SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 7 – O
DATE: March 29-30, 2023

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SUBJECT

BOR 2023 Series Housing and Auxiliary Facilities System Revenue Bonds

CONTROLLING STATUTE, RULE, OR POLICY

SDCL § 13-51A – Board of Regents Revenue Bonds
SDCL § 13-51A-4 – Borrowing Power of the Board
SDCL § 13-51A-13 – Power to Issue Bonds

BACKGROUND / DISCUSSION

Project Summary

This item relates to:

A) the issuance of Housing and Auxiliary Facilities System Revenue Bonds, Series 2023 (the *"Bonds"*) to

(i) finance improvements to the student wellness center of the University of South Dakota (*"USD"*) (the *"USD Project"*) and

(ii) depending on market conditions, refinance all or a portion of the outstanding Series 2013A Bonds (defined below) for the Institutional System for USD, and a portion of the outstanding Series 2014A Bonds (defined below) for the Institutional System for the Black Hills State University (*"BHSU"*), and for the Institutional System for the South Dakota School of Mines and Technology (*"SDSMT"*), and

B) the use of approximately $5.1 million in certain South Dakota State University (*"SDSU"*) funds for the redemption and payment of the SDSU portion of the outstanding Series 2014A Bonds for the Institutional System of SDSU.

(Continued)

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DRAFT MOTION 20230329_7-O:

I move to approve the Action Items 1, 2, 3, and 4 set forth in the body of this Board item. (Each action should be approved on separate motion and seconded, and a roll call vote on each should be taken and recorded.)

In the current interest rate environment, the Board's outstanding Series 2013A Bonds and Series 2014A Bonds can potentially be refunded in whole or in part and produce debt service savings. The timing of the sale of the Bonds and the selection of the Series 2013A Bonds and Series 2014A Bonds to be refunded, in order to realize and optimize refunding savings benefits, is dependent upon future market conditions. Given rapidly changing market conditions, the Bonds may be sold in a public or private sale. The authorization provided by the Board today will provide flexibility to react to quickly changing conditions in the financial markets.

Moody's will rate the Bonds. If available, the Board will be provided with that rating at the meeting.

Piper Sandler & Co. is the underwriter or placement agent (depending on whether the Bonds are offered in a public or private sale) for the Bonds.

Bond counsel and counsel to Piper Sandler & Co. have prepared the appropriate resolutions and documents to proceed with the next phases of the financing. The four action items needing approval by the Board include the following resolutions:

<u>Board Action</u>

The Board is requested to authorize (A) the issuance of the Bonds for the financing of (i) improvements to the student wellness center at USD, (ii) the costs of refunding all or a portion of the Board's outstanding Housing and Auxiliary Facilities System Revenue Bonds, Series 2013A (the *"Series 2013A Bonds"* and the portion of such bonds to be refunded, the *"Series 2013A Refunded Bonds"*) and the costs of refunding a portion of the Board's outstanding Housing and Auxiliary Facilities System Revenue Bonds, Series 2014A (the *"Series 2014A Bonds"* and the portion of such bonds to be refunded *"Series 2014A Refunded Bonds"* and together with the Series 2013A Refunded Bonds, the *"Refunded Bonds"*) which such Refunded Bonds to be redeemed on or shortly after the date of issuance of the Bonds; and (iii) the costs of issuance of the Bonds, through the issuance of the referenced Bonds, and (B) the use of approximately $5.1 million in certain available SDSU funds for the redemption and payment of the SDSU portion of the Series 2014A Bonds for the Institutional System of SDSU on a date on or shortly after the issuance of the Bonds.

The timing of the sale of the Bonds and the selection of the Refunded Bonds to be refunded in order to realize and optimize refunding savings benefits is dependent upon future conditions in the financial markets. Market conditions may result in the refunding of less than all of or none of the Series 2013A Bonds and Series 2014A Bonds. Additionally, given rapidly changing market conditions, the Bonds may be sold in a public or private sale. The authorization provided by the Board will be effective for six months from the date hereof and may be renewed at a subsequent meeting of the Board.

Bond counsel for the Bonds has prepared appropriate resolutions and documents to proceed with the next phases of the financing. The four action items include resolutions:

<u>Action 1</u>

1A. Authorizing the issuance of additional series of Bonds under the Amended and Restated Bond Resolution adopted by the Board on October 21, 2004 (the *"Original Resolution"*) to finance:

(i) the refunding of all or a portion of the Refunded Bonds, but only if (a) there is a net present value savings from the portion of the Bonds attributable to the refunding and (b) the aggregate debt service on the portion of the Bonds attributable to the refunding does not exceed the aggregate debt service on the Refunded Bonds; and

(ii) costs of issuance of the Bonds;

1B. Authorizing the use of certain SDSU funds for the redemption and payment of the SDSU portion of the Refunded Series 2014A Bonds. (Attachment I—Sixteenth Supplemental System Revenue Bond Resolution (the *"Sixteenth Supplemental Bond Resolution"*));

<u>Action 2</u>

2. Approving the contract with Piper Sandler & Co., who will market the Bonds for the Board either acting as underwriter in a public sale or placement agent in a private placement; *provided, however,* that the aggregate principal amount of Series 2023 Bonds sold pursuant thereto shall not exceed $25 million, shall mature not later than April 1, 2043, shall bear interest at a true interest cost not exceeding 5%, and shall be sold in a public offering at an underwriter's discount of not more than .5% of the par amount of the Series 2023 Bonds (Attachment II—Bond Purchase Agreement). If the Bonds are sold in a private sale, the Board authorizes a Placement Agent Agreement with Piper Sandler & Co. and a Bank Purchase Agreement or Agreements, if any, in connection with the sale of the Bonds to a Bank Purchaser or Purchasers in substantially the form or forms approved by the Authorized Officers (as defined below) (or their respective designees). An Authorized Officer (or one of their respective designees) is hereby authorized and directed to execute the Placement Agent Agreement, Bank Purchase Agreement or Agreements, if any, in the name of and on behalf of the Board, his or her execution thereof to constitute conclusive evidence of the Board's approval of the terms of the Placement Agent Agreement and Bank Purchase Agreement or Agreements, if any;

<u>Action 3</u>

3. Ratifying the distribution of the preliminary official statement and approving the distribution of the official statement to reflect the actual terms of the transaction

once they are determined and the Bonds are ready for sale (Attachment III—draft Preliminary Official Statement);

Action 4

4. Authorizing the President of the Board, the President of South Dakota State University, the President of the University of South Dakota, the President of Black Hills State University, the President of South Dakota School of Mines & Technology, the Executive Director of the Board and other Board officials (each an *"Authorized Officer"*) to perform those acts and to execute those documents necessary to complete the Bond issue and the refunding of the Refunded Bonds, the payment and redemption of the SDSU portion of the Refunded Series 2014A Bonds, and the execution and delivery of such documents of sale of the Bonds as may be necessary, including, without limitation, the Sixteenth Supplemental Bond Resolution, and the Bond Purchase Agreement; and

5. Making the certifications required prior to the issuance of additional Bonds under Section 14(K) of the Original Resolution based on the Actual Net Revenues of the System for each of the two most recent Fiscal Years and the Projected Net Revenues of the System for each of the specified three Fiscal Years.

Except for the distribution of the preliminary official statement, the documents approved under this action will not be completed and executed until the Bonds are issued; *provided* that the Bond Purchase Agreement and the official statement will not be completed and executed until the Bonds are sold to the underwriter.

The contents of the documents referenced in the first four items are as follows:

The first document referenced in the resolution is the Sixteenth Supplemental Bond Resolution, under which the Bonds are to be issued. The Sixteenth Supplemental Bond Resolution supplements the Original Resolution, as supplemented and amended to date, and describes the terms of the Bonds as additional parity bonds under the Original Resolution, and outlines the conditions under which the Bonds may be redeemed, describes the disposition that will be made of the Bond proceeds, stipulates that the Bonds will not constitute a debt chargeable to the general revenues of the State, and, when adopted, authorizes the sale of the Bonds and the use of certain SDSU funds for the redemption and payment of the SDSU portion of the Refunded Series 2014A Bonds.

The second document referenced in the resolution is the Bond Purchase Agreement between the Board and the underwriter. This document reiterates the various assurances that the Board must give in order to establish that the issuance of the Bonds is within its legal authority and is otherwise consistent with State law; that the issuance has been effected in the manner required by law; that the statements made on the Board's behalf in the various documents prepared in furtherance of the transaction are accurate; that no proceedings are underway, by referendum, court action or otherwise, to impede the completion of the Bond issue; that the Board will cooperate with the underwriter as needed to complete the sale of the Bonds; that the Board operates the properties of the System consistently with governing law, and that the Board will notify the underwriter of any changed circumstances or new information that would affect the accuracy of the documents or the marketability of the Bonds. The document also provides for termination of the agreement, identifies additional certifications and opinions of counsel required to complete the transaction, provides for mutual covenants and stipulates that Board members will not be liable to the underwriter.

The third document referenced is the Preliminary Official Statement, which is provided to prospective purchasers in order to assist them in determining whether the Bonds are a sound investment. The Preliminary Official Statement describes the Bonds to be issued, the manner of their purchase, transfer and redemption, the expected use of Bond proceeds and the SDSU funds, the source of funds for their repayment, the various financial, demographic and programmatic factors that provide assurance that there will be sufficient System revenues to retire the Bonds, the Bond rating and their federal tax treatment and the continuing disclosure obligations of the Board with respect to the Bonds. The Official Statement will be prepared in final form once the amount, interest rate and the date of sale are determined.

The Sixteenth Supplemental Bond Resolution was prepared by bond counsel. The Preliminary Official Statement and the Bond Purchase Agreement were prepared by counsel to the underwriter.

IMPACT AND RECOMMENDATIONS

Approval of the bonds will provide savings on the 2013A and 2014A Series bonds and allow USD to complete the previously authorized Wellness Center expansion.

ATTACHMENTS

Attachment I – Sixteenth Supplemental Bond Resolution
Attachment II – Preliminary Official Statement
Attachment III – Bond Purchase Agreement

SOUTH DAKOTA BOARD OF REGENTS

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BONDS BY THE SOUTH DAKOTA BOARD OF REGENTS; PRESCRIBING ALL THE DETAILS OF SAID BONDS, AND SUPPLEMENTING THE RESOLUTION AUTHORIZING THE ISSUANCE OF HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BONDS APPROVED OCTOBER 21, 2004, AS SUPPLEMENTED AND AMENDED BY RESOLUTIONS ADOPTED BY THE BOARD ON DECEMBER 6, 2005, AS AMENDED, NOVEMBER 22, 2006, AS AMENDED, DECEMBER 13, 2007, AS AMENDED, MARCH 28, 2008, AS AMENDED, OCTOBER 22, 2008, AS AMENDED, MAY 21, 2009, AS AMENDED, OCTOBER 12, 2011, AS AMENDED, DECEMBER 12, 2012, DECEMBER 4, 2013, AS AMENDED, AUGUST 14, 2014, DECEMBER 2, 2015, DECEMBER 7, 2016, DECEMBER 6, 2017, DECEMBER 11, 2019 AND DECEMBER 9, 2020.

SIXTEENTH SUPPLEMENTAL SYSTEM REVENUE
BOND RESOLUTION APPROVED MARCH 30, 2023

Re: Housing and Auxiliary Facilities System Revenue Bonds, Series 2023

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A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BONDS BY THE SOUTH DAKOTA BOARD OF REGENTS; PRESCRIBING ALL THE DETAILS OF SAID BONDS, AND SUPPLEMENTING THE RESOLUTION AUTHORIZING THE ISSUANCE OF HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BONDS APPROVED OCTOBER 21, 2004, AS SUPPLEMENTED AND AMENDED BY RESOLUTIONS ADOPTED BY THE BOARD ON DECEMBER 6, 2005, AS AMENDED, NOVEMBER 22, 2006, AS AMENDED, DECEMBER 13, 2007, AS AMENDED, MARCH 28, 2008, AS AMENDED, OCTOBER 22, 2008, AS AMENDED, MAY 21, 2009, AS AMENDED, OCTOBER 12, 2011, AS AMENDED, DECEMBER 12, 2012, DECEMBER 4, 2013, AS AMENDED, AUGUST 14, 2014, DECEMBER 2, 2015, DECEMBER 7, 2016, DECEMBER 6, 2017, DECEMBER 11, 2019 AND DECEMBER 9, 2020.

