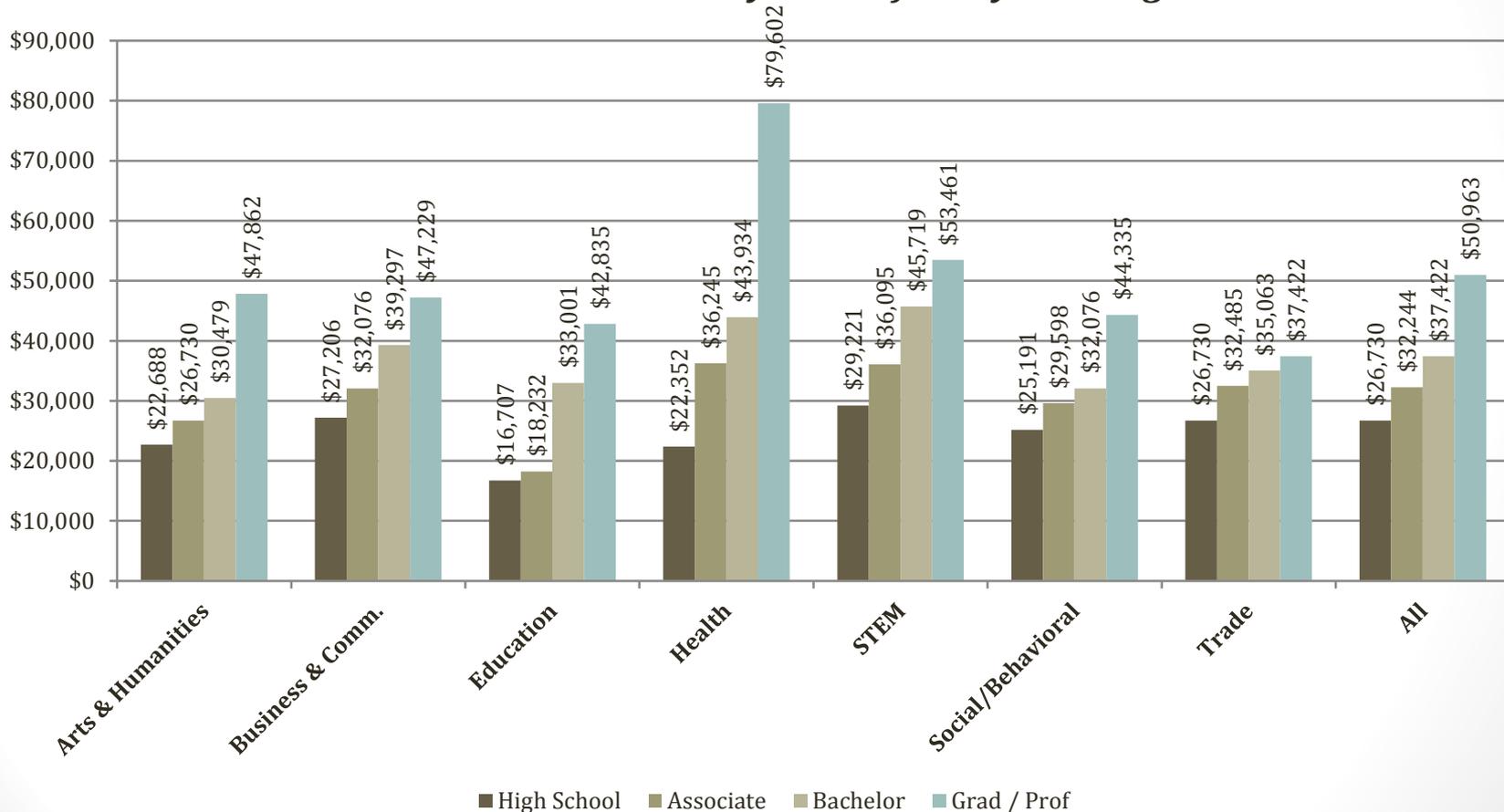
- Most new programs closely relate to Governor's Office of Economic Development's **Key Industries**

Examples:	
Bioscience BS, Applied Biological Sciences <i>SDSM&T</i> PhD, Biochemistry <i>SDSU</i>	Oil and Gas Minor, Petroleum Systems <i>SDSM&T</i> Minor, Sustainable Energy Systems <i>SDSU</i>
Financial Services Minor, International Business <i>NSU</i> MA, Banking & Financial Services <i>NSU</i>	Value-Added Agriculture Minor, Precision Agriculture <i>SDSU</i> MS, Ag & Biosystems Engineering <i>SDSU</i>
Professional Business Services Minor, Social Media Marketing <i>USD</i> MS, Analytics <i>DSU</i>	

Wage Premiums:

The financial **value added** of higher education

South Dakota Median Income by Field of Study and Degree Level



Source: U.S. Census Bureau – American Community Survey (2006-10 5-Year Estimate)

Producing Graduates with Information-Age Skills and Knowledge

- Important Skills
 - Literacy and communication
 - Critical thinking
 - Collaborative problem solving and decision making
 - Numerical and scientific reasoning
 - Computer fluency and use of technology
 - Subject-matter proficiency
 - Understanding social, organizational, and technological systems
 - Individual and social responsibility
 - Self-management
 - Integrity, teamwork
 - Creativity, enthusiasm, initiative
 - Understanding ethics, values, and how society, government, and business work
 - Coping with change; how to make things change
 - Being assertive to get concerns addressed
 - Taking charge of your own learning

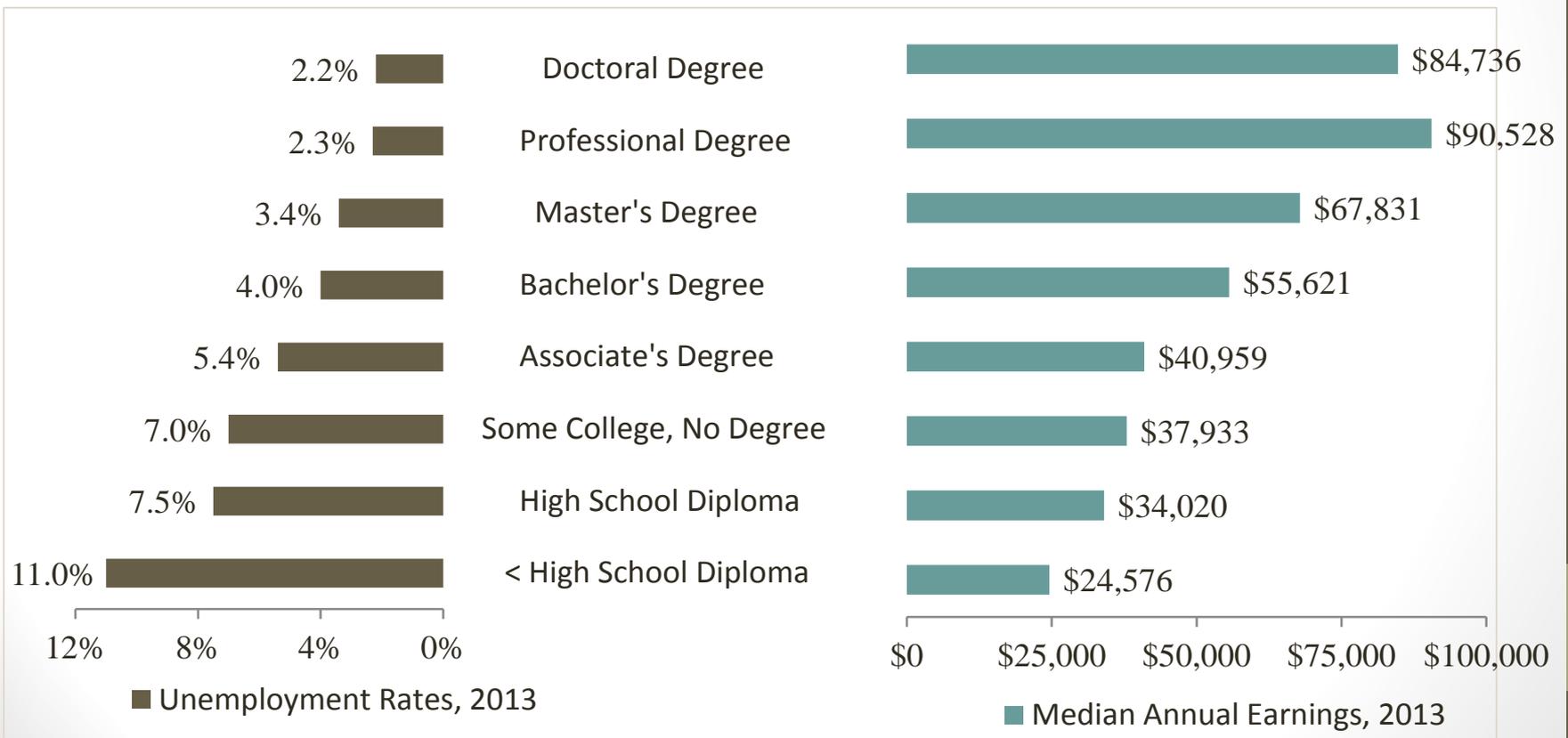
Fact Check: What kind of graduates does a major South Dakota employer hire?

