

****Updated April 13, 2011****

(Haverly)

Board of Regents – Performance Improvement Fund – Letter of Intent – FY12

The Legislature approved one-time funding for the Public Universities' Performance Improvement Fund. The \$1.5M appropriated through HB1235 was available through FY11 revenue estimates in excess of those provided by the Governor in January.

There are three specific uses of the Performance Improvement Fund: **Center for Statewide E-Learning, Research Infrastructure, and Student Success**. It is the intent of the Joint Committee on Appropriations that these funds be distributed as follows:

The Northern State University **Center for Statewide E-learning** portion of the Performance Improvement Funds will be used to accommodate the additional demand from students in K-12 at the approximate level established by the 2010-2011 enrollments. The one-time funds will be used to meet current demands with the intent to review enrollments in current course offerings and possible reassignment of Master Teachers to meet future demands.

The "**research infrastructure**" portion will be distributed to the campuses through a competitive process directed by a panel of experts and state leaders. The proposals will be reviewed on their merits, the potential to produce economic benefit to the state, and their long-term viability.

Examples of how Performance Improvement Funds could be used in research were provided by the Board of Regents:

- Grant Match Funds -- Identifying funds to match federal and private grants for the purchase of equipment will increase the number of grant applications and awards, bringing additional research activity to South Dakota. Matching funds hold the promise of accessing federal, corporate, and private funds for equipment from entities that otherwise may not be interested in partnering with institutions. This demonstrates to potential grantors the state's continuing support for research.
- Advancing High-Tech Research in Wind Energy, the Biofuels Industry, Medical Research, or Financial Services -- Proposals that have the potential to advance industries important to the future economy and competitiveness of South Dakota will be given preference. The ability to advance DUSEL, wind energy, the biofuels industry, medical research, or the financial services sector will benefit South Dakota in the long term. Competitive proposals to advance research, leverage non-state funds, or develop industry partnerships will be solicited and evaluated.

The "**student success**" portion of the Performance Improvement Fund will be used, on a one-time basis, to build an early-alert system that targets at-risk students. Student retention continues to be a serious issue for postsecondary institutions nationwide, and this early-warning system can give campus personnel tailored feedback to reach the at-risk students and determine how best to intervene and shape strategies to improve their success.