* * *

WHEREAS, under the terms and provisions of South Dakota Codified Laws, Chapter 13-49, the Board of Regents (the *"Board"*) was created to, among other matters, control and have jurisdiction of six state-supported universities, including Black Hills State University (*"BHSU"*), Dakota State University (*"DSU"*), Northern State University (*"NSU"*), South Dakota School of Mines and Technology (*"SDSMT"*), South Dakota State University (*"SDSU"*) and the University of South Dakota (*"USD"*) (collectively, the *"Institutions"* and each, an *"Institution"*); and

WHEREAS, under the terms and provisions of South Dakota Codified Laws, Chapter 13-51A (the *"Act"*), the Board is authorized to issue bonds to acquire any one project, or more than one, or any combination thereof, for each Institution under its jurisdiction and to refund bonds heretofore issued; and

WHEREAS, the Board on October 21, 2004, did duly adopt a resolution (herein called the *"Original Resolution"*) amending and restating previous resolutions relating to the Series 2003 SDSMT Bonds, the Series 2003 USD Bonds, the Series 2004 BHSU Bonds and the Series 2004 SDSU Bonds (all as defined in the Original Resolution) and authorizing the issuance of $12,965,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2004A (the *"Series 2004A Bonds"*), and establishing a combined system of housing and auxiliary facilities (the *"System"*) pursuant to which each Institution continues to operate its existing system (collectively, the *"Institutional Systems"* and each, an *"Institutional System"*) but the revenues of which are subject to being used by the Board to avoid a potential default on each series of bonds issued by the Board on behalf of any Institution in the System pursuant to the Original Resolution (as more specifically defined in the Original Resolution, the *"Bonds"*); and

WHEREAS, the Board on December 6, 2005 did authorize the issuance and delivery of its $14,810,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2005A (the *"Series 2005A Bonds"*) and the $1,000,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2005B (Taxable) (the

"Series 2005B Bonds" and with the Series 2005A Bonds, the *"Series 2005 Bonds"*) pursuant to the Original Resolution, as supplemented by a First Supplemental System Revenue Bond Resolution (as amended on June 10, 2015, the *"First Supplemental Resolution"*), which Series 2005 Bonds were issued for projects for USD and SDSU; and

WHEREAS, the Board on November 22, 2006 did authorize the issuance and delivery of its $9,015,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2006 (the *"Series 2006 Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Second Supplemental System Revenue Bond Resolution (as amended on July 19, 2011, the *"Second Supplemental Resolution"*), which Series 2006 Bonds were issued for projects for SDSU and BHSU; and

WHEREAS, the Board on December 13, 2007 did authorize the issuance and delivery of its $8,540,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2007 (the *"Series 2007 Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Third Supplemental System Revenue Bond Resolution (as amended on July 19, 2011, the *"Third Supplemental Resolution"*), which Series 2007 Bonds were issued for projects for BHSU and DSU; and

WHEREAS, the Board on March 28, 2008 did authorize the issuance and delivery of its $4,770,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2008A (the *"Series 2008A Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Fourth Supplemental System Revenue Bond Resolution (as amended on July 19, 2011, the *"Fourth Supplemental Resolution"*), which Series 2008A Bonds were issued for projects for DSU; and

WHEREAS, the Board on October 22, 2008 did authorize the issuance and delivery of its $5,230,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2008B (the *"Series 2008B Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Fifth Supplemental System Revenue Bond Resolution (as amended on July 19, 2011, the *"Fifth Supplemental Resolution"*), which Series 2008B Bonds were issued for projects for SDSMT and NSU; and

WHEREAS, the Board on May 21, 2009 did authorize the issuance and delivery of its $90,325,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2009 (Build America Program - Taxable) (the *"Series 2009 Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Sixth Supplemental System Revenue Bond Resolution, as amended on June 10, 2015 (the *"Sixth Supplemental Resolution"*), which Series 2009 Bonds were issued for projects for NSU, SDSMT, SDSU and USD; and

WHEREAS, the Board on October 12, 2011 did authorize the issuance and delivery of its $63,480,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2011 (the *"Series 2011 Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Seventh Supplemental System Revenue Bond Resolution (as amended on June 10, 2015, the *"Seventh Supplemental Resolution"*), which Series 2011 Bonds were issued for projects for NSU and SDSU; and

WHEREAS, the Board on December 12, 2012 did authorize the issuance and delivery of its $11,990,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2013A (the *"Series 2013A Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by an Eighth Supplemental System Revenue Bond Resolution (the *"Eighth Supplemental Resolution"*), which Series 2013A Bonds were issued for projects for USD and the refunding of the Series 2003 USD Bonds; and

WHEREAS, the Board on November 7, 2013 did adopt a Ninth Supplemental System Revenue Bond Resolution, which was amended and restated in its entirety on December 4, 2013 and further amended on June 10, 2015, pursuant to which the Board did authorize the issuance and delivery of its $39,905,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2014A (the *"Series 2014A Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by an Amended and Restated Ninth Supplemental System Revenue Bond Resolution, as amended (the *"Ninth Supplemental Resolution"*), which Series 2014A Bonds were issued for projects for SDSU, BHSU and SDSMT and the refunding of certain of the outstanding Series 2004 SDSU Bonds and all of the outstanding Series 2004 BHSU Bonds; and

WHEREAS, the Board on August 14, 2014 did authorize the issuance and delivery of its $13,760,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2014B (the *"Series 2014B Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Tenth Supplemental System Revenue Bond Resolution (the *"Tenth Supplemental Resolution"*), which Series 2014B Bonds were issued for projects for SDSMT and the refunding of certain of the outstanding Series 2003 SDSMT Bonds and Series 2004A Bonds, and paying the cost of certain expenses relating to the issuance of the Series 2014B Bonds; and

WHEREAS, the Board on December 2, 2015 did authorize the issuance and delivery of its $22,525,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2015 (the *"Series 2015 Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by an Eleventh Supplemental System Revenue Bond Resolution (the *"Eleventh Supplemental Resolution"*), which Series 2015 Bonds were issued for projects for DSU and USD, and the refunding of certain of the outstanding Series 2005A Bonds, and paying the cost of certain expenses relating to the issuance of the Series 2015 Bonds; and

WHEREAS, the Board on December 7, 2016 did authorize the issuance and delivery of its $19,625,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2016 (the *"Series 2016 Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Twelfth Supplemental System Revenue Bond Resolution (the *"Twelfth Supplemental Resolution"*), which Series 2016 Bonds were issued for projects for NSU and SDSU, and paying the cost of certain expenses relating to the issuance of the Series 2016 Bonds; and

WHEREAS, the Board on December 6, 2017 did authorize the issuance and delivery of its $88,260,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2017 (the *"Series 2017 Bonds"*) pursuant to the Original Resolution, as supplemented, and as further supplemented by a Thirteenth Supplemental System Revenue Bond

Resolution (the *"Thirteenth Supplemental Resolution"*), which Series 2017 Bonds were issued for projects for SDSMT and SDSU, refunding certain of the outstanding Series 2009 Bonds, and paying the cost of certain expenses relating to the issuance of the Series 2017 Bonds; and

WHEREAS, the Board on December 11, 2019 did authorize the issuance and delivery of its $11,620,000 aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2019A (the *"Series 2019A Bonds"*), and $4,590,000 aggregate principal amount of Housing and Auxiliary Facilities System Taxable Refunding Revenue Bonds, Series 2019B (the *"Series 2019B Bonds"* and together with the Series 2019A Bonds, the "*Series 2019 Bonds*") pursuant to the Original Resolution, as supplemented, and as further supplemented by a Fourteenth Supplemental System Revenue Bond Resolution (the *"Fourteenth Supplemental Resolution"*), which Series 2019A Bonds were issued for a project for DSU and to pay the cost of certain expenses relating to the issuance of the Series 2019A Bonds, and which Series 2019B Bonds were issued to refund the NSU portion of the Series 2011 Bonds and to pay the cost of certain expenses relating to the issuance of the Series 2019B Bonds; and

WHEREAS, the Board on December 9, 2020 did authorize the issuance and delivery of its $38,285,000 aggregate principal amount of Housing and Auxiliary Facilities System Refunding Revenue Bonds, Series 2021 (the *"Series 2021 Bonds"*), pursuant to the Original Resolution, as supplemented, and as further supplemented by a Fifteenth Supplemental System Revenue Bond Resolution (the *"Fifteenth Supplemental Resolution"*), which Series 2021 Bonds were issued to refund the SDSU portion of the Series 2011 Bonds and to pay the cost of certain expenses relating to the issuance of the Series 2021 Bonds; and

WHEREAS, the Board, upon due consideration and investigation, does now find and determine that it is advisable and necessary to authorize (i) (a) for the use and benefit of USD and its student body to pay the costs of financing the improvements to the Wellness Center for the USD Institutional System (as more particularly described in *Exhibit A-1*, the *"Series 2023 USD Project"*) and (b) the costs of refunding the Board's outstanding Housing and Auxiliary Facilities Revenue Bonds, Series 2013A maturing on and after April 1, 2024 (as further described in *Exhibit C*, the *"Refunded Series 2013A Bonds"*); and (ii) and for the use and benefit of BHSU, SDSMT, and SDSU and their respective student bodies, to pay the costs of refunding the Board's outstanding Housing and Auxiliary Facilities System Revenue Bonds, Series 2014A maturing on and after April 1, 2024 (except for the Refunded Series 2014A SDSU Bonds which will be paid with the Available SDSU Funds (defined below) as described herein) (as further described in *Exhibit C*, the *"Refunded Series 2014A Bonds"* and, together with the Refunded Series 2013A Bonds, the *"Refunded Bonds"*); and (iii) to pay certain expenses relating to the issuance of the Series 2023 Bonds (defined below), pursuant to the Original Resolution; and

WHEREAS, in order to accomplish the purposes hereinabove referred to, it is advantageous to the Board and necessary that the Board (i) borrow money and issue and sell Bonds under the provisions of the Act and the Original Resolution and (ii) authorize the use of the Available SDSU Funds for the purposes of redeeming and paying the Refunded Series 2014A SDSU Bonds; and

WHEREAS, the Board now desires to create and to authorize the issue and delivery of an additional issue of Bonds under and in accordance with the Original Resolution, as supplemented by this Sixteenth Supplemental System Revenue Bond Resolution (this *"Sixteenth Supplemental*

Resolution") thereto, which additional Bonds shall be known as (a) "Housing and Auxiliary Facilities System Revenue Bonds, Series 2023" (the *"Series 2023 Bonds"*), which shall be issued for the purpose of financing the Series 2023 USD Project, refunding the Refunded Bonds (except for the Refunded Series 2014A SDSU Bonds which will be paid with the Available SDSU Funds), and paying the cost of certain expenses relating to the issuance of the Series 2023 Bonds:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the South Dakota Board of Regents, as follows:

ARTICLE I

DEFINITIONS; PLEDGE OF REVENUES

Section 1.1. Defined Terms. (a) Terms used in this Sixteenth Supplemental Resolution and not defined herein shall have the same meanings set forth in the Original Resolution.

(b) For purposes of this Sixteenth Supplemental Resolution, in addition to the terms defined in the WHEREAS Clauses, the following terms shall have the following meanings:

"Available SDSU Funds" means those certain SDSU funds on hand and legally available available for the redemption and payment of the Refunded Series 2014A SDSU Bonds.

"Bond Registrar" for the Series 2023 Bonds means First Bank & Trust, Brookings, South Dakota, and its successors and assigns.

"Existing Facilities" means, for each Institution, the facilities (including equipment) of such Institution described in *Exhibit A-2*, together with all improvements, repairs, extensions or replacements, hereafter constructed or acquired that have not been converted to non-income use or abandoned for non-economic feasibility, as determined by resolution of the Board and filed with the Executive Director.

"Favorable Opinion of Bond Counsel" means, with respect to any action the occurrence of which requires such an opinion, a written opinion of legal counsel acceptable to the Board, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal obligations, to the effect that such actions will not adversely affect the exclusion of interest on the Series 2023 Bonds from federal gross income for purposes of the Code.

"Permitted Investments" for the proceeds of the Series 2023 Bonds are any investments permitted by law.

"Record Date" means the fifteenth day of the calendar month preceding the calendar month in which an interest payment date occurs.