- **College majors of recently-hired graduates working for Wells Fargo**
 - Finance
 - Accounting
 - Business Administration, Business Management, Business Marketing, Business Economics
 - Computer Science
 - Education-Teaching, Special Education
 - Speech Communications
 - Economics
 - Sociology
 - Agricultural Science, Agricultural Business/Economics
 - Communications-Public Relations
 - Banking and Finance
 - Service Management
 - Music
 - Spanish
 - Biology

Benefits of Higher Education

- Benefits to the **Individual**

Unemployment and Earnings by Educational Attainment, 2013 (US)



Source: U.S. Bureau of Labor Statistics, Current Population Survey

Higher Education Serves the Public Good, Builds Stronger Communities

- A more highly educated population:
 - Pays more taxes and relies less on income-support programs
 - Is more likely to receive health insurance and pension benefits
 - Leads healthier lifestyles, reducing health-care costs
 - Improves voter participation and civic engagement
 - Results in better education for children
 - Increases the chances that adults will move up the socio-economic ladder
- Who benefits?
 - Local communities
 - Our state
 - The nation

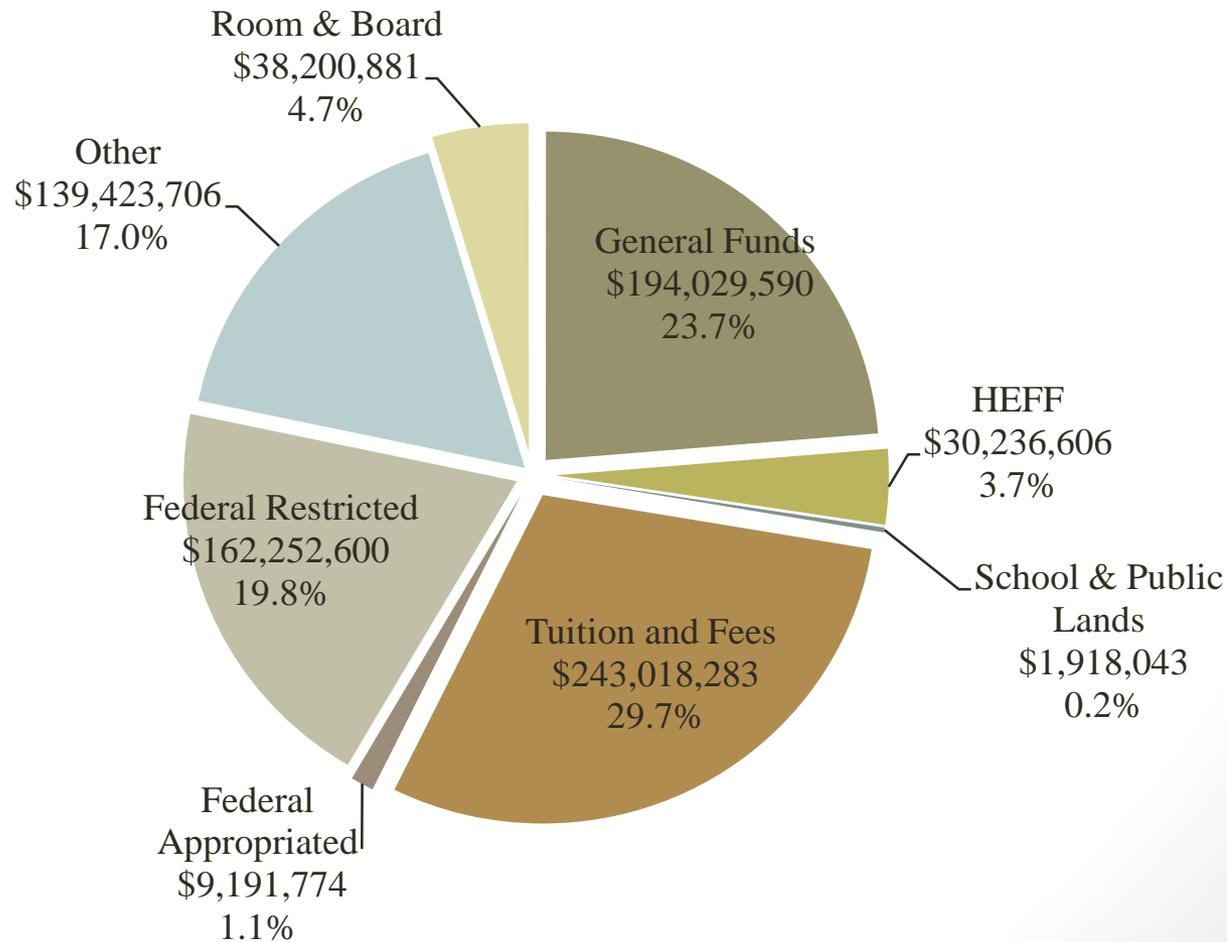


Source: The College Board,
"Education Pays 2013"

Overview of FY16 Budget Request

32% of Educational Costs and 24% of Total Public Higher Education Budget Supported by State Tax Dollars

Board of Regents All Funds by Fund Source FY 2015
\$818,271,483



FY16 Budget Priorities: Maintain Facilities, Grow Scholarships

- **\$2,055,512 for additional HEFF M&R match**
 - Year three of a four-year phased-in match by the state
 - Brings Higher Education Facilities Fund (HEFF) maintenance and repair up to 2% of academic buildings' replacement value
- **\$1,274,001 for the South Dakota Opportunity Scholarship**
 - Grows buying power of scholarship – from 16% to 20% of tuition costs
- **\$1,230,308 for utilities' funding**
- **\$80,800 for SDSU nursing practice preceptor reimbursements**
 - Payments to mentors of Doctor of Nursing Practice students who work in practice settings
 - Covers preceptors in Rapid City

Details of HEFF M&R Match

- Campuses identified deferred maintenance needs over the next decade totaling \$441,418,452.
- Student fee implemented FY94; this is on top of 20% of all tuition dollars going into HEFF.
- Board is increasing HEFF commitment at 6% per year.

