

Minutes of the July 31, 2018 Regular Meeting

Lake Area Technical Institute Student Center | 1201 Arrow Ave., Watertown, SD

1. **Call to Order and Roll Call**

The South Dakota Board of Technical Education (hereinafter referred to as “BOTE”) met on the campus of Lake Area Technical Institute in Watertown, SD on Tuesday, July 31, 2018. Chairman Dykhouse called the meeting to order at 10:30 am (CST) with the following members present: Dana Dykhouse (Chair), Bob Faehn (Vice-Chair), Terry Sabers (Secretary), Rod Bowar, Doug Ekeren, Scott Knuppe, Ed Mallett, and Diana VanderWoude.

Also present were Nick Wendell (Executive Director, Board of Technical Education), Michael Cartney (President, Lake Area Technical Institute), John Heemstra (Vice-President, Mitchell Technical Institute), Robert Griggs (President, Southeast Technical Institute), Ann Bolman (President, Western Dakota Technical Institute), Jeff Danielsen (Superintendent, Watertown School District, Deb Sheppard (Guest)

Chairman Dykhouse welcomed Watertown School Superintendent Jeff Danielson and invited Danielson to share opening remarks.

1. **Adoption** **of the Agenda**

Motion made by Bower and seconded by VanderWoude to adopt the proposed agenda via voice vote. All present voted in favor. Motion carried.

1. **Approval** **of Meeting Minutes**

Motion made by Sabers and seconded by Mallett to adopt the meeting minutes from the May 16, 2018 meeting via voice vote. All present voted in favor. Motion carried.

1. **Declaration** **of** **Conflicts**

Wendell noted recent shifts in policy have required state boards and commissions to publicly address the expectations regarding the annual disclosures as guided by SD.CL.3-23-10. Wendell provided BOTE members with waivers for submittal, regardless of disclosure status. Disclosures will be publicly addressed in the next regular BOTE meeting. No action taken.

1. **Executive** **Director Update**

Wendell noted Scott DesLauriers (Deputy Director, South Dakota Board of Technical Education) presence at the 2018 South Dakota Association for Career and Technical Education (SDACTE) annual conference in Rapid City, SD. DesLauriers provided presentation at welcome luncheon and session.

Wendell recognized the recent hiring of and extended a welcome to Paul B. Beran, the incoming Executive Director for the South Dakota Board of Regents (BOR).

Wendell provided a brief update regarding the status of the revised graduation requirements recently approved by the South Dakota Board of Education Standards.

Dykhouse requested Muth share comments related to a recent interaction with BOR President Kevin Schieffer and Beran. Muth noted he was invited by Mark Mickelson, along with Griggs and Cartney, to briefly meet with Schieffer and Beran.

1. **Approval of Funding Acceptance from the Health and Educational Facilities Authority (HEFA). RE: Lake Area Technical Institute Healthcare Center for Learning**

In a special July 12, 2018 meeting, the Health and Educational Facilities Authority (HEFA) voted unanimously to direct $1,913,403 in excess cash to the South Dakota Board of Technical Education (Attachment #1). These funds are intended to support Lake Area Technical Institute’s Healthcare Center for Learning.

The Authority supported this allocation because they felt the project fit well within HEFA’s mission and Lake Area Technical Institute is currently and has been a borrower in the past.

The Healthcare Center for Learning has a total project cost of $6,100,000. Prairie Lake Healthcare System has contributed $3,100,000 to the project and the South Dakota Legislature appropriated $250,000 to the project in FY19. When combined with the HEFA dollars, LATI will need to identify approximately $840,000 to cover the total cost of the new center.

Wendell noted conversations with Cartney regarding working together to reach out to the Governor’s Office of Economic Development to support equipment purchase.

Motion made by Boward and seconded by Mallett for the South Dakota Board of Technical Education to accept an allocation of $1,913,403 from the Health and Educational Facilities Authority to direct those allocated funds to Lake Area Technical Institute to support the Healthcare Center for Learning. Upon roll call, all present voted in favor. Motion carried.