"Refunded Series 2014A BHSU Bonds" means all or a portion of the outstanding Series 2014A BHSU Bonds maturing on and after April 1, 2024.

"Refunded Series 2014A SDSMT Bonds" means all or a portion of the outstanding Series 2014A SDSMT Bonds maturing on and after April 1, 2024.

"Refunded Series 2014A SDSU Bonds" means all or a portion of the outstanding Series 2014A SDSU Bonds maturing on and after April 1, 2024 that will be paid from Available SDSU Funds.

"Series 2013A USD Bond and Interest Subaccount" means the subaccount of that name of the Bond and Interest Sinking Fund Account of the USD Institutional System for the Series 2013A Refunded Bonds.

"Series 2014A BHSU Bond and Interest Subaccount" means the subaccount of that name of the Bond and Interest Sinking Fund Account of the BHSU Institutional System for the Refunded Series 2014A BHSU Bonds.

"Series 2014A SDSMT Bond and Interest Subaccount" means the subaccount of that name of the Bond and Interest Sinking Fund Account of the SDSMT Institutional System for the Refunded Series 2014A SDSMT Bonds.

"Series 2014A SDSU Bond and Interest Subaccount" means the subaccount of that name of the Bond and Interest Sinking Fund Account of the SDSU Institutional System for the Refunded Series 2014A SDSU Bonds.

"Series 2023 BHSU Bond and Interest Subaccount" means the subaccount of that name established in Section 3.1(a)(i) of this Sixteenth Supplemental Resolution.

"Series 2023 BHSU Proportion" is defined in *Exhibit C*.

"Series 2023 Expense Fund" means the fund of that name established in Section 3.1(a)(ii) of this Sixteenth Supplemental Resolution into which a portion of the proceeds of the Series 2023 Bonds will be deposited and which will be used for the purpose of paying the costs of issuance of the Series 2023 Bonds.

"Series 2023 SDSMT Bond and Interest Subaccount" means the subaccount of that name established in Section 3.1(a)(i) of this Sixteenth Supplemental Resolution.

"Series 2023 SDSMT Proportion" is defined in *Exhibit C*.

"Series 2023 USD Bond and Interest Subaccount" means the subaccount of that name established in Section 3.1(a)(i) of this Sixteenth Supplemental Resolution.

"Series 2023 USD Project Construction Fund" means the fund of that name established in Section 3.1(a)(iii) of this Sixteenth Supplemental Resolution.

"Series 2023 USD Proportion" is defined in *Exhibit C*.

Section 1.2. Pledge of Revenues. The pledge of revenues and income contained in Section 10 of the Original Resolution is hereby ratified and confirmed. The Series 2023 Bonds are payable from and secured by a pledge of and lien on the following sources in the following order of priority:

(a) the Net Revenues of the USD Institutional System, as to the Series 2023 USD Proportion; the Net Revenues of the BHSU Institutional System, as to the Series 2023 BHSU Proportion; and the Net Revenues of the SDSMT Institutional System, as to the Series 2023 SDSMT Proportion;

(b) uncommitted funds of the Repair and Replacement Reserve Accounts of USD, BHSU, and SDSMT, as to the Series 2023 USD Proportion, the Series 2023 BHSU Proportion, and the Series 2023 SDSMT Proportion, respectively;

(c) Net Revenues of the other Institutions, but only after provision for payment of interest due on the next interest payment date and one-half of the principal due on the Bonds issued on behalf of such Institutions within the succeeding 12 months;

(d) uncommitted funds in the Repair and Replacement Reserve Accounts of the other Institutions, in an amount and from such Institutions as determined by the Executive Director; and

(e) such other funds which may be pledged or used as authorized by the Act;

together with the outstanding Series 2006 Bonds, Series 2007 Bonds, Series 2008A Bonds, Series 2008B Bonds, Series 2011 Bonds, Series 2013A Bonds, to the extent not refunded by the Series 2023 Bonds, Series 2014B Bonds, to the extent not refunded by the Series 2023 Bonds, Series 2015 Bonds, Series 2016 Bonds, Series 2017 Bonds, Series 2019 Bonds, Series 2020 Bonds and Series 2021 Bonds (collectively, the *"Prior Parity Bonds"*), and any Parity Bonds issued in the future which are secured on a parity with the Series 2023 Bonds.

The Series 2023 Bonds are not secured by a Debt Service Reserve Subaccount.

ARTICLE II

SERIES 2023 BONDS AND THE ISSUANCE THEREOF

Section 2.1. Authorization of Series 2023 Bonds. For the purpose of paying (i) the costs of the Series 2023 USD Project, (ii) the costs of refunding the Refunded Bonds (except for the Refunded Series 2014A SDSU Bonds which will be paid using the Available SDSU Funds), and (iii) the expenses incurred in connection with the issuance of the Series 2023 Bonds, there is hereby authorized to be created an issue of Bonds of the Board in an aggregate principal amount not exceeding $__________, as provided by the Act and the proceedings of the Board adopted on March 30, 2023.

Section 2.2. Authorization of Use of Available SDSU Funds. The Board authorizes the Available SDSU Funds to be used for the purposes of paying the costs of redeeming and paying the Refunded Series 2014A SDSU Bonds.

Section 2.3. Findings of the Board. Pursuant to Section 14(K) of the Original Resolution, the Board hereby makes the following determinations:

(a) The Series 2023 USD Project shall be a part of the System and the revenues derived from the operation of the Series 2023 USD Project are pledged as additional security for the payment of all Bonds outstanding and the Series 2023 Bonds.

(b) The Board is current in all transfers and deposits to be made under the terms of the Bond Resolution.

(c) The Board is in full compliance with all of the covenants and undertakings in connection with all Bonds currently outstanding and payable from the Net Revenues of the System or any part of it, and no event of default has occurred or is continuing under the Bond Resolution.

(d) (i) *Historic Test*. As shown on *Schedule I* attached hereto, Actual Net Revenues of the System for each of the two most recent Fiscal Years equal at least 120% of Annual Debt Service on all Outstanding Bonds, there being no outstanding additional obligations issued on a parity with the Bonds; and

(ii) *Projected Test*. As shown on *Schedule I* attached hereto, Projected Net Revenues of the System for each of the three full Fiscal Years immediately succeeding the issuance of the Series 2023 Bonds are equal to at least 120% of Annual Debt Service on all Outstanding Bonds, plus the Series 2023 Bonds, there being no additional obligations. The Annual Debt Service for the Refunded Bonds has been eliminated from this calculation.

(e) (i) The amount of each semiannual deposit into the Bond and Interest Sinking Fund Account of USD is hereby modified, after taking into account the savings from the refunding of the Refunded Series 2013A Bonds and the financing of the Series 2023 USD Project, so that such deposit shall now include a sum equal to the interest which will be payable by USD on the Series 2023 Bonds as shown in *Exhibit C* on the next succeeding interest payment date and one-half of the principal maturing as shown in *Exhibit C*, if any, within the next succeeding twelve-month period.

(ii) The amount of each semiannual deposit into the Bond and Interest Sinking Fund Account of BHSU is hereby modified, after taking into account the savings allocated to BHSU from the refunding of the Refunded Series 2014A BHSU Bonds, so that such deposit shall now include a sum equal to the interest which will be payable by BHSU on the Series 2023 Bonds as shown in *Exhibit C* on the next succeeding interest payment date and one-half of the principal maturing as shown in *Exhibit C*, if any, within the next succeeding twelve-month period.

(iii) The amount of each semiannual deposit into the Bond and Interest Sinking Fund Account of SDSMT is hereby modified, after taking into account the savings allocated to SDSMT from the refunding of the Refunded Series 2014A SDSMT Bonds, so that such deposit shall now include a sum equal to the interest which will be payable by

SDSMT on the Series 2023 Bonds as shown in *Exhibit C* on the next succeeding interest payment date and one-half of the principal maturing as shown in *Exhibit C*, if any, within the next succeeding twelve-month period.

(f) The Series 2023 Bonds shall not be secured by a Debt Service Reserve Subaccount.

(g) The minimum amount to be accumulated in the Renewal and Replacement Reserve Account of USD with respect to the Series 2023 USD Project shall be an amount equal to the existing RRR Requirement for USD and at least an additional five percent of the cost of construction of the Series 2023 USD Project plus the cost of any furnishing and moveable equipment for the Series 2023 USD Project which is financed with the proceeds of the Series 2023 Bonds.

Section 2.4. Terms of the Series 2023 Bonds. If issued pursuant to a public sale, the Series 2023 Bonds shall be issued as fully registered Bonds in the denomination of $5,000 and integral multiples thereof (but no single Series 2023 Bond shall represent installments of principal maturing on more than one date), and shall be numbered l and upward. If issued pursuant to a private sale, the Series 2023 Bonds shall be issued as fully registered Bonds in the denomination of $100,000 and integral multiples of $5,000 thereof, or as otherwise set forth in *Exhibit C*, (but no single Series 2023 Bond shall represent installments of principal maturing on more than one date), and shall be numbered l and upward. The Series 2023 Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid, or duly provided for, until the principal amount of the Series 2023 Bonds is paid, or such earlier date or dates as provided in the form of Series 2023 Bonds set forth in *Exhibit B*, such interest (computed upon the basis of a 360 day year of twelve 30-day months) payable semiannually on the first days of April and October in each year until paid, commencing on October 1, 2023, and shall mature on April 1 of each of the years, in the amounts, bear interest per annum and may be subject to optional and mandatory redemption, all as provided in *Exhibit C*. The aggregate principal amount of the Series 2023 Bonds shall be as set forth in *Exhibit C*.

All redemptions shall be made in the manner, upon the notice, and with the effect provided in *Exhibit C* and in the form of Series 2023 Bond set forth in *Exhibit B*.

Interest on each Series 2023 Bond shall be paid by check or draft of the Bond Registrar, in lawful money of the United States of America, to the person in whose name such Series 2023 Bond is registered at the close of business on the Record Date; *provided, however,* that interest on the Series 2023 Bonds held by a registered owner of at least $100,000 in aggregate principal amount of the Series 2023 Bonds may also be paid by wire transfer of immediately available funds to any bank in the continental United States as such registered owner shall specify in a written request to the Bond Registrar. The principal of the Series 2023 Bonds shall be payable when due upon presentation and surrender thereof in lawful money of the United States of America at the principal corporate trust office of the Bond Registrar.

Section 2.5. Execution and Authentication of Series 2023 Bonds. The Series 2023 Bonds shall be signed by the facsimile signatures of the President and Executive Director of the Board and the seal of the Board or a facsimile thereof shall be impressed or imprinted thereon and in case any officer whose signature shall appear on any Series 2023 Bond shall cease to be such officer before the delivery of such Series 2023 Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Series 2023 Bonds shall have thereon a certificate of authentication substantially in the form set forth in *Exhibit B* hereto duly executed by the Bond Registrar as authenticating agent of the Board and showing the date of authentication. No Series 2023 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Series 2023 Bond shall be conclusive evidence that such Series 2023 Bond has been authenticated and delivered under the Bond Resolution. The certificate of authentication on any Series 2023 Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Series 2023 Bonds issued hereunder.

Section 2.6. Form of Series 2023 Bonds. The Series 2023 Bonds shall be prepared in substantially the form attached hereto as *Exhibit B*.

ARTICLE III

PROCEEDS OF THE SERIES 2023 BONDS

Section 3.1. Creation of Funds and Accounts; Application of Series 2023 Bond Proceeds. (a) There are hereby created and designated the following funds, accounts and subaccounts:

(i) a separate subaccount of the Bond and Interest Sinking Fund Account of each of the following Institutional Systems: (A) for USD's Institutional System, the *"Series 2023 USD Bond and Interest Subaccount;"* (B) for BHSU's Institutional System, the *"Series 2023 BHSU Bond and Interest Subaccount;"* and (C) for SDSMT's Institutional System, the *"Series 2023 SDSMT Bond and Interest Subaccount;"*

(ii) a separate Expense Fund under the Bond Resolution, designated the *"Series 2023 Expense Fund;"*

(iii) a separate Project Construction Fund under the Bond Resolution, designated the *"Series 2023 USD Project Construction Fund."*

(b) All deposits to the funds and accounts described in clauses (a)(i), (a)(ii) and (a)(iii) shall be made with the Depository.