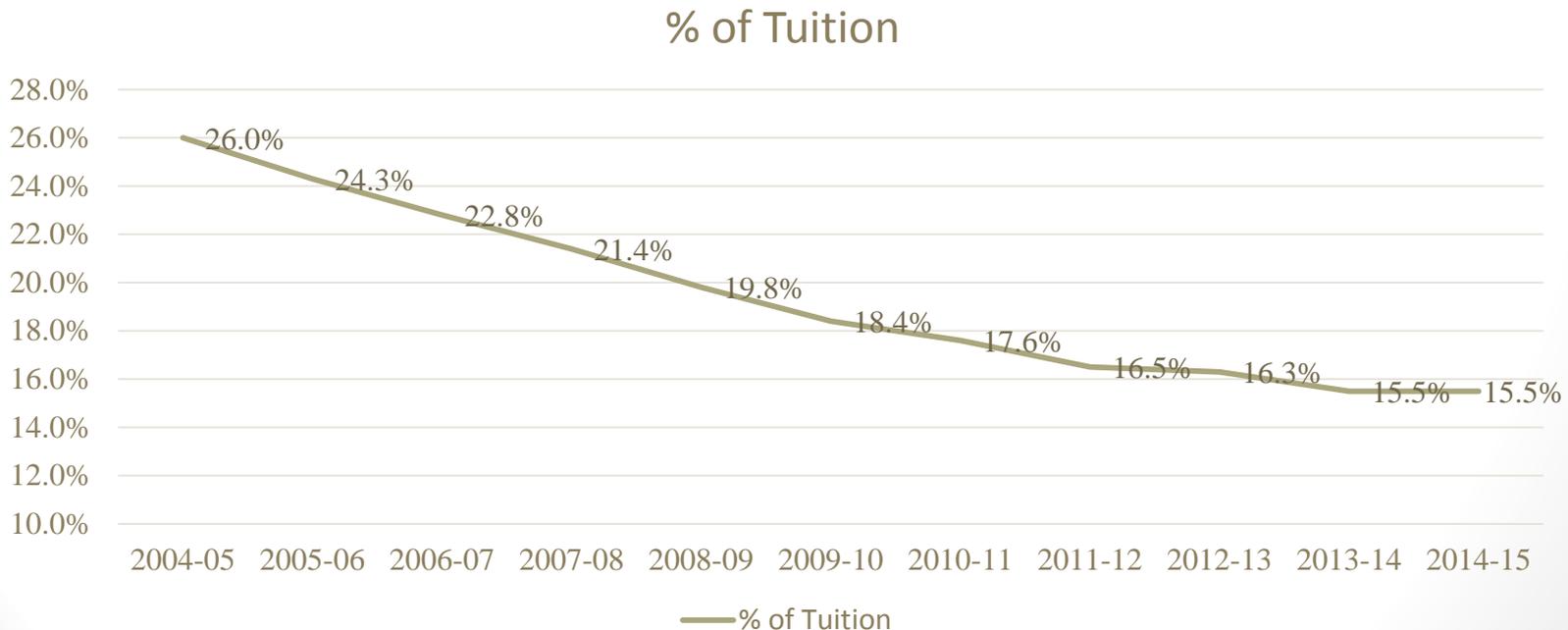
	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>
Student M&R Fee	\$984,848	\$970,810	\$970,810
HEFF - 20% of Tuition	\$14,250,358	\$15,105,379	\$16,011,702
5%- 6% Increase	\$855,021	\$906,323	0
General Funds Year 1&2 of 4-Year Plan	1,729,824	\$3,377,271	\$3,377,271
FY16 Request	<u>\$0</u>	<u>\$0</u>	<u>\$2,055,512</u>
Total	<u>\$17,820,051</u>	<u>\$20,359,783</u>	<u>\$22,415,295</u>
Current Percent of Replacement Value	1.5%	1.7%	1.8%
Academic Facility Replacement Value			\$1,223,540,211
2% of Replacement Value Goal			\$24,470,804
Additional Need			\$2,055,509
Year 3 of Phase In			\$2,055,512

South Dakota Opportunity Scholarship

- **Established in 2004 with three primary goals:**
 - Encourage rigorous high school course completions
 - Entice enrollment in South Dakota's postsecondary institutions
 - Increase future placement in state
- **Program success**
 - Average of 1,109 students each year (12,209 total recipients)
 - 8% decrease in remediation (English/Math)
 - 9% increase in students meeting all college readiness benchmarks
 - 69% placement in South Dakota upon graduation

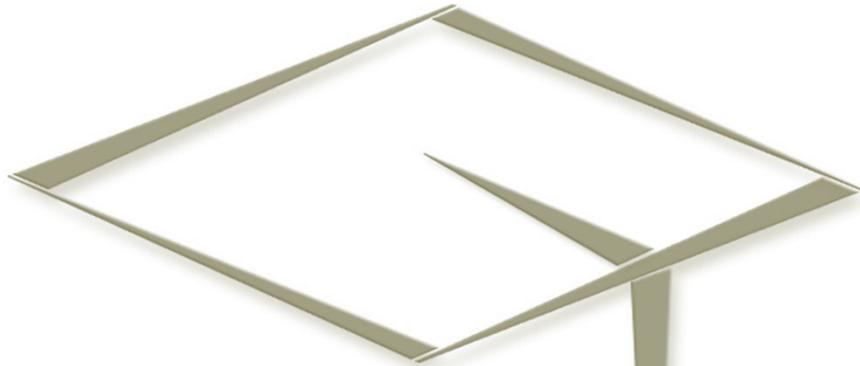
Re-Establishing Opportunity Scholarship Value for Students

- \$5,000 award equaled 26% of four-year tuition costs in 2004
- Decreased in value to 15.5% by 2014-15
- Board of Regents' budget request:
 - Return value to 20% of four-year tuition cost (\$6,500 award)
 - Supported in Governor's FY16 budget recommendation



Governor's FY15 One-Time Funding Recommendations

- \$160,709 – FY15 Utility Shortfall
 - Based on updated energy utilization data from BFM.
- Authorization for 20.0 FTE
 - University of South Dakota has had to increase self-support course offerings, therefore needs FTE to teach those courses.
 - These are not state general-funded positions.
 - This authorization would be added to the base budget in FY16.



