

## **MINUTES OF BOARD MEETING OF SOUTH DAKOTA FREEDOM SCHOLARSHIP BOARD**

First PREMIER Bank Board Room, 500 S Minnesota Avenue, Sioux Falls, South Dakota

The meeting was called to order by Chairman Dana J. Dykhouse at 11:01 a.m. CDT, Monday, July 22, 2024, at the First PREMIER Bank Board Room in Sioux Falls, South Dakota. Members present were Dana J. Dykhouse, Diana VanderWoude and Chris Houwman (via TEAMS). Phyllis Heineman joined the meeting at 11:45 am due to a scheduling conflict (via TEAMS). Miles Beacom was absent. Others present were Elli Haerter, Stephanie Judson and Brandy Drew of the South Dakota Community Foundation; Cash Anderson of May Adam and Joshua Haiar of South Dakota Searchlight.

### Agenda

VanderWoude moved and Houwman seconded to approve the agenda. Motion carried with a voice vote.

### Minutes

Houwman moved and VanderWoude seconded to approve the minutes from April 22, 2024. The motion carried with a voice vote.

### Program discussion

Haerter began the discussion by sharing thank you notes from two South Dakota employers who expressed appreciation for their employees who are recent college graduates. Haerter also previewed three new videos about recipient-graduates produced by Lawrence and Schiller. Videos will be used as part of new digital content /promotion. Judson presented the status of investments, which remain steady, as well as the 2024 budget. Drew shared updated data about awardees and graduates as well as recipients who have reverted to debt. Dykhouse inquired, as part of the discussion on students who were out of compliance, whether students who transfer to tech college from a university could be forgiven. Haerter cited legal counsel advice that the law requires a bachelor's degree and any exception to that would need to be case by case. Slides are available as part of the board slide deck. Haerter also updated the board on the scholarship agreement process, which was held in executive session due to the sensitive nature of property discussed and data shared. Lastly, Haerter updated the board on the plan to engage a consultant to improve reporting efforts for the quarterly board meetings as well as the annual legislative report and the eventual key performance metrics for the universities.

### Executive Session for data security (SDCL 1-25-2(6)) 11:31 am.

VanderWoude moved, Dykhouse seconded. The motion carried with a voice vote.

Joshua Haiar left the room.

Dykhouse declared executive session over at 11:47 am. Joshua Haiar re-entered the room.

### Freedom Scholarship Fund and PREMIER Fund 2024 Additional Detail for Disbursement Approval

VanderWoude motioned and Houwman seconded the following motion: "Motion to approve the additional disbursement of \$4,000 to NSU for one Presentation College student remaining AND disburse Freedom scholarship funds to Mouny Marty and Dakota Wesleyan all at once in August." Motion passed by a voice vote.

### Lunch Break

Chairman called for a brief break for lunch at 11:47 am. The board reconvened at 12:00 pm.

### Employment requirement processes

Haerter reviewed the current employment verification process as well as options to streamline the verification process for SDCF staff and South Dakota employers. The board reviewed 2023 graduate information. The board affirmed that not complying with the employment verification is a violation of the scholarship terms and staff should move forward with converting the scholarship to a loan until such time that the appropriate information is received and corroborated.

Cash Anderson left the meeting at 12:20 pm.

Dykhouse motioned and Heineman seconded to allow students to self-attest their employer information with a warning that up to 10% of graduates will be chosen for audit annually, which is option 3 – slide deck. SDCF will determine a best practice method for the audit based on other state entities. If audits show a high percentage of false information, the self-attestation process will be reviewed. Motion passed by a voice vote.

### Executive Session for Student Matters and Marketing (SDCL 1-25-2(2) & (5))

Vanderwoude moved and Dykhouse seconded to enter executive session for student matters and marketing at 12:29 pm. Johsua Haiar left the room. Dykhouse declared executive session over at 12:57 pm. No votes were taken while in the executive session. Joshua Haiar re-entered the room.

### Student Exceptions

VanderWoude motioned and Heineman seconded to grant the following students (identified with a case number) an exception to the Freedom Scholarship requirements: 0724100, 0724101, 0724102, 0724103, 0724106, 0724107, 0724108, 0724109, 0724110.

Motion passed with a voice vote.

### Public Comment

There was no public comment received at the meeting.

### 2024 Meetings

The Freedom Scholarship Board has the following 2024 meetings remaining:

Monday, October 28, 2024, 11am-1pm First PREMIER Bank, downtown Sioux Falls

Adjournment

Motion by VanderWoude seconded Heineman to adjourn the meeting. Motion carried with a voice vote. The meeting adjourned at 1:00 pm.

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Phyllis Heineman, Secretary/Treasurer