(c) The proceeds of the Series 2023 Bonds and the Available SDSU Funds shall be deposited in the amounts set forth in *Exhibit C*, as follows:

(i) the amount necessary to pay the Refunded Series 2013A Bonds on their redemption date, as set forth in Exhibit C, of the Series 2023 Bonds, to the Series 2013A USD Bond and Interest Subaccount;

(ii) the amount necessary to pay the Refunded Series 2014A BHSU Bonds on their redemption date, as set forth in Exhibit C, of the Series 2023 Bonds, to the Series 2014A BHSU Bond and Interest Subaccount;

(iii) the amount necessary to pay the Refunded Series 2014A SDSMT Bonds on their redemption date, as set forth in Exhibit C, of the Series 2023 Bonds, to the Series 2014A SDSMT Bond and Interest Subaccount;

(iv) the amount necessary to pay the Refunded Series 2014A SDSU Bonds on their redemption date, as set forth in Exhibit C of the Series 2023 Bonds, to the Series 2014A SDSU Bond and Interest Subaccount;

(v) the amount necessary to finance the Series 2023 USD Project, to the Series 2023 USD Project Construction Fund; and

(vi) the remaining proceeds of the Series 2023 Bonds, to the Series 2023 Expense Fund.

(d) Amounts in the Series 2023 Expense Fund shall be used to pay the expenses of the issuance of the Series 2023 Bonds not paid on the date of the delivery of the Series 2023 Bonds. Any excess after payment of such expenses shall be deposited by the Executive Director in the Series 2023 USD Project Construction Fund, or as otherwise determined by the Executive Director.

Section 3.2. Call of the Refunded Bonds . In accordance with the redemption provisions of the Refunded Bonds, the Board does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Series 2023 Bonds and deposit of the Available SDSU Funds in the Series 2014A SDSU Bond and Interest Subaccount) the Refunded Bonds for redemption on the date set forth in *Exhibit C*.

Section 3.3. Series 2023 USD Project Construction Fund. Except as otherwise provided in the Bond Resolution, all moneys held in the Series 2023 USD Project Construction Fund shall be used or held for use solely for the payment of the cost of the Series 2023 USD Project. The moneys in the Series 2023 USD Project Construction Fund that are not needed for expenditures therefrom may be invested and reinvested in any Permitted Investments, having a maturity date, or becoming due at the option of the holder, not more than three years subsequent to the date of investment or the completion of the Series 2023 USD Project, whichever is sooner, having due regard to the estimates of USD as to the times such moneys will be needed. Interest, or any profit or loss realized, from such investments prior to the completion of the Series 2023 USD Project shall be deposited in or charged to the Series 2023 USD Project Construction Fund.

The description of the Series 2023 USD Project set forth in *Exhibit A-1* (the *"Series 2023 USD Project Description"*) may be supplemented or amended at any time by the Board, without the consent of any Series 2023 Bondholder as long as the facilities to be added to the Series 2023 USD Project Description are authorized by the Act and upon receipt of a Favorable Opinion of Bond Counsel with respect to such supplement or amendment. Prior to the application of money in the Series 2023 USD Project Construction Fund for the cost of facilities to be included in the amended Series 2023 USD Project Description and if the facilities to be so included are not already a part of the USD Institutional System, the Board shall adopt a resolution which describes such new facilities in sufficient detail to allow such facilities to be included in the USD Institutional System and which includes such facilities in the USD Institutional System. The Board shall also adopt a resolution which amends the Series 2023 USD Project Description; *provided* that, if the Board has previously delegated authority to make expenditures consistent with such changes to the Series Series 2023 USD Project Description, such delegation shall control.

If, upon the completion of the Series 2023 USD Project, such proceeds received from the sale of the Series 2023 Bonds deposited in the Series 2023 USD Project Construction Fund or transferred therein from the Series 2023 Expense Fund, and the investment income thereon, shall exceed the cost of the Series 2023 USD Project, any surplus shall be (i) paid into the Series 2023 USD Bond and Interest Subaccount of the Bond and Interest Sinking Fund Account of USD and shall be used for the next interest payment on the Series 2023 Bonds or (ii) used for any purpose approved by Bond Counsel.

ARTICLE IV

MISCELLANEOUS

Section 4.1. Non-Arbitrage; Tax Law Compliance. The Board further covenants that it will not make any investment or do any other act or thing during the period that any Series 2023 Bonds are outstanding which would cause the Series 2023 Bonds to become or be classified as "arbitrage bonds" within the meaning of Section 148 of the Code and the regulations thereunder now or hereafter proposed or published in the Federal Register or as promulgated in final form.

The Board also agrees and covenants with the purchasers and holders of the Series 2023 Bonds from time to time outstanding that, to the extent possible under South Dakota law, it will comply with whatever federal tax law is adopted in the future which applies to the Series 2023 Bonds and affects the exclusion of interest on the Series 2023 Bonds from federal gross income of the owners thereof.

The Board agrees to comply with all provisions of the Code, which if not complied with by the Board, would cause the interest on the Series 2023 Bonds not to be excludable from gross income of the owners thereof for federal income tax purposes. Without limiting the generality of the foregoing agreement, the Board agrees: (a) through its officers, to make such further specific covenants, representations and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in the Tax Exemption Certificate and Agreement to be prepared by counsel approving the Series 2023 Bonds; (c) to consult with such counsel and to comply with such advice as may be given; (d) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Series 2023 Bonds; (e) to file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Board in such compliance.

Section 4.2. Continuing Disclosure Agreement. The Executive Director of the Board is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Agreement (the *"Continuing Disclosure Agreement"*) in substantially the same form as approved by the Board, or with such changes therein as the individual executing the Continuing Disclosure Agreement on behalf of the Board shall approve, their execution thereof to constitute conclusive evidence of his approval of such changes. When the Continuing Disclosure Agreement is executed and delivered on behalf of the Board as herein provided, the Continuing Disclosure Agreement will be binding on the Board and the officers, employees and agents of the Board, and the officers, employees and agents of the Board are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Agreement as executed. Notwithstanding any other provision of this Sixteenth Supplemental Resolution, the sole remedies for failure to comply with the Continuing Disclosure Agreement shall be the ability of the beneficial owner of any Series 2023 Bond to seek mandamus or specific performance by court order, to cause the Board to comply with its obligations under the Continuing Disclosure Agreement.

Section 4.3. Interpretation and Construction. This Sixteenth Supplemental Resolution is supplemental to and is adopted in accordance with Section 14(K) of the Original Resolution. In all respects not inconsistent with this Sixteenth Supplemental Resolution, the Original Resolution is hereby ratified, approved and confirmed, and all of the definitions, terms, covenants and restrictions of the Original Resolution shall remain applicable except as otherwise expressly provided. All of the terms and provisions of this Sixteenth Supplemental Resolution shall be deemed to be a part of the terms and provisions of the Original Resolution and the Original Resolution and this Sixteenth Supplemental Resolution shall be read, taken and construed as one and the same instrument. In executing any Series 2023 Bond authorized by this Sixteenth Supplemental Resolution each officer, agent or employee of the Board or USD, BHSU, SDSMT or BHSU shall be entitled to all of the privileges and immunities afforded to them under the terms of the Original Resolution.

Section 4.4. Sale of Series 2023 Bonds. As soon as may be after this Sixteenth Supplemental Resolution becomes effective, the Series 2023 Bonds may be sold with such terms and provisions as are not inconsistent herewith and within the limitations prescribed by the Board in its proceedings adopted on March 30, 2023, such officers' approval and the Board's approval of such terms and provisions to be evidenced by the execution and delivery of this Sixteenth Supplemental Resolution by the duly authorized officers of the Board executed as herein provided, shall be deposited with the Executive Director of the Board (the *"Executive Director"*), and delivered by the Executive Director to the purchasers thereof, upon receipt of the purchase price therefor. The Executive Director is hereby authorized, empowered and directed to execute an Official Statement, a Bond Purchase Agreement, and all other necessary closing documents and certificates in connection with the sale of the Series 2023 Bonds, in substantially the form of Official Statement, and Bond Purchase Agreement approved by the Board or with such changes therein as the Executive Director shall approve, the execution of any such document by the Executive Director to constitute conclusive evidence of the approval by the Executive Director of such changes.

Section 4.5. Completion of Exhibit C. The Executive Director is authorized to approve the terms of the Series 2023 Bonds within the parameters set forth herein. Promptly after the issuance of the Series 2023 Bonds, the Executive Director shall file with the Board Secretary the completed *Exhibit C* showing the terms of the Series 2023 Bonds.

Section 4.6. Severability Provisions. It is the intention hereof to confer upon the Board the whole of the powers provided for in the Act, and if any one or more sections, clauses, sentences and parts of this Sixteenth Supplemental Resolution shall for any reason be questioned in any court of competent jurisdiction, and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions hereof, but shall be confined to the specific section, clause, sentence and part so determined, and that all resolutions or parts thereof in conflict herewith are hereby repealed.

ARTICLE V

MUNICIPAL BOND INSURANCE

Section 5.1. Municipal Bond Insurance. Prior to the sale of the Series 2023 Bonds, the Executive Director of the Board or any other business official of the Board is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (the *"Municipal Bond Insurance Policy"*), to further secure the Series 2023 Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Series 2023 Bonds treating the fee paid as interest on the Series 2023 Bonds) is less than the present value of the interest reasonably expected to be saved on the Series 2023 Bonds over the term of the Series 2023 Bonds as a result of the Municipal Bond Insurance Policy.

In the event the payment of principal and interest on the Bonds is insured pursuant to the Municipal Bond Insurance Policy issued by a bond insurer (the *"Bond Insurer"*), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the Board and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Series 2023 Bonds, subrogation of the rights of the Series 2023 Bondholders to the Bond Insurer upon payment of the Series 2023 Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by the Executive Director of the Board on advice of counsel, or his or her designee, his or her approval to constitute full and complete acceptance by the Board of such terms and provisions under authority of this Section.

THIS SIXTEENTH SUPPLEMENTAL RESOLUTION shall take effect upon its adoption.

Adopted this 30th day of March, 2023.

____
President

ATTEST:

____
Executive Director

(Seal)

SCHEDULE I

EVIDENCE OF COMPLIANCE WITH PARITY TEST

(i) *Historic Test.* Actual Net Revenues of the System for FY 2021 and FY 2022 are $___________ and $_________, respectively, each of which is at least 120% of Annual Debt Service on all Outstanding Bonds, there being no outstanding additional obligations issued on a parity with the Bonds; and

(ii) *Projected Test*. Projected Net Revenues of the System for each of the three full Fiscal Years immediately succeeding the issuance of the Series 2023 Bonds are $________ (FY 2024), $_________ (FY 2025) and $_________ (FY 2026), each of which is at least 120% of Annual Debt Service on all Outstanding Bonds, plus the Series 2023 Bonds, there being no additional obligations. The Annual Debt Service for the Refunded Bonds has been eliminated from this calculation.

EXHIBIT A-1

THE SERIES 2023 USD PROJECT

Improvements to the Wellness Center at USD.

EXHIBIT A-2

EXISTING FACILITIES

BHSU:

Housing Facilities:
- Heidepriem Hall
- Bordeaux Hall
- Wenona Cook Hall
- Thomas Hall
- University Apartments

Student Union
Parking Facilities
Dining Services
Bookstore

DSU:

Residence Halls:
- Zimmerman Hall
- Higbie Hall
- Richardson Hall
- Emry Hall
- The Courtyard
- Residence Village
- Van Eps

Student Union

NSU:

Residence Halls:
- Briscoe Hall
- Great Plains East
- Great Plain West
- McArthur-Welsh Hall
- Steele Hall
- Kramer Hall
- Wolves Memorial Suites

Student Union

SDSMT:

Residence Halls:
- Connolly Hall
- Palmerton Hall
- Peterson Hall
- Placer Hall

Surbeck Student Center
Wellness Center

SDSU:

Housing Facilities:

- Binnewies Hall
- Brown Hall
- Caldwell Hall
- Hansen Hall
- Jackrabbit Grove (Ben Reifel, Theodore W. Schultz, Hallie Walker Hyde, and Honors Halls)
- Jackrabbit Village (Spencer, Abbott and Thorne Halls)
- Mathews Hall
- Meadows North
- Meadows South
- Pierson Hall
- Young Hall
- Skylight Apartments
- Huggins Apartments
- Garden Square Units
- Thornber Apartments
- Southeast Neighborhood Apartments

Student Wellness Center

Dining Facilities:

- Larsen Commons
- Student Union Building

Parking Facilities

USD:

Residence Halls:

- Beede Hall
- Burgess Hall
- McFadden Hall
- Mickelson Hall
- Norton Hall
- Olson Hall
- Richardson Hall

Cherry Street Rentals

Muenster University Center

Student Wellness Center, including parking lot

Coyote Village Housing, including parking lot

EXHIBIT B

FORM OF SERIES 2023 BOND

REGISTERED
No. ______

REGISTERED
$________

UNITED STATES OF AMERICA
SOUTH DAKOTA BOARD OF REGENTS
HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BOND, SERIES 2023

Interest Rate: ____%	Maturity Date: April 1, ____	Dated Date: _________, 2023	CUSIP: ____

Registered Owner: CEDE & CO.