**YOUR
FUTURE
IS HERE!**

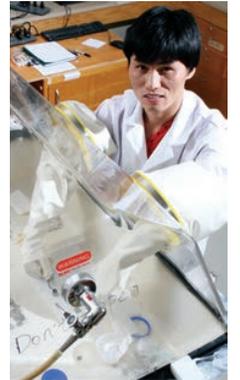
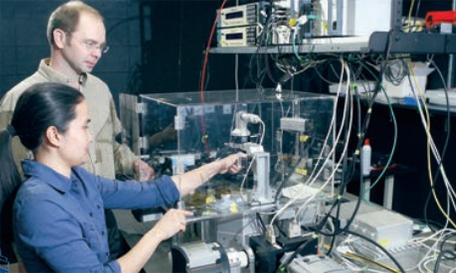
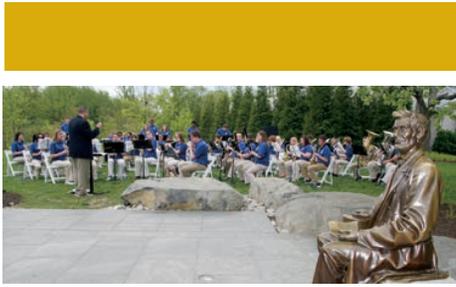
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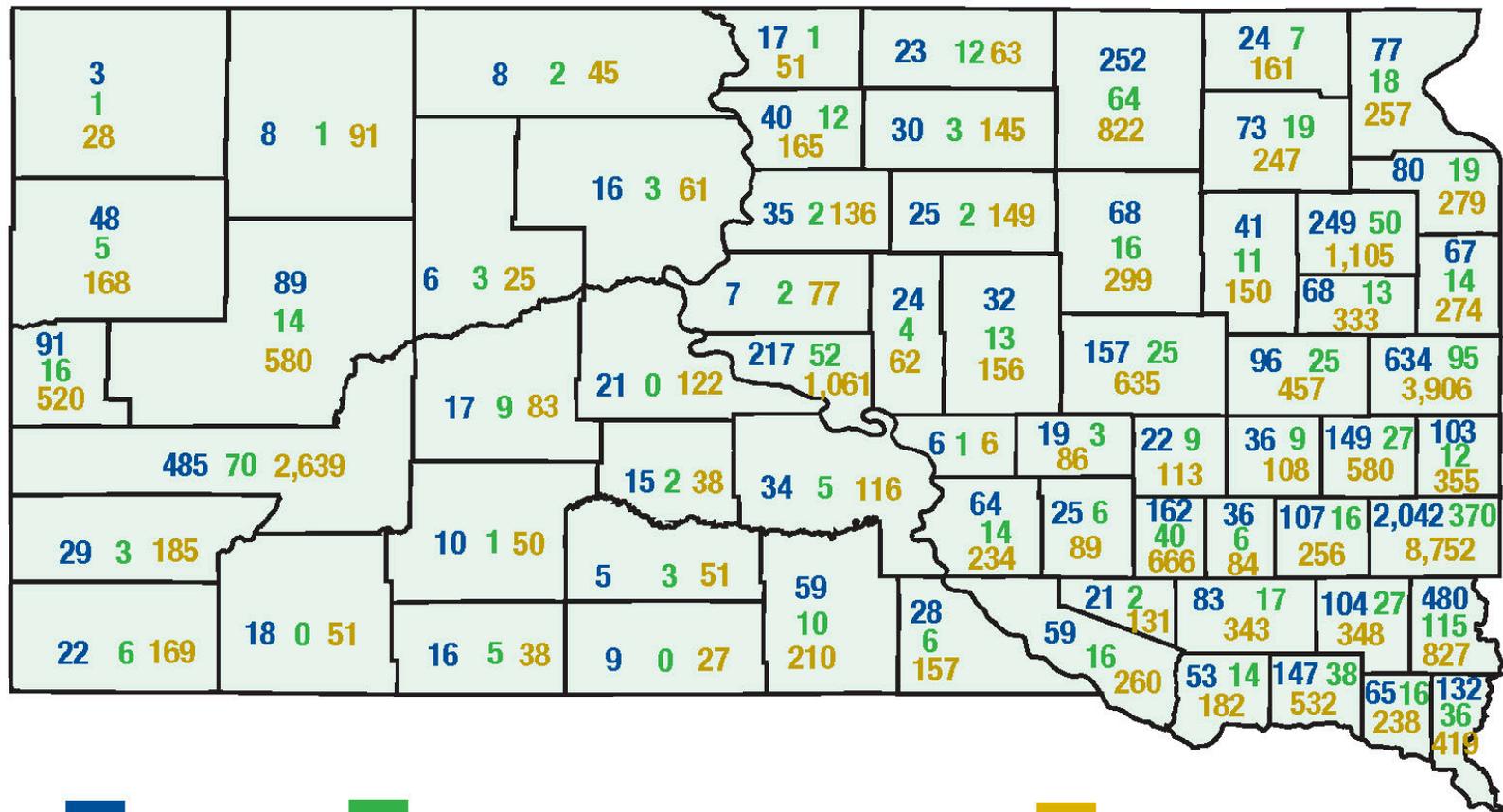
February 3, 2015



JOINT COMMITTEE ON APPROPRIATIONS February 2015

SOUTH DAKOTA STATE UNIVERSITY

Enrollment, South Dakota Opportunity Scholars and Alumni



■ Enrollment
 ■ South Dakota Opportunity Scholars
 ■ Alumni



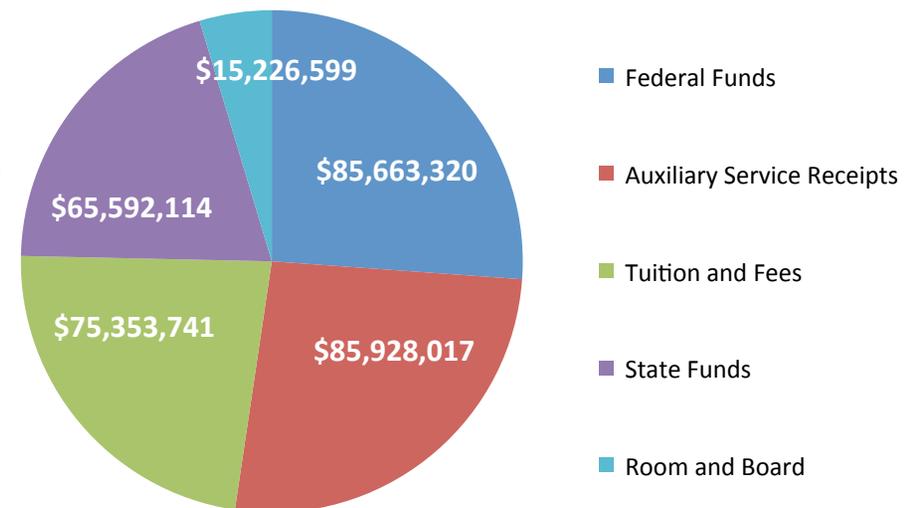
OPERATING BUDGET AUTHORITY FY15

\$327.7M in operating authority

- \$264.1M university
- \$44.5M Agricultural Experiment Station
- \$19.1M SDSU Extension

Revenue sources

- 26% federal funds
- 26% auxiliary service receipts
- 23% tuition and fees
- 20% state funds
- 5% room and board



IMPACT 2018 goals:

- Academic excellence
- Research and economic development
- Reach of the university
- High-performing university

Board of Regents goals:

- Student success
- Academic quality and performance
- Research and economic development
- Affordability and accountability



HIGH-PERFORMING UNIVERSITY

Emphasize private investment, building endowment to \$135M

Endowed faculty positions to 16 (currently 6)

Efficiency and effectiveness

- New decentralized budgeting format in place
- Continuous improvement director hired
- Reorganization/restructuring to create synergies