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| --- | --- | --- | --- |
| **Board Member** | **Aye** | **Nay** | **Abstain** |
| Bowar | x |  |  |
| Dykhouse | x |  |  |
| Ekeren | x |  |  |
| Faehn | x |  |  |
| Knuppe | x |  |  |
| Mallett | x |  |  |
| Peterson |  |  |  |
| Sabers | x |  |  |
| Vanderwoude | x |  |  |

1. **Proposed FY20 Budget Request**

According to SDCL 13-39A-13, the Board shall review and approve recommendations for annual state funding requests for the postsecondary technical institutes and make recommendations to the Governor and the Legislature.

The proposed fiscal year 20 budget request (Attachment #2) was developed by the Board of Technical Education staff in collaboration with the technical institute presidents and aligns with ongoing strategic planning efforts. The proposed request reflects the system’s goal of increasing overall enrollment and growing the number of skilled professionals entering South Dakota’s workforce. The budget priorities for FY 20 include:

* 1. Per Student Allocation (PSA) Increase
	2. Tuition Assistance (per credit hour) Increase
	3. Instructor Salary Support Increase
	4. Maintenance and Repair (M&R) Continued Contribution
	5. Bonding Support and Enhancement

Motion made by Ekeren and seconded by VanderWoude for the South Dakota Board of Technical Education to approve the proposed budget requests for fiscal year 2020, including the priorities identified and direct the board staff to prepare and submit the details and necessary justifications to the Bureau of Finance and Management; the Board staff has authority to refine any budget request figures and narratives as necessary. Upon roll call, all present voted in favor. Motion carried.

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| --- | --- | --- | --- |
| **Board Member** | **Aye** | **Nay** | **Abstain** |
| Bowar | x |  |  |
| Dykhouse | x |  |  |
| Ekeren | x |  |  |
| Faehn | x |  |  |
| Knuppe | x |  |  |
| Mallett | x |  |  |
| Peterson |  |  |  |
| Sabers | x |  |  |
| Vanderwoude | x |  |  |

1. **Strategic Planning Update**

Wendell provided a brief update regarding the strategic plan development and the status thereof. Three strategic goals were articulated:

* 1. Student Experience: The system will foster a student experience that enhances enrollment, promotes student success, and increases the number of skilled professionals entering the workforce in South Dakota.
	2. High-Performing System: The system will maintain and grow the human and fiscal resources necessary to ensure each institution is functioning at a high-level.
	3. Outreach: The system will expand its reach through increased collaboration with partners in industry, education, and government.

Wendell will provide additional information with the BOTE as the strategic planning process progresses.

1. **First Reading: Administrative Rules Change**

Wendell completed a first reading of two administrative rules changes:

1. 24:59:02:02: Set Aside (Attachment #3)
2. 24:59:02:03: Formula for Funding (Attachment #4)

There was brief discussion regarding the necessity for annual revision of the following administrative rules: 24:59:02:02 24:59:02:0. Wendell indicated central staff would communicate with the Legislative Research Council (LRC) to examine required procedures for future administrative rule changes.

Wendell completed a first reading of the proposed change to the general education requirements: 24:10:43:03 (Attachment #5). A public hearing will be held at the subsequent BOTE regular meeting.

No action taken.

1. **Proposed 2018-2019 Meeting Calendar**

Wendell provided the proposed meeting schedule for 2018-2019 (Attachment #6). Wendell noted a potential call-in meeting during the legislative session may be initiated based on any items that may require board action and/or advisement.

Motion made by Faehn and seconded by Sabers to approve the meeting schedule via voice vote. All present voted in favor. Motion carried.

1. **Presidents’ Updates**

Presidents Griggs (STI), Bolman (WDT), Carntey (LATI), and Vice-President Heemstra (MTI) provided brief updates (Attachment #6) on program highlights, personnel and facilities, and various institution-level initiatives, as the institutes prepare for the academic year.

1. **Items for Future/Ongoing Discussion**

Wendell overviewed three items for future and ongoing discussion, related to:

1. Initiated Measure 25 – Tuition for Tech Students
2. New Day in Technical Education – September 20, 2018
3. Dual-Credit Report

No action taken.

1. **Adjournment**

Motion made by Faehn and seconded by Everen to adjourn the meeting via voice vote. All present voted in favor. Motion carried.

Meeting adjourned at 11:50am (CST).