Principal Amount:

The Board of Regents of the State of South Dakota (the *"Board"*), created and existing under the laws of the State of South Dakota, hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein identified, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, unless previously called for earlier redemption, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Series 2023 Bond (as hereinafter defined) or from the most recent interest payment date to which interest has been paid or duly provided for at the Interest Rate per annum set forth above on April 1 and October 1 of each year commencing __________, 20__, until said Principal Amount is paid. The principal of this Series 2023 Bond is payable upon presentation and surrender hereof, in lawful money of the United States of America at the principal corporate trust office of First Bank & Trust, Brookings, South Dakota, as bond registrar and paying agent (the *"Bond Registrar"*). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the Board maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar; *provided, however,* that interest on the Series 2023 Bonds held by a Registered Owner of at least $100,000 in aggregate principal amount of the Series 2023 Bonds may also be paid by wire transfer of immediately available funds to any bank in the continental United States as such Registered Owner shall specify in a written request to the Bond Registrar.

This Bond is one of a duly authorized series of $____________ principal amount of the Housing and Auxiliary Facilities System Revenue Bonds, Series 2023 (the *"Series 2023 Bonds"*) of the Board, issued or to be issued, pursuant to a Resolution of the Board duly adopted October 21, 2004, as supplemented (said Resolution as so supplemented being herein referred to as the *"Bond Resolution"*) for the purpose of financing (i) improvements to the Wellness Center for the Institutional System of the University of South Dakota (*"USD"*), [(ii) the costs of refunding of the

Board's outstanding Housing and Auxiliary Facilities System Revenue Bonds, Series 2013A, maturing on and after April 1, 2024, and Housing and Auxiliary Facilities System Revenue Bonds Series 2014A maturing on and after April 1, 2024 (except for the Refunded Series 2014A SDSU Bonds which will be paid with the Available SDSU Funds),] and (iii) the costs of issuance of the Series 2023 Bonds, all under and pursuant to the Board of Regents Revenue Bond Act of 1971, as amended (the *"Act"*), and the Bond Resolution, to which Bond Resolution reference is hereby made for a statement of the funds and revenues from which this Series 2023 Bond and the issue of which it is a part is payable and the conditions and restrictions pursuant to which this Series 2023 Bond has been issued and pursuant to which additional bonds on a parity herewith may be issued. Capitalized terms not defined herein shall have the meanings assigned in the Bond Resolution.

The Series 2023 Bonds are of like tenor and date, except as to maturity, interest rate and redemption provisions.

This Series 2023 Bond and the series of which it is a part, together with such Bonds as have been and may hereafter be issued under the provisions of the authorizing Bond Resolution (collectively, the *"Bonds"*), are payable solely from and secured by a pledge of and lien on (i) the Net Revenues of the USD Housing and Auxiliary Facilities System (the *"USD Institutional System"*), as to the Series 2023 USD Proportion, (ii) the Net Revenues of the Black Hills State University (*"BHSU"*) Housing and Auxiliary Facilities System (the *"BHSU Institutional System"*), as to the Series 2023 BHSU Proportion, (iii) the Net Revenues of the South Dakota School of Mines and Technology Housing and Auxiliary Facilities System (the *"SDSMT Institutional System"*), as to the Series 2023 SDSMT Proportion, and (iv) uncommitted funds held in the Repair and Replacement Reserve Accounts of USD, BHSU, and SDSMT, as to the Series 2023 USD Proportion, the Series 2023 BHSU Proportion, and the Series 2023 SDSMT Proportion, respectively, (vi) Net Revenues of the other Institutions but only after provision for payment of Annual Debt Service of the Bonds issued on behalf of such Institution in the current Fiscal Year, (vii) uncommitted funds in the Repair and Replacement Reserve Accounts of the other Institutional Systems, in the amount and from such Institutions as determined by the Board, and (viii) such other funds which may be pledged or used as authorized by the Act.

All of the Bonds are equally and ratably secured by said pledge and lien without priority or preference one over the other by reason of series designation, denomination, number, maturity, date or terms of redemption prior to maturity, date of sale or delivery or otherwise; *provided, however,* that Bonds may be issued in the future which are secured by a Debt Service Reserve Account. The Series 2023 Bonds are not secured by a Debt Service Reserve Account.

Subject to the limitations and upon payment of the charges provided in the Bond Resolution, Series 2023 Bonds may be exchanged for registered Series 2023 Bonds of other authorized denominations.

The Series 2023 Bonds maturing on or after _________, 20__ are subject to redemption prior to maturity at the option of the Board in whole or in part (in integral multiples of $5,000), in any order of maturity and within a single maturity as determined by the Board, on any date occurring on or after _________, 20__ at a price equal to the principal amount of Series 2023 Bonds to be redeemed plus accrued interest to the date of redemption.

[In the event a Series 2023 Bond is in a denomination larger than $5,000, a portion of such Series 2023 Bond may be redeemed but only in a principal amount equal to $5,000 or any integral multiple thereof.] Notice of each redemption shall be given as described in the Bond Resolution; *provided, however,* that failure to give such notice or any defect therein, as to any Series 2023 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2023 Bonds. All Series 2023 Bonds, or portions thereof, so called for redemption will cease to bear interest on the specified redemption date, provided funds for such redemption are on deposit at the place of payment at that time, and shall no longer be protected by the Bond Resolution and shall not be deemed to be Outstanding under the provisions of the Bond Resolution.

The Board shall have the option of calling Bonds, when subject to redemption according to their terms, of any one or more series, at its discretion.

With respect to any optional redemption of the Series 2023 Bonds, unless moneys sufficient to pay the principal of and interest on, the Series 2023 Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption.

The Board hereby covenants with the Owner of this Series 2023 Bond that it will keep and perform all the covenants and agreements in the Bond Resolution adopted by it authorizing the issuance of this Series 2023 Bond and the series of which it forms a part.

The Bond Resolution provides that the Board may prepay or provide for the payment of the entire indebtedness of all Outstanding Bonds, any series thereof or any portion thereof, by depositing with the Bond Registrar moneys and/or Government Securities in an amount, together with the income or increment to accrue thereon, sufficient to pay or redeem all such Bonds. In such case, the liability of the Board in respect of such Bonds shall continue but the Owners thereof shall thereafter be entitled to payment only from the moneys and/or Government Securities deposited with the Bond Registrar. Upon such deposit, such Bonds of such series or any such portion thereof shall cease to be entitled to any lien, benefit or security under the Bond Resolution. The Board shall remain the obligor on such Bonds of such series, or any such portion thereof, but the Owners thereof shall be entitled to payment (to the exclusion of all other owners of Bonds) solely out of such cash and funds received from such Government Securities.

Reference is hereby made to the Bond Resolution for a more complete description of the nature and extent of the security, the rights of the Owners of the Bonds and the terms and conditions upon which the Bonds are to be issued and secured, to all the provisions of which Bond Resolution, each holder by the acceptance hereof assents.

This Series 2023 Bond is transferable by the registered Owner hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Resolution and upon surrender and cancellation of this Series 2023 Bond. Upon such transfer a new registered Series 2023 Bond or Series 2023 Bonds of the same tenor, maturity and rate of interest, of an authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Board and the Bond Registrar may deem and treat the registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the Board nor the Bond Registrar nor any paying agent shall be affected by any notice to the contrary. The Bond Registrar shall not be required to transfer or exchange any Series 2023 Bond (i) during the period after the fifteenth day of the month next preceding any interest payment date with respect to such Series 2023 Bond and ending on such interest payment date, (ii) after notice calling a Series 2023 Bond for redemption has been given, or (iii) during a period of fifteen days next preceding the giving of a notice of redemption of any Series 2023 Bond.

With the consent of the Board and to the extent permitted by and as provided in the Bond Resolution, the terms and provisions of the Bond Resolution, or of any instrument supplemental thereto, may be modified or altered.

This Series 2023 Bond does not constitute an obligation of the State of South Dakota within the meaning or application of any Constitutional or statutory limitation or provision, and the Owner thereof shall never have the right to demand payment of this Series 2023 Bond or interest hereon out of any funds other than the revenues and income pledged for payment thereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Series 2023 Bond did exist, have happened, been done and performed in regular and due form and time as required by law; and that the amount of this Series 2023 Bond, and the series of which it is one, and the total authorized issue of Series 2023 Bonds of which this series is a part, do not exceed any limit prescribed by the Constitution or statutes of the State of South Dakota.

This Series 2023 Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

In Witness Whereof, the South Dakota Board of Regents has caused this Series 2023 Bond to be signed by the duly authorized facsimile signature of the President of the Board, a facsimile of its corporate seal to be imprinted hereon, and attested by the facsimile signature of the Executive Director of the Board, all as of the Dated Date identified above.

South Dakota Board of Regents

(Facsimile Signature)
President

(Facsimile Seal)

(Facsimile Signature)
Executive Director

Certificate
of
Authentication

Date of Authentication: ______________, ____

This Series 2023 Bond is one of the Series 2023 Bonds described in the within mentioned Resolution.

First Bank & Trust,
Brookings, South Dakota,
as Bond Registrar

By ________________________________
Authorized Officer

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto

____

____
(Please Print or Typewrite Name and Address of Assignee)

the within Series 2023 Bond and does hereby irrevocably constitute and appoint, ___________________, attorney-in-fact, to transfer the said Series 2023 Bond on the Bond Register with full power of substitution in the premises.

Dated: __________________________ ______________________________

Signature guaranteed: _______________________

NOTICE: The signature to this assignment must correspond with the name of the registered Owner as it appears upon the face of the within Series 2023 Bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT C

SERIES 2023 BOND TERMS

The Series 2023 Bonds shall be issued in the aggregate principal amount of $________, shall be dated __________, 2023, shall be numbered 1 and upward, shall mature on April 1 of each of the years and shall bear interest (calculated on the basis of a 360-day year comprising 12 months of 30 days each) at the rates per annum as follows:

YEAR	PRINCIPAL AMOUNT ($)	INTEREST RATE (%)
20__		

The first interest payment date for the Series 2023 Bonds is _________, 202__.

The redemption date for the Refunded Series 2013A Bonds is __________, 2023.

The redemption date for the Refunded Series 2014A Bonds is __________, 2023.

The purchase price of the Series 2023 Bonds is $__________, which represents the par amount of $____________ plus [net]original issue [premium/discount] of $___________ and less an underwriter's discount of $_________

DEPOSIT OF SERIES 2023 BOND PROCEEDS AND THE SDSU AVAILABLE FUNDS:

1. $__________ to the Series 2013A USD Bond and Interest Subaccount.
2. $__________ to the Series 2014A BHSU Bond and Interest Subaccount
3. $__________ to the Series 2014A SDSMT Bond and Interest Subaccount
4. $__________ to the Series 2014A SDSU Bond and Interest Subaccount
5. $__________ to the Series 2023 USD Project Construction Fund.
6. $__________ to the Series 2023 Expense Fund.[1]

[1] Costs of issuance in the total amount of $_________ will be paid by the Underwriter from bond proceeds.

Optional Redemption:

The Series 2023 Bonds maturing on or after ________, 20__, are subject to redemption prior to maturity at the option of the Board in whole or in part (in integral multiples of $5,000), in any order of maturity as determined by the Board, on any date occurring on or after ________, 20__, at a price equal to the principal amount of the Series 2023 Bonds to be redeemed plus accrued interest to the date of redemption.