Implement 2025 Design and Master Plan and associated projects

Great Colleges survey — spring 2015

Campus Climate survey — fall 2013



MAINTENANCE and REPAIR

\$7.57M in FY15 (\$745M in replaceable value of buildings)

\$1.23M state appropriation

- \$370,000 for Classroom Enhancement Initiative
- \$863,000 for academic building renovations

\$5.67M from HEFF

- Infrastructure upgrades
- Mechanical and electrical maintenance, repair and upgrades
- Roof replacement
- Academic building repairs and remodeling

\$665,000 from University Support Fee

- Academic building repairs and remodeling
- Mechanical and electrical maintenance, repair and upgrades



REACH OF THE UNIVERSITY

Degrees available through distance education

- Target 40 online (baseline 22)
- Target 40 at university centers (baseline 25)

SDSU Extension

- Regional centers
- Use of iGrow portal

Achieve the Carnegie Foundation Community Engagement classification for universities by 2018

Visitors and friends

- Event attendance goal — 518,150



RESEARCH and ECONOMIC DEVELOPMENT

Performance indicator	Baseline	FY14	Target
Research spending annually	\$68.7M	\$63.8M	\$115M
Invention disclosures annually	33	37	80
Intellectual property revenue	\$1.8M	\$2.9M	\$3M
IP licenses/executed to start-ups	7/2	13/6	23/8

Private-sector partnerships and collaborations

- Avera
- Raven
- Agrisoma
- Cyanosun
- Bayer CropScience
- Sanford Health
- Tranzderm Solutions
- Medgene Labs
- Master's Choice (feed)
- John Morrell and Co.
- Applied Research Associates
- Prairie Aquatech

Designation as Innovation and Economic Prosperity University (APLU)



ACADEMIC EXCELLENCE

Performance indicator	Baseline	FY15	Target
Enrollment	12,583	12,557	14,013
Students on Brookings campus	10,306	10,446	11,405
Undergraduate students	10,968	10,845	11,889
Graduate students	1,208	1,279	1,708
Ph.D. students	305	317	390
Professional degree students	431	433	440

Performance indicator	Baseline	FY14	Target
Number of graduates	2,256	2,398	2,660
Undergraduates	1,834	1,956	2,180
Graduate students	353	369	392
Professional degree students	69	73	88
STEM program graduates	710	799	1,000



COLLEGE-EDUCATED WORKFORCE

Spring 2014 graduating cohort (44.3% response rate)

- 2,398 total degrees awarded in FY14
- 91.6% of respondents employed, enrolled or in military service
- 59.2% of respondents offered employment in South Dakota
- 58.9% of responding graduate students enrolled in South Dakota

Board of Regents Placement Outcomes (FY12 cohort)

- 61.9% of FY12 undergraduate cohort employed in state or enrolled in graduate school in state
- Of those in undergraduate cohort employed or enrolled in South Dakota, 20.6% from out of state
- Among out-of-state graduates, 38.2% have stayed in state



ACADEMIC EXCELLENCE

Program accreditations — 33 now, 42 by 2018

Facilities impacting accreditation

- Architecture, Mathematics and Engineering (opening 2015)
- Performing Arts Center Phase II
- Visual Arts and Design (from Seed House and West Headhouse)

Classroom Enhancement Initiative — 99 rooms in 23 buildings

Student Success Program in Year 5 (five-year plan)



STUDENT SUCCESS

South Dakota Jump Start

- First in the World grant, \$3.6M over four years
- Includes public universities and Oglala Lakota College
- Recruits 900 low-income students

Exploratory Studies

Career Development Center

- Employer-in-Residence pilot
- Internships

Wintrode Center

- Tutoring and mentoring
- Support centers



SPECIAL LEGISLATION

SB 23 — Clarify provisions regarding South Dakota Art Museum

SB 24 — Authorize demolition of family student housing units

SB 25 — Authorize lease-purchase process for agricultural land in Moody County for research

SB 26 — Authorize demolition of veterinary isolation building

SB 27 — Authorize construction of plant science research support facility

SB 28 — Authorize sale of two parcels of unused property to the city of Brookings



GOVERNOR'S BUDGET RECOMMENDATIONS

\$2M HEFF match for maintenance and repair

\$1.27M South Dakota Opportunity Scholarship

\$1.2M utility funding for FY16

\$80,800 for DNP preceptors

\$160,709 one-time FY15 funds for utility adjustment



SDSU Agricultural
Experiment Station



Research



WHAT IS SDSU AES?

One of three major components comprising the university's land-grant mission of teaching, research and outreach

Partnership of USDA and state for relevant agriculture, food and nutrition research

Feeds economic development in targeted GOED industry sectors

- Value-added agriculture and agribusiness
- Energy and environment
- Materials and advanced manufacturing

Growing AES research is part of the IMPACT 2018 goals of increased innovation, technology transfer and economic development

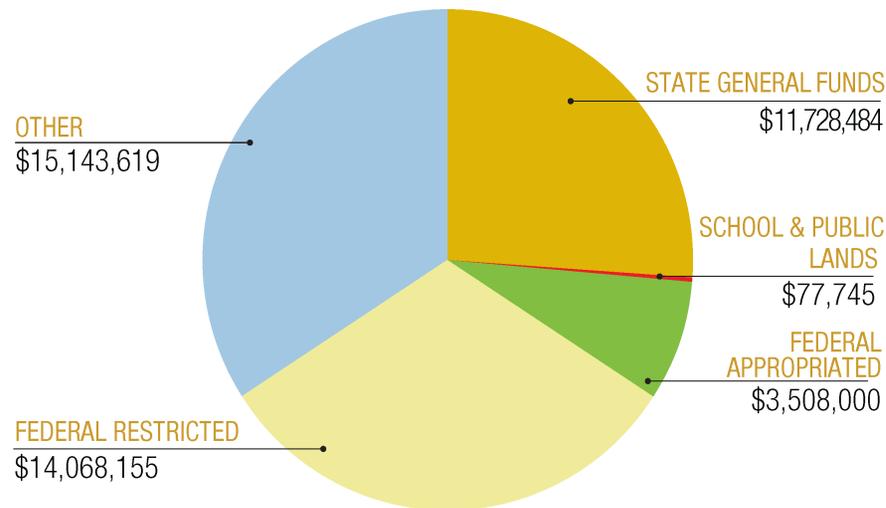


WHAT IS SDSU AES? (cont.)

\$44.5M operating authority

- \$11.8M state general/SPL
- \$17.6M federal (grants, contracts, federal appropriation)
- \$15.1M other (grants, contracts, sales and services)

SDSU AES FY15 Budget Authority



Actual federal appropriation is \$3,379,680



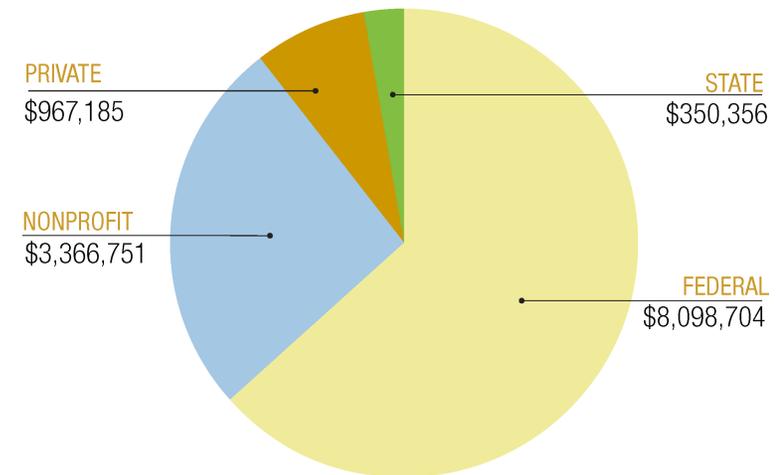
WHAT IS SDSU AES? (cont.)