At least 45 days prior to the redemption date, the Board shall designate in writing to the Bond Registrar the principal amount of Series 2023 Bonds to be redeemed. If less than all of the Series 2023 Bonds shall be called for redemption, the particular Series 2023 Bonds to be redeemed shall be selected by the Bond Registrar, in such a manner as the Bond Registrar in its discretion may deem fair and appropriate, in the principal amount designated to the Bond Registrar by the Board; *provided, however,* that the portion of any Series 2023 Bonds to be redeemed shall be in integral multiples of $5,000.

Redemption Procedures:

The Bond Registrar shall give notice of redemption of the Series 2023 Bonds in accordance with the following provisions:

Notice of the redemption of Series 2023 Bonds will be given by mailing a copy of the redemption notice by first class mail or by electronic notice at least 20 days prior to the date fixed for such redemption to The Depository Trust Company, as the securities depository or any successor securities depository, as the registered owner of the Series 2023 Bonds, so long as the global book-entry system is used for recording ownership of the Series 2023 Bonds.

In the event that the global book-entry system is no longer used for recording ownership of the Series 2023 Bonds, notice of each redemption shall be given by mailing a copy of the redemption notice by first class mail (postage prepaid) not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of the Series 2023 Bonds, or portions thereof, to be redeemed at the address shown on the registration books; *provided, however,* that failure to give such notice or any defect therein, as to any Series 2023 Bond shall not affect the proceedings for the redemption of any other Series 2023 Bonds.

With respect to any optional redemption of the Series 2023 Bonds, unless moneys sufficient to pay the principal of and interest on the Series 2023 Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption.

For purposes of any redemption of less than all of the Series 2023 Bonds of a single maturity, the particular Series 2023 Bonds or portions of Series 2023 Bonds to be redeemed shall be selected by lot by the Bond Registrar by such method as the Bond Registrar shall deem fair and appropriate (except when the Series 2023 Bonds are held in a book-entry system, in which case the selection of Series 2023 Bonds to be redeemed will be made in accordance with procedures established by The Depository Trust Company or any other securities depository); *provided* that such method shall provide for the selection of redemption of Series 2023 Bonds or portions thereof so that any $5,000 Series 2023 Bond or $5,000 portion of a Series 2023 Bond shall be as likely to be called for redemption as any other such $5,000 Series 2023 Bond or $5,000 portion of a Series 2023 Bond.

Notice of redemption having been given as described above and in the Bond Resolution, and notwithstanding failure to receive such notice, the Series 2023 Bonds or portions of Series 2023 Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Board shall default in the payment of the redemption price) such Series 2023 Bonds or portions of Series 2023 Bonds shall cease to bear interest. Upon surrender of such Series 2023 Bonds or redemption in accordance with said notice, such Series 2023 Bonds will be paid by the Bond Registrar at the redemption price.

[REFUNDED SERIES 2013A BONDS

$4,820,000 Housing and Auxiliary Facilities System Revenue Bonds, Series 2013A, dated February 28, 2013, being all of the bonds outstanding from an issue in the principal amount of $11,990,000, fully registered and without coupons, due on April 1 of the years, in the principal amounts and bearing interest at the interest rates as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT ($)	INTEREST RATE (%)
2024	890,000	4.00
2025	925,000	4.00
2026	965,000	4.00
2028	2,040,000	3.00]

[REFUNDED SERIES 2014A BONDS

$16,340,000 Housing and Auxiliary Facilities System Revenue Bonds, Series 2014A, dated January 9, 2014, being all of the bonds outstanding from an issue in the principal amount of $39,905,000, fully registered and without coupons, due on April 1 of the years, in the principal amounts and bearing interest at the interest rates as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT ($)[1]	INTEREST RATE (%)
2024	2,990,000	5.000
2025	3,150,000	5.000
2026	540,000	5.000
2027	565,000	4.000
2028	590,000	4.000
2033	3,355,000	4.500
2036	2,400,000	4.625
2039	2,750,000	4.750

[1] The Refunded Series 2014A SDSU Bonds shall be paid from the Available SDSU Funds.]

SERIES 2023 USD PROPORTION:

Amount of Series 2023 Bond proceeds deposited in the Series 2023 USD Project Construction Fund for the Series 2023 USD Project (with the amount deposited in the Series 2013A USD Bond and Interest Subaccount, the amount allocated to USD in the Series 2023 Expense Fund and the amount of Underwriter's discount allocated to USD, the *"Series 2023 USD Proportion"*):	$____________
Amount of Series 2023 Bond proceeds deposited in the Series 2013A USD Bond and Interest Subaccount:	$______________
Amount of Series 2023 Bond proceeds allocated to USD deposited in the Series 2023 Expense Fund:	$______________
Amount of Underwriter's discount allocated to USD:	$______________
Series 2023 USD Debt Service	See Schedule C-1 attached hereto

SERIES 2023 BHSU PROPORTION:

Amount of Series 2023 Bond proceeds allocated to BHSU deposited in the Series 2014A BHSU Bond and Interest Subaccount (with the amount of Series 2023 Bond proceeds allocated to BHSU in the Series 2023 Expense Fund and the amount of Underwriter's discount allocated to BHSU, the *"Series 2023 BHSU Proportion"*):	$__________
Amount of Series 2023 Bond proceeds allocated to BHSU deposited in the Series 2023 Expense Fund:	$__________
Amount of Underwriter's discount allocated to BHSU:	$__________
Series 2023 BHSU Debt Service:	See Schedule C-2 attached hereto

SERIES 2023 SDSMT PROPORTION:

Amount of Series 2023 Bond proceeds allocated to SDSMT deposited in the Series 2014A SDSMT Bond and Interest Subaccount (with the amount of Series 2023 Bond proceeds allocated to SDSMT in the Series 2023 Expense Fund and the amount of Underwriter's discount allocated to SDSMT, the *"Series 2023 SDSMT Proportion"*):	$__________
Amount of Series 2023 Bond proceeds allocated to SDSMT deposited in the Series 2023 Expense Fund:	$__________
Amount of Underwriter's discount allocated to SDSMT:	$__________
Series 2023 SDSMT Debt Service:	See Schedule C-3 attached hereto

SCHEDULE C-1

DEBT SERVICE

South Dakota Board of Regents
University of South Dakota - Housing and Auxiliary Facilities System Revenue Bonds,
Series 2023

SCHEDULE C-2

DEBT SERVICE

South Dakota Board of Regents
Black Hills State University - Housing and Auxiliary Facilities System Revenue Bonds, Series 2023

SCHEDULE C-3

DEBT SERVICE

South Dakota Board of Regents
South Dakota School of Mines and Technology - Housing and Auxiliary Facilities System
Revenue Bonds, Series 2023

PRELIMINARY OFFICIAL STATEMENT DATED MARCH __, 2023

New Issue—Book-Entry Only

RATING: Moody's: "Aa3"
See "BOND RATING" herein.

Subject to compliance by the South Dakota Board of Regents with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel ("Bond Counsel"), under present law, interest on the Series 2023 Bonds (as hereinafter defined) is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. For tax years beginning after December 31, 2022, interest on the Series 2023 Bonds may affect the corporate alternative minimum tax for certain corporations. See "TAX MATTERS" for a more complete discussion.

YOUR FUTURE IS HERE. SOUTH DAKOTA BOARD OF REGENTS
PUBLIC UNIVERSITIES & SPECIAL SCHOOLS

$____________*

SOUTH DAKOTA BOARD OF REGENTS
Housing and Auxiliary Facilities System Revenue Bonds, Series 2023

Dated: Date of Delivery **Due: April 1, as shown on the inside cover**

The Housing and Auxiliary Facilities System Revenue Bonds, Series 2023 (the "*Series 2023 Bonds*") will be issued as fully registered bonds and will be registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York ("*DTC*"). DTC will act as securities depository for the Series 2023 Bonds. Payments of principal of and interest on the Series 2023 Bonds will be made to purchasers by DTC through its participants. See "BOOK ENTRY PROVISIONS." Purchases will be made in book-entry form through DTC participants only in $5,000 denominations or integral multiples thereof. Purchasers of a beneficial interest in the Series 2023 Bonds ("*Beneficial Owners*") will not receive certificates representing their interests in the Series 2023 Bonds.

The Series 2023 Bonds will mature on the dates and will bear interest at the rates shown on the inside front cover. Interest on the Series 2023 Bonds will be payable semi-annually on April 1 and October 1, commencing October 1, 2023. The Series 2023 Bonds are subject to redemption prior to maturity as provided herein. First Bank & Trust, Brookings, South Dakota, will serve as the bond registrar and paying agent (the "*Bond Registrar*") for the Series 2023 Bonds. Interest on the Series 2023 Bonds, together with the principal of the Series 2023 Bonds, will be paid by the Bond Registrar directly to DTC so long as DTC or its nominee is the registered owner of the Series 2023 Bonds. The final disbursements of such payments to the Beneficial Owners will be the responsibility of the DTC participants or indirect participants.

The Series 2023 Bonds are being issued by the South Dakota Board of Regents (the "*Board*") under the authority of the Board of Regents Revenue Bond Act of 1971, as amended (the "*Act*") and an Amended and Restated Bond Resolution dated October 21, 2004, as amended and supplemented from time to time thereafter, including a Sixteenth Supplemental System Revenue Bond Resolution adopted by the Board on March __, 2023 (the "*Bond Resolution*").

The proceeds from the sale of the Series 2023 Bonds will be used to (i) pay the costs of financing improvements to the student wellness center of University of South Dakota ("*USD*"); (ii) [refund the Board's Housing and Auxiliary Facilities System Revenue Bonds, Series 2013A, maturing on and after April 1, 2024; (iii)] refund the USD, Black Hills State University ("*BHSU*") and South Dakota School of Mines &Technology ("*SDSMT*") portions of the Board's Housing and Auxiliary Facilities System Revenue Bonds, Series 2014A (the "*Series 2014A Bonds*"), maturing on and after April 1, 2024; and [(iii)/(iv)] pay the costs of issuance of the Series 2023 Bonds. Certain funds available to the Board from South Dakota State University ("*SDSU*") will be used to redeem the SDSU portion of the Series 2014A Bonds. See "FINANCING PLAN" herein.

The Series 2023 Bonds are payable solely from and secured by a pledge of certain net revenues of the Housing and Auxiliary Facilities System of USD, BHSU and SDSMT and certain other net revenues and funds which have been authorized or pledged by the Board for payment of the Series 2023 Bonds under the Act and the Bond Resolution.

THE SERIES 2023 BONDS ARE OBLIGATIONS OF THE BOARD PAYABLE ONLY IN ACCORDANCE WITH THE TERMS THEREOF AND ARE NOT OBLIGATIONS GENERAL, SPECIAL, OR OTHERWISE, OF THE STATE OF SOUTH DAKOTA. THE SERIES 2023 BONDS DO NOT CONSTITUTE A DEBT, LEGAL OR MORAL, OF THE STATE OF SOUTH DAKOTA, AND ARE NOT ENFORCEABLE AGAINST THE STATE, NOR WILL PAYMENT THEREOF BE ENFORCEABLE OUT OF ANY FUNDS OF THE BOARD, OR OF ANY INSTITUTION (AS DEFINED HEREIN), OTHER THAN THE INCOME AND REVENUES PLEDGED AND ASSIGNED TO, OR IN TRUST FOR THE BENEFIT OF, THE SERIES 2023 BONDHOLDERS.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND CUSIPS
SEE INSIDE FRONT COVER

The Series 2023 Bonds are offered when, as and if issued by the Board and received by Piper Sandler & Co. (the "Underwriter"), subject to prior sale, to withdrawal or modification of the offer without notice, to the approval of legality by Bond Counsel, and to certain other conditions. Certain legal matters will be subject to the approval of Nathan D. Lukkes,

* Preliminary; subject to change.

counsel to the Board, and certain matters will be passed upon for the Underwriter by its counsel, [illegible] Law LLC, Chicago, Illinois. Delivery of the Series 2023 Bonds through the facilities of DTC in New York, New York, is expected to be made on or about April __, 2023. [Piper Sandler]

The date of this Official Statement is _________ __, 2023

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND CUSIPS[†]

SOUTH DAKOTA BOARD OF REGENTS

$____________[*]
Housing and Auxiliary Facilities System
Revenue Bonds, Series 2023

Maturity (April 1)	Principal Amount	Interest Rate	Price	CUSIP
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				

[*] Preliminary; subject to change.

Members of the South Dakota Board of Regents

John W. Bastian, Belle Fourche
Jeff Partridge, Rapid City
Tim Rave, Baltic
Pam Roberts, Pierre (Hughes County)
Jim Thares, Aberdeen
Joan Wink, Howes (Meade)
Brock Brown, Vermillion

Officers of the South Dakota Board of Regents

Pam Roberts, President
Jim Morgan, Vice President
Jim Thares, Secretary
Brian Maher, Executive Director & CEO
Heather Forney, Vice-President of Finance and Administration

Principal Administrative Officers of the System Component Institutions
Dr. Laurie Stenberg Nichols, Interim President, Black Hills State University
Dr. Jose-Marie Griffiths, President, Dakota State University
Dr. Neal Schnoor, President, Northern State University
Dr. James Rankin, President, South Dakota School of Mines & Technology
Dr. Barry H. Dunn, President, South Dakota State University
Sheila K. Gestring, President, University of South Dakota

Financial Advisors to the South Dakota Board of Regents
Blue Rose Capital Advisors

Counsel to the South Dakota Board of Regents
Nathan D. Lukkes

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REGARDING USE OF THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the Series 2023 Bonds. No dealer, broker, salesman or other person has been authorized by the Board or the Underwriter to give any information or to make any representations with respect to the Series 2023 Bonds, other than those contained in this Official Statement, and if given or made, such other information or representation may not be relied upon or deemed to have been authorized by any of the foregoing named parties. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Series 2023 Bonds by a person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The Underwriter has provided the following sentence for inclusion in this Official Statement: the Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information and descriptions in this Official Statement and expressions of opinion are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances create any implication that there has been no change in the affairs of the Board or any of the Institutions (as defined herein) or the information contained herein since the date hereof. Statements regarding specified documents, including the Series 2023 Bonds, are summaries of, and are subject to, the detailed provisions of such documents and are qualified in their entirety by reference to each document, copies of which will be on file with the Board and will be furnished on request. Until the issuance and delivery of the Series 2023 Bonds offered hereby, copies of the Bond Resolution may be obtained from the Underwriter.

This Official Statement includes forecasts, projections and estimates that are based on expectations and assumptions which existed at the time such forecasts, projections and estimates were prepared. In light of the important factors that may materially affect the Institutions' enrollments, operations and financial condition, the inclusion in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation by the Board that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results.

This Official Statement contains "forward-looking statements" within the meaning of the federal securities laws. These forward-looking statements include, among others, statements concerning projections, assumptions, expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

Information contained herein has been provided by the Board, the Institutions and other sources believed to be reliable.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2023 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE SERIES 2023 BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE SERIES 2023 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE BOND RESOLUTION RELATING TO THE SERIES 2023 BONDS HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2023 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF LAW OF THE STATES IN WHICH SERIES 2023 BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF.

SUMMARY STATEMENT

This Summary Statement is subject in all respects to more complete information contained herein. The offering of the Series 2023 Bonds to potential investors is made only by means of this Official Statement (this "Official Statement"). No person is authorized to detach this Summary Statement from this Official Statement or to otherwise use it without this entire Official Statement.

Definitions. Definitions of certain capitalized terms used in this Official Statement are set forth in Appendix B hereto.

Appendices. The Appendices to this Official Statement are an integral part hereof and should be read in their entirety.

The Board of Regents. The South Dakota Board of Regents (the "*Board*") is a body corporate and politic of the State of South Dakota responsible for the governance of six state-supported universities (each an "*Institution*" and, collectively, the "*Institutions*"), including Black Hills State University ("*BHSU*"), Dakota State University ("*DSU"*), Northern State University ("*NSU*"), South Dakota School of Mines &Technology ("*SDSMT*"), South Dakota State University ("*SDSU*"), and the University of South Dakota ("*USD*"). The Board controls the Institutions, but the Board may delegate provisionally to such Institutions so much of the authority conferred on it as in its judgment seems proper and in accordance with usual custom in such cases.

The System. The Housing and Auxiliary Facilities System of the Board (the "*System*") consists of the aggregate of the housing and auxiliary facilities (each, an "*Institutional System*") of BHSU, DSU, NSU, SDSMT, SDSU and USD. See "THE HOUSING AND AUXILIARY SYSTEM." herein.

Purpose of Issue. The proceeds from the sale of the Series 2023 Bonds will be used to (i) pay the costs of financing improvements to the student wellness center of USD; (ii) [refund the Board's Housing and Auxiliary Facilities System Revenue Bonds, Series 2013A, maturing on and after April 1, 2024; (iii)] refund the USD, BHSU and SDSMT portions of the Board's Housing and Auxiliary Facilities System Revenue Bonds, Series 2014A (the "*Series 2014A Bonds*"), maturing on and after April 1, 2024; and [(iii)/(iv)] pay the costs of issuance of the Series 2023 Bonds. Certain funds available to the Board from SDSU will be used to redeem the SDSU portion of the Series 2014A Bonds. See "FINANCING PLAN" herein.

The Bond Resolution. The Series 2023 Bonds will be issued pursuant to the amended and restated bond resolution of the Board adopted on October 21, 2004, as supplemented from time to time thereafter, including a Sixteenth Supplemental System Revenue Bond Resolution adopted by the Board on March __, 2023, and as hereafter supplemented and amended (the "*Bond Resolution*").

Security and Source of Payment. The Series 2023 Bonds will be payable from and secured by a pledge of and lien on the following sources in the following order of priority:

(a) the Net Revenues of the USD Institutional System, as to the proportion of the proceeds of the Series 2023 Bonds allocable to USD (the "*Series 2023 USD Proportion*"), the Net Revenues of the BHSU Institutional System, as to the proportion of the proceeds of the Series 2023 Bonds allocable to BHSU (the "*Series 2023 BHSU Proportion*"), and the Net Revenues of the SDSMT Institutional System, as to the proportion of the proceeds of the Series 2023 Bonds allocable to SDSMT (the "*Series 2023 SDSMT Proportion*");

(b) uncommitted funds of the Repair and Replacement Reserve Accounts of USD, BHSU and SDSMT, as to the Series 2023 USD Proportion, the Series 2023 BHSU Proportion and the Series 2023 SDSMT Proportion;

(c) Net Revenues of the other Institutions, but only after provision for payment of interest due on the next interest payment date and one-half of the principal due on the Bonds issued on behalf of such Institutions within the succeeding 12 months;

(d) uncommitted funds in the Repair and Replacement Reserve Accounts of the other Institutions, in an amount and from such Institutions as determined by the Executive Director; and

(e) such other funds which may be pledged or used as authorized by the Board of Regents Revenue Bond Act of 1971, as amended (the "*Act*").

THE SERIES 2023 BONDS ARE OBLIGATIONS OF THE SOUTH DAKOTA BOARD OF REGENTS PAYABLE ONLY IN ACCORDANCE WITH THE TERMS THEREOF AND ARE NOT OBLIGATIONS GENERAL, SPECIAL, OR OTHERWISE, OF THE STATE OF SOUTH DAKOTA. THE SERIES 2023 BONDS DO NOT CONSTITUTE A DEBT, LEGAL OR MORAL, OF THE STATE OF SOUTH DAKOTA, AND ARE NOT ENFORCEABLE AGAINST THE STATE, NOR WILL PAYMENT THEREOF BE ENFORCEABLE OUT OF ANY FUNDS OF THE BOARD OF REGENTS, OR OF ANY INSTITUTION, OTHER THAN THE INCOME AND REVENUES PLEDGED AND ASSIGNED TO, OR IN TRUST FOR THE BENEFIT OF, THE BONDHOLDERS.

Rate Covenant. The Board covenants in the Bond Resolution to adopt such rules and regulations as are necessary to assure occupancy and use of the System and that the rates, rents, charges and fees (including the General Activity Fee) chargeable to the occupants of, and students, faculty members and others using or being served by, or having the right to use or having the right to be served by, the System shall be so fixed and revised from time to time and collected, that the (i) ratio of Net Revenues to Annual Debt Service on all Bonds in each Fiscal Year shall be at least equal to 120 percent (1.2 times) of the Annual Debt Service for such Fiscal Year and (ii) ratio of Net Revenues of each Institutional System to Annual Debt Service of the Bonds of that Institution in each Fiscal Year shall be at least equal to 120 percent (1.2 times) of such Annual Debt Service for such Fiscal Year, commencing with the end of the first Fiscal Year in which capitalized interest, if any, has been fully applied to the payment of debt service on any Outstanding Bonds of such Institution.

Failure to satisfy such rate covenant will not constitute an event of default under the Bond Resolution if the Board timely engages (within 30 days of any such failure) an independent management consultant, such consultant timely prepares (within 45 days of engagement) a report with recommendations for meeting the required coverage ratio and the Board, to the extent legally permissible, timely implements the consultant's recommendations. Notwithstanding the preceding sentence, in no event may coverage described in clause (i) of the preceding paragraph fall below 100 percent (1.00 times) of the Annual Debt Service on all Bonds in each Fiscal Year.

Prior Parity Bonds. Bonds payable from and secured by a pledge of and lien on the same sources as the Series 2023 Bonds have been issued by the Board for the purposes set forth in the Bond Resolution (the "*Prior Parity Bonds*"). See "The Housing and Auxiliary System—*Outstanding Bonds*."

Future Parity Bonds. Additional Bonds secured on a parity with the Series 2023 Bonds and the Prior Parity Bonds may be issued by the Board under the Bond Resolution subject to the conditions expressed in this Official Statement. See "Security for the Series 2023 Bonds–*Future Parity Bonds.*"

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OFFICIAL STATEMENT

SOUTH DAKOTA BOARD OF REGENTS

$___________*
HOUSING AND AUXILIARY FACILITIES SYSTEM
REVENUE BONDS
SERIES 2023

INTRODUCTION

This Official Statement, including the cover page, Summary Statement and Appendices, is furnished in connection with the offering of $___________* in aggregate principal amount of Housing and Auxiliary Facilities System Revenue Bonds, Series 2023 (the "*Series 2023 Bonds*") of the South Dakota Board of Regents (the "*Board*"). The Series 2023 Bonds will be issued pursuant to the Board of Regents Revenue Bond Act of 1971, as amended (the "*Act*"), and the amended and restated bond resolution of the Board adopted on October 21, 2004, as supplemented from time to time thereafter, including a Sixteenth Supplemental System Revenue Bond Resolution adopted by the Board on March __, 2023, and as hereafter supplemented and amended (the "*Bond Resolution*").

The Board is a body corporate and politic of the State of South Dakota responsible for the governance of six state-supported universities (each an "*Institution*" and, collectively, the "*Institutions*"), including Black Hills State University ("*BHSU*"), Dakota State University ("*DSU"*), Northern State University ("*NSU*"), South Dakota School of Mines &Technology ("*SDSMT*"), South Dakota State University ("*SDSU*"), and the University of South Dakota ("*USD*"). The Housing and Auxiliary Facilities System of the Board (the "*System*") consists of the aggregate of the housing and auxiliary facilities (each, an "*Institutional System*") of BHSU, DSU, NSU, SDSMT, SDSU and USD.

The proceeds from the sale of the Series 2023 Bonds will be used to (i) pay the costs of financing improvements to the student wellness center of USD (the "*USD Project*"); (ii) [refund the Board's Housing and Auxiliary Facilities System Revenue Bonds, Series 2013A, maturing on and after April 1, 2024 (the "*Refunded Series 13A Bonds*"); (iii)] refund the USD, BHSU and SDSMT portions of the Board's Housing and Auxiliary Facilities System Revenue Bonds, Series 2014A (the "*Series 2014A Bonds*"), maturing on and after April 1, 2024 (the "*Refunded Series 2014A Bonds*"); and [(iii)/(iv)] pay the costs of issuance of the Series 2023 Bonds. Certain funds available to the Board from SDSU (the "*SDSU Funds*") will be used to redeem the SDSU portion of the Series 2014A Bonds (the "*Redeemed Series 14A Bonds*").

The Series 2023 Bonds are payable solely from and secured by a pledge of certain net revenues of the Housing and Auxiliary Facilities System of USD, BHSU, SDSMT and certain other net revenues and funds which have been authorized or pledged by the Board for payment of the Series 2023 Bonds under the Act and the Bond Resolution.