\$34.5M of operating and external funds expended in the conduct of scientific research in FY14

Top areas

- \$12.2M on animal production and protection
- \$10.6M on plant production and protection
- \$7.8M on natural resources (includes agriculture, natural resource, and bioengineering)
- \$4.0M on food, human health and nutrition, families, youth, and communities

SDSU AES FY14 External Research Funds



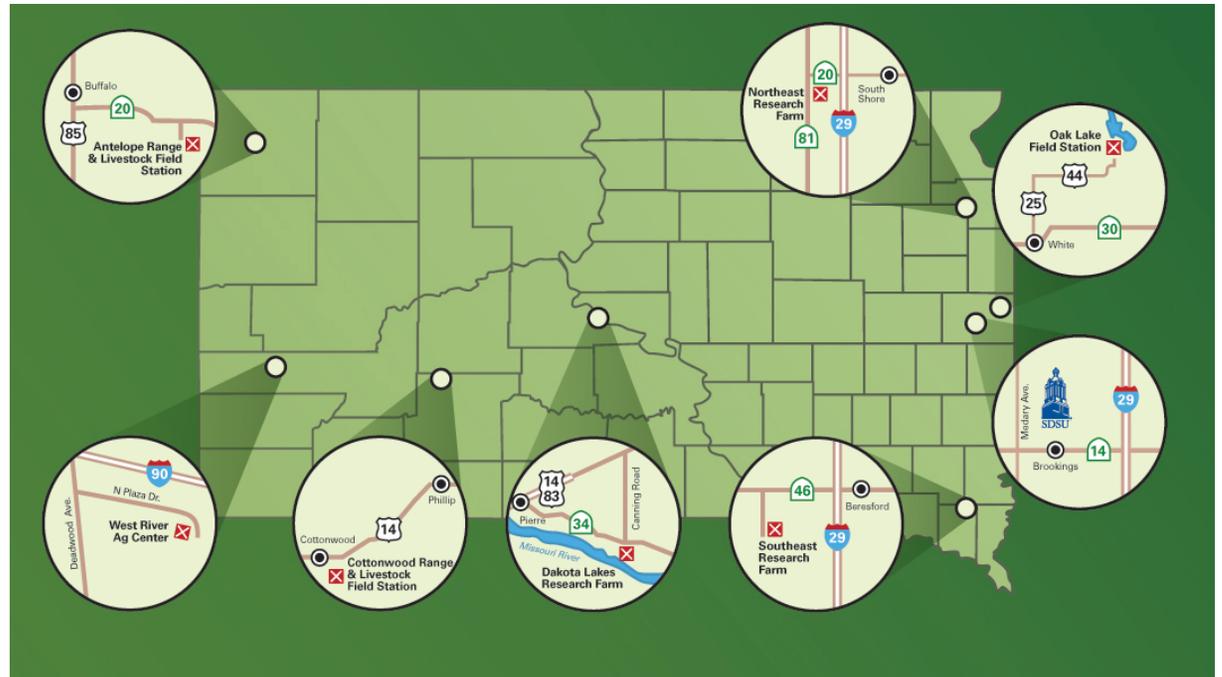
Actual Expenditures Total \$12,782,996



WHAT IS SDSU AES? (cont.)

People and locations

- Faculty scientists (69 FTE), graduate research assistants (81 FTE) and research staff (99 FTE)
- 8 sites
- Future resources
 - Swine Education and Research Facility
 - Cow-Calf Education and Research Facility
 - Headhouse/ Greenhouse



RECENT HIGHLIGHTS

Precision agriculture initiative

- Partnering with Lohr College of Engineering
- 2020 Vision: South Dakota Science and Innovation Strategy

Greenhouse, headhouse and seed house complex planning and fundraising completed – targeted start in 2015

Increased visibility: hosted USDA Chief Scientist Dr. Cathy Woteki and USDA-NIFA Director Dr. Sonny Ramaswami

External project funding during the last six months:

- 22% more proposals submitted
- 5% more grants and contracts awarded (162)
- 49% increase in awarded funds (\$12.1M)

\$2.2M sponsored by partnering commodity organizations (FY14)



QUICK FACTS

Student research

- \$1.6M (11%) of operating expenditures support graduate student stipends

Intellectual property

- 1 invention disclosure in FY14
- 2 patent or plant variety protection filings in FY14
- 3 plant variety protections issued in FY14

Contributions to South Dakota economy

- Prairie Aquatech
- Medgene Labs
- Cyanosun
- Precision agriculture (enterprise collaboration)



CHALLENGES

Shortfalls of salary policy, insurance and benefits on federal salaries erode impact of federal funds

- Maintenance and repair deferral
- Stopping of some research, limiting responsiveness
- Vacancy refill deferral

Federal funds erosion FY13-FY15 of \$647,000

Although new capital construction will enhance productivity, deferred maintenance and repair on other existing facilities remain a serious limit to research, faculty recruiting and retention



SDSU



Extension



WHAT IS SDSU EXTENSION?

One of three major components comprising the university's land-grant mission of teaching, research and outreach

Uniquely engaged and supported in a three-way partnership with federal, state and county governments

USDA is the federal partner with the National Institute of Food and Agriculture (NIFA) serving as the governing agency

South Dakota's source of unbiased, objective and relevant new knowledge generated from research discoveries

Empowers citizens to be more competitive in a growing global economy in a changing world

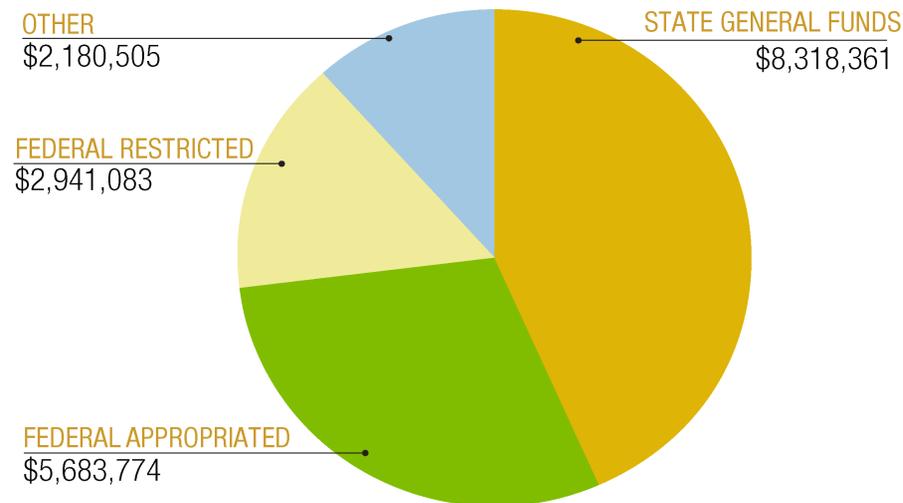


WHAT IS SDSU EXTENSION? (cont.)

\$19.1M budget authority

- \$8.3M state general funds
- \$8.6M federal (grants, contracts, federal appropriations)
- \$2.2M other (including \$530,000 county salary contributions)

SDSU Extension FY15 Budget Authority



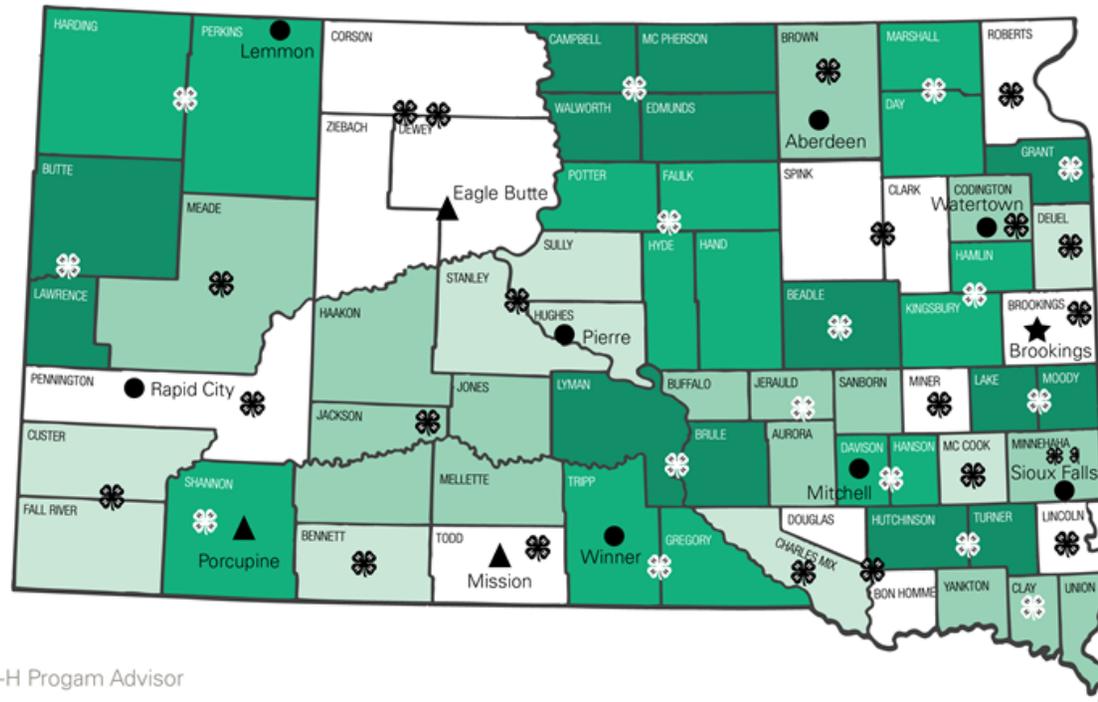
Actual Federal Appropriation is **\$3,929,165**



WHAT IS SDSU EXTENSION? (cont.)

People and locations

- Faculty (20 FTE)
- Field specialists (45 FTE)
- 4-H advisors (35 positions)
- 8 regional centers



- ❁ One 4-H Program Advisor
- ★ SDSU Extension Administrative Headquarters
- ▲ Federally Recognized Tribal Extension Program Office
- Regional Extension Center

Counties are grouped according to county agreements



RECENT HIGHLIGHTS

iGrow.org is the virtual learning platform used by SDSU Extension for educational and information outreach

- Page views have steadily increased since the launch of iGrow

2011-12	2012-13	2013-14
278,439	563,864	926,014

- Visitors (users) have also increased since the launch of iGrow

2011-12	2012-13	2013-14
63,767	228,115	593,559

- iGrow.org is a trusted source of information for more than 300 farm publications, newspapers, television and radio stations



RECENT HIGHLIGHTS (cont.)

Programmatic emphases:

- Water and soil health
- Climate assessment online producer tools
- Growing local food systems and food hubs
- Nutrition, food safety and wellness
- Farm Bill education
- Crop Performance Testing and Integrated Pest Management

Grant award highlights:

- \$650,000 USDA Beginner Farmer/Rancher grant targeted to assist Native American producers
- \$2.1M Centers for Disease Control grant awarded in 2014 to address wellness and nutrition in low-income communities



QUICK FACTS

4-H club enrollment is growing:

2012	2013	2014
8,485	8,881	8,911

Youth participation in 4-H youth development activities (community-based, after-school and in-school enrichment activities) is also growing:

2012	2013	2014
35,040	26,981	38,930

Adult volunteers serving 4-H

2012	2013	2014
2,176	2,236	3,228



CHALLENGES

Shortfalls of salary policy, insurance and benefits on federal salaries erode impact of federal funds

- Deferred hiring of 20 Field Specialist vacancies
- Impacting program development and outreach



DAKOTA STATE UNIVERSITY

Joint Committee on Appropriations
FEBRUARY 2015

DSU integrates learning, technology, and innovation in order to develop well-versed graduates and contribute to economic development locally, nationally, and globally.

QUICK FACTS – FALL 2014

OVERALL ENROLLMENT: 3,047

Undergraduate: 2,736

Graduate: 311

STUDENT DEMOGRAPHICS:

Resident Status: 71% South Dakota residents; 29% out-of-state

Gender: 54% male; 46% female

First-Generation: 45%

Financial Need: 40% of students Pell eligible; 94% receive federal financial aid

Scholarships: \$854,000 awarded

ACADEMIC PROGRAMS:

34 Undergraduate Academic Programs

Top Enrollments: Computer Science, Cyber Operations, Digital Arts and Design,
Elementary Education/Special Education

9 Graduate Programs

7 Masters programs (Master of Science in Analytics in partnership with SDSU)

2 Doctoral Programs:

- Doctor of Science in Information Systems
- Doctor of Science in Cyber Security

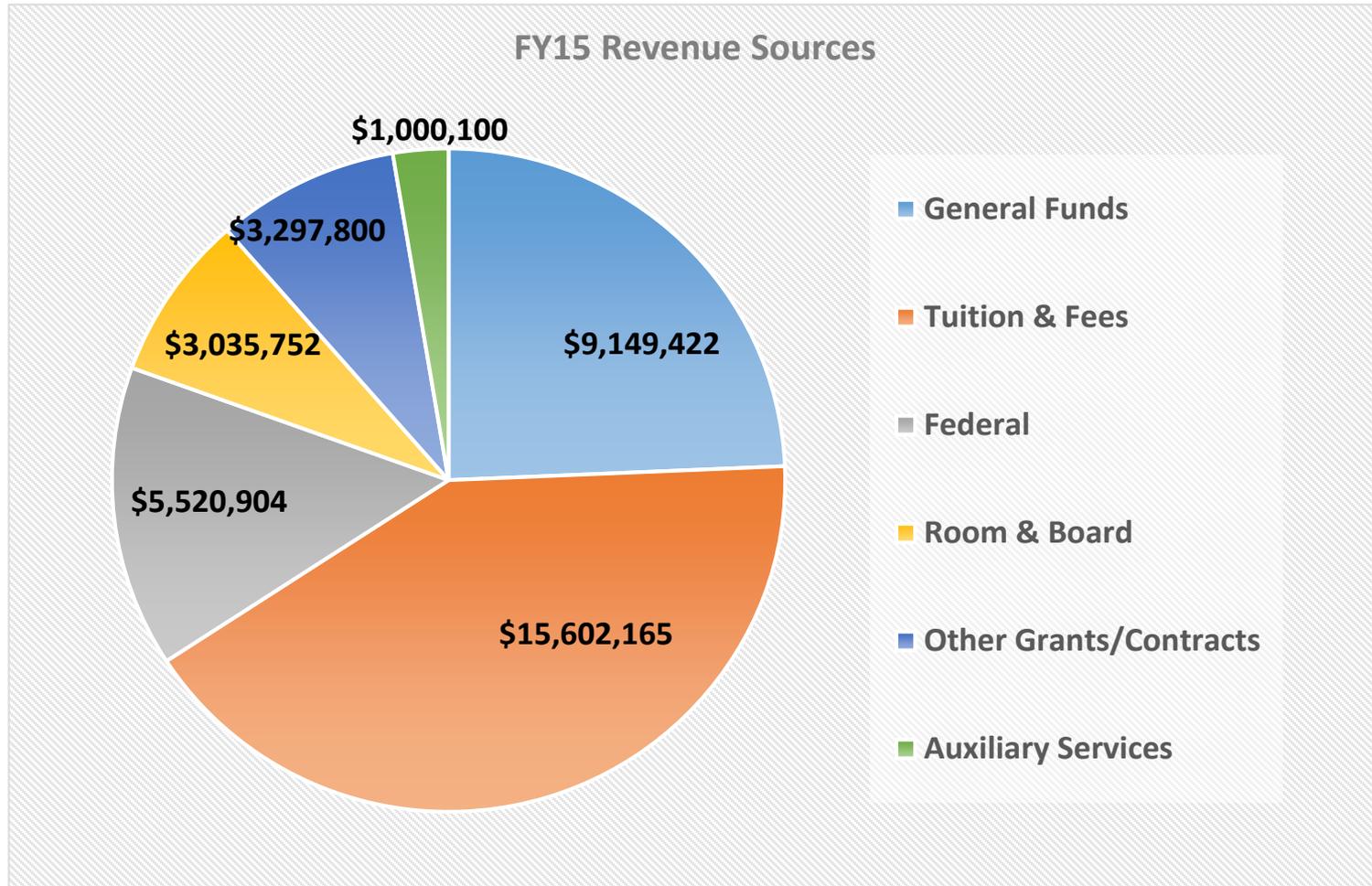
27 Programs Available online

18 Undergraduate

9 Graduate

FY15 BUDGET & REVENUE

\$37.6M in operating budget



EXPANSION OF INFORMATION SYSTEMS AND CYBER SECURITY PROGRAMS

Projected Expenses:

Faculty Salary Total
Benefits
Total Personal Services Cost
Operating Expenses

Total Expense Projection by Fiscal Year

Actual	Revised Projections as of Jan. 2015			
	Year 1	Year 2	Year 3	Year 4
	FY14	FY15	FY16	FY17
\$164,663	\$242,444	\$342,142	\$355,827	
\$40,102	\$77,040	\$95,304	\$101,961	
\$204,765	\$319,484	\$437,446	\$457,788	
\$260	\$6,000	\$6,000	\$6,000	
\$205,025	\$325,484	\$443,446	\$463,788	

Projected Expenditure of Special Appropriation:

Beginning Bal of Special Appropriation
Expenditure from Special Appropriation
Ending Bal of Special Appropriation

FY14	FY15	FY16
\$900,000	\$694,975	\$369,491
\$205,025	\$325,484	\$369,491
\$694,975	\$369,491	\$0

Number of Additional Faculty

Actual		Projected	
FY14	FY15	FY16	FY17
3	4	5	5

Enrollment Growth in IT Programs¹:

Number of Undergraduate students in IT
Number of Graduate students in IT

Base	Actual			Projected 5% Growth Annually	
	Fall 12	Fall 13	Fall 14	Fall 15	Fall 16
692	770	852	895	940	
155	169	209	219	230	

¹The Enrollment Growth in IT Programs includes Cyber Operations, Computer Network Security, Information Systems and other computer science related majors.

CAMPUS INFRASTRUCTURE

Master Planning/ Campus Space Analysis: Spring 2014

Beacom Institute of Technology

Conceptual design phase: Spring/Fall 2015

Projected completion: Fall 2017

Infrastructure Funds through HEFF

Amount Received: \$1,275,000

Projects:

- Classroom Improvements
- Data Center Improvements
- Window Replacement Project
- DDC Control Upgrade



Maintenance and Repair: General Fund Investment

ACADEMIC QUALITY

Accredited through Higher Learning Commission (HLC):
Academic Quality Improvement Program (AQIP)

Completed 20 AQIP projects since 2005

- First-year Intervention Team (FIT) in 2012
- Campus-wide quality improvement training held annually

Campus integration of Continuous Quality Improvement (CQI)

148+ CQI projects completed since Fall 2010

- Improved high school transcript evaluation process
- Enhanced classroom scheduling system
- Improved student drop / withdraw appeal process

STUDENT SUCCESS INITIATIVES

Signature Campus Initiatives:

- First Year Resident Experience (FYRE)
- First Year Intervention Team
- Sophomore Year Experience Program



Online Initiatives:

- Virtual Orientation
- Tutoring Support



Comprehensive Student Success Model



WORKFORCE READINESS- CAPSTONE EXPERIENCES

Program curriculum prepares graduates for their careers by involving students in capstone experiences including internships, undergraduate research, and student teaching.

- **Internship Examples:**
 - Advanced Eye Care
 - Google
 - Hood Magazine (parenting resource publication)
 - SD Bureau of Information and Telecommunications
 - Wells Fargo
- **Undergraduate Research Examples:**
 - Long Baseline Neutrino Experiment at Louisiana State University
 - South Dakota Ecosystems research for EPA
 - Sports Specialization in High School students
- Education majors complete year-long residency experiences

WORKFORCE DEVELOPMENT

2014 Graduates

Overall Job Placement Rate: 95%
84% of graduates employed in SD

67% of all IT graduates employed in SD

- EROS Data Center
- First Premier Bank Card
- SD Division of Criminal Investigation

90% of all education graduates employed in SD*

- Sioux Falls School District
- Watertown School District
- White River School District

**Highest percentage in state system*



FACULTY & STUDENT SUCCESSES

- **Dr. Josh Pauli**, coordinated Cyber Stars Camp for 172 high school students from around the U.S.
- **Dr. Yong Wang received \$168,076 equipment grant**, to conduct research on mobile device security and the impact on networks.
- **Dr. Christopher Olson** received a \$750,000 grant from EPSCoR to provide STEM education for students with disabilities
- **Professor Kevin Smith and a class of elementary education students** led the “*Hour of Code*” program at Madison Elementary School
- **Dr. Steve Graham and students enrolled in the game design major**, in partnership with CAHIT and Horizon Healthcare, created an interactive learning tool for rural healthcare providers

STRATEGIC INITIATIVES

Educate to Inspire: Dedicated to Academic Quality and Excellence

Grow to Thrive: Dedicated to Student Access and Success

Innovate to Transform: Dedicated to Continuous Improvement

Collaborate to Lead: Dedicated to Internal and External Partnerships

Dakota State University: Our Vision

Building upon its distinctive mission, DSU will become:

- The university of choice for those seeking a student-centered institution that offers innovative programs grounded in teaching, research, technology, scholarship, and service excellence.
- An academic community that serves as an economic engine in local, national and global markets.