The Series 2023 Bonds will be authorized pursuant to the Act. The Act empowers the Board to borrow money and issue and sell bonds for any project and for any institution or any combination of Institutions governed by the Board, which means and includes revenue-producing buildings, structures and facilities which, as determined by the Board, are required by, or necessary for the use or benefit of each institution, including, without limiting the generality of the foregoing, the following: student residence halls, apartments, staff housing facilities, dormitories, health, hospital or medical facilities, dining halls, student union buildings, field houses, stadiums, physical education installations and facilities, auditoriums,

* Preliminary; subject to change.

facilities for student or staff services, facilities or buildings leased to the United States of America, off-street parking facilities, with all equipment and appurtenant facilities, or any combination thereof, and to refund or refinance any and all bonds issued and sold by the Board pursuant to the Act. Under the Act, all revenues derived from the operation of any such buildings or facilities are continuously appropriated to the Board and the Board is authorized to pledge such revenues for the payment of operation and maintenance costs and for the retirement of such bonds.

The summaries of and references to all documents, statutes and other instruments referred to in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the full text of each such document, statute or instrument. Copies of the Bond Resolution are available for inspection at the offices of the Board, 306 East Capitol Avenue, Pierre, South Dakota 57501-3159. Certain capitalized terms used in this Official Statement are defined in Appendix B hereto. Any terms not defined in this Official Statement shall have the meanings as set forth in the respective documents. The Appendices hereto are part of this Official Statement and should be read in their entirety.

ESTIMATED SOURCES AND USES

The estimated sources and uses of the proceeds of the Series 2023 Bonds are shown below.

		Amount
SOURCES:	Principal Amount of Series 2023 Bonds	$
	Original Issue Premium/Discount	
	TOTAL SOURCES	$
USES:	USD Project	$
	[Refunding of Refunded Series 2013A Bonds]	
	Refunding of Refunded Series 2014A Bonds	
	Cost of Issuance(1)	
	TOTAL USES	$

(1) Costs of issuance include underwriter's discount, legal fees, [fees of the Municipal Advisor,] rating agency fees, initial Bond Registrar fees and other expenses incurred in connection with the issuance of the Series 2023 Bonds.

The SDSU Funds will be used to redeem the Redeemed Series 2014A Bonds.

THE FINANCING PLAN

The proceeds from the sale of the Series 2023 Bonds will be used to (i) pay the costs of the USD Project; (ii) [refund the Refunded Series 13A Bonds); (iii)] refund the Refunded Series 2014A Bonds; and [(iii)/(iv)] pay the costs of issuance of the Series 2023 Bonds. The SDSU Funds will be used to redeem the Redeemed Series 2014A Bonds.

USD PROJECT

The USD student wellness center is USD's campus recreation, fitness and athletic facility. The wellness center features two racquetball courts, multiple recreation courts for basketball and volleyball, group fitness studios for aerobics, Pilates and yoga, a three-lane walking/jogging track, locker rooms, and state-of-the-art workout equipment, including exercise bicycles, elliptical machines and a large weight room filled with treadmills and strength training equipment. In 2021, USD announced the $31.3 million expansion of the wellness center to house a new indoor competition pool, wellness pool, aquatic obstacle course, wet classroom, hot tub, steam room, athletic locker rooms, expanded wellness locker rooms, meet management rooms, coaches offices and lifeguard rooms.

REFUNDING OF THE [REFUNDED SERIES 2013A BONDS AND] REFUNDED SERIES 2014B BONDS

Information for the [Refunded Series 2013A Bonds and] Refunded Series 2014B Bonds is set forth below:

[REFUNDED SERIES 2013A BONDS

Maturity (April 1)	**Interest Rate**	**Principal Amount Refunded**	**Redemption Price**	**CUSIP**	
2024	4.00%	$ 890,000	100%	837542 EC9	
2025	4.00	925,000	100%	837542 ED7	
2026	4.00	965,000	100%	837542 EE5	
2028	3.00	2,040,000	100%	837542 EG0	]

REFUNDED SERIES 2014A BONDS

Maturity (April 1)	Interest Rate	Principal Amount Refunded)	Redemption Price	CUSIP
2024	5.000%	$2,990,000	100%	837542 ES4
2025	5.000	3,150,000	100%	837542 ET2
2026	5.000	540,000	100%	837542 EU9
2027	4.000	565,000	100%	837542 EV7
2028	4.000	590,000	100%	837542 EW5
2033	4.500	3,355,000	100%	837542 EX3
2036	4.624	2,400,000	100%	837542 EZ8
2039	4.750	2,750,000	100%	837542 EY1

REDEMPTION OF THE REDEEMED SERIES 14A BONDS

Information for the Redeemed Series 14A Bonds is set forth below.

REDEEMED SERIES 2014A BONDS

Maturity (April 1)	Interest Rate	Principal Amount Refunded	Redemption Price	CUSIP
2024		$2,450,000	100%	
2025		2,575,000	100%	

THE SERIES 2023 BONDS

GENERAL

In the event book-entry is discontinued, Series 2023 Bonds may be transferred or exchanged for registered Series 2023 Bonds at the principal corporate trust office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Resolution and upon surrender and cancellation of such Series 2023 Bonds. The Bond Registrar shall not be required to transfer or exchange any Series 2023 Bond (i) during the period after the fifteenth day of the month next preceding any interest payment date and ending on such interest payment date, (ii) after notice calling a Series 2023 Bond for redemption has been given, or (iii) during a period of fifteen days next preceding the giving of a notice of redemption of any Series 2023 Bond.

The Series 2023 Bonds shall be issued as fully registered Bonds in the denomination of $5,000 and integral multiples thereof. The Series 2023 Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid, or duly provided for, until the principal amount of the Series 2023 Bonds is paid. Interest shall be payable semiannually on the first day of April and October in each year until paid, commencing on October 1, 2023. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months. The principal of the Series 2023 Bonds shall be payable when due upon presentation and surrender thereof in at the principal corporate trust office of the Bond Registrar.

Interest on each Series 2023 Bond shall be paid by check or draft of the Bond Registrar, in lawful money of the United States of America, to the person in whose name such Series 2023 Bond is registered at the close of business on the 15th day of the month next preceding each interest payment date; provided, however, that interest on the Series 2023 Bonds held by a registered owner of at least $100,000 in aggregate principal amount of the Series 2023 Bonds may also be paid by wire transfer of immediately available funds to any bank in the continental United States as such registered owner shall specify in a written request to the Bond Registrar.

The Board and the Bond Registrar may deem and treat the registered owner of any Series 2023 Bond as the absolute owner thereof for the purpose of receiving payment of or on account of principal thereof and interest due thereon and for all other purposes and neither the Board nor the Bond Registrar nor any paying agent shall be affected by any notice to the contrary.

OPTIONAL REDEMPTION OF SERIES 2023 BONDS

The Series 2023 Bonds maturing on or after April 1, 20__, are subject to redemption prior to maturity at the option of the Board in whole or in part (in integral multiples of $5,000), in any order of maturity as determined by the Board, on any date occurring on or after April 1, 20__, at a price equal to the principal amount of Series 2023 Bonds to be redeemed plus accrued interest to the date of redemption.

At least 45 days prior to the redemption date, the Board shall designate in writing to the Bond Registrar the principal amount of Series 2023 Bonds to be redeemed. If less than all of the Series 2023 Bonds shall be called for redemption, the particular Series 2023 Bonds to be redeemed shall be selected by the Bond Registrar, in such a manner as the Bond Registrar in its discretion may deem fair and appropriate, in the principal amount designated to the Bond Registrar by the Board; provided, however, that the portion of any Series 2023 Bonds to be redeemed shall be in integral multiples of $5,000.

REDEMPTION PROCEDURES

The Board has the option of calling Bonds, when subject to redemption according to their terms, of any one or more series, at its discretion.

Notice of the redemption of Series 2023 Bonds will be given by electronic notice or by mailing a copy of the redemption notice by first class mail at least 30 days prior to the date fixed for such redemption to The Depository Trust Company, New York, New York ("DTC"), as the securities depository or any successor securities depository, as the registered owner of such Series 2023 Bonds, so long as the global book-entry system is used for recording ownership of such Series 2023 Bonds. See "BOOK ENTRY PROVISIONS."

With respect to any optional redemption of any Series 2023 Bonds, unless moneys sufficient to pay the principal of and interest on such Series 2023 Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption.

For purposes of any redemption of less than all of the Series 2023 Bonds of a single maturity, the particular Series 2023 Bonds or portions of Series 2023 Bonds to be redeemed shall be selected in accordance with procedures established by DTC or any other securities depository; *provided* that such method shall provide for the selection of redemption of Series 2023 Bonds or portions thereof so that any $5,000 Series 2023 Bond or $5,000 portion of a Series 2023 Bond shall be as likely to be called for redemption as any other such $5,000 Series 2023 Bond or $5,000 portion of a Series 2023 Bond.

Notice of redemption having been given as described in the Bond Resolution, and notwithstanding failure to receive such notice, the Series 2023 Bonds or portions of Series 2023 Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Board shall default in the payment of the redemption price) such Series 2023 Bonds or portions of Series 2023 Bonds shall cease to bear interest. Upon surrender of such Series 2023 Bonds or redemption in accordance with said notice, such Series 2023 Bonds will be paid by the Bond Registrar at the redemption price.

BOOK ENTRY PROVISIONS

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board and the Underwriter believe to be reliable, but neither the Board nor the Underwriter takes responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2023 Bond will be issued for each maturity in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2023 Bond ("*Beneficial Owner*") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2023 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2023 Bonds, except in the event that use of the book-entry system for the Series 2023 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2023 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2023 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2023 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2023 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2023 Bond documents. For example, Beneficial Owners of Series 2023 Bonds may wish to ascertain that the nominee holding the Series 2023 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2023 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2023 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Board or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Bond Registrar or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2023 Bonds at any time by giving reasonable notice to the Board. Under such circumstances, in the event that a successor securities depository is not obtained, certificates for such Series 2023 Bonds are required to be printed and delivered as described in the Bond Resolution.

The Board may decide to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository). In that event, certificates for the affected Series 2023 Bonds will be printed and delivered.

SECURITY FOR THE SERIES 2023 BONDS

The Series 2023 Bonds shall be obligations of the Board payable only in accordance with the terms thereof and shall not be obligations general, special, or otherwise, of the State of South Dakota (the "*State*"). The Series 2023 Bonds shall not constitute a debt, legal or moral, of the State, and shall not be enforceable against the State, nor shall payment thereof be enforceable out of any funds of the Board, or of any Institution, other than the income and revenues pledged and assigned to, or in trust for the benefit of, the Bondholders, as described therein.

NET REVENUES AND FUNDS

The Series 2023 Bonds will be payable from and secured by a pledge of and lien on the following sources in the following order of priority:

(a) the Net Revenues of the USD Institutional System, as to the proportion of the proceeds of the Series 2023 Bonds allocable to USD (the "*Series 2023 USD Proportion*"), the Net Revenues of the BHSU Institutional System, as to the proportion of the proceeds of the Series 2023 Bonds allocable to BHSU (the "*Series 2023 BHSU Proportion*"), and the Net Revenues of the SDSMT Institutional System, as to the proportion of the proceeds of the Series 2023 Bonds allocable to SDSMT (the "*Series 2023 SDSMT Proportion*");

(b) uncommitted funds of the Repair and Replacement Reserve Account of USD, BHSU and SDSMT, as to the Series 2023 USD Proportion, the Series 2023 BHSU Proportion, and the Series 2023 SDSMT Proportion, respectively;

(c) Net Revenues of the other Institutions, but only after provision for payment of interest due on the next interest payment date and one half of the principal due on the Bonds issued on behalf of such Institutions within the succeeding 12 months;

(d) uncommitted funds in the Repair and Replacement Reserve Accounts of the other Institutions, in an amount and from such Institutions as determined by the Executive Director; and

(e) such other funds which may be pledged or used as authorized by Act.

All Parity Bonds are payable from and secured by a pledge of and lien on the same sources as the Series 2023 Bonds; provided, that certain Parity Bonds may be separately secured by individual Debt Service Reserve Accounts as described below under "–NO DEBT SERVICE RESERVE ACCOUNT."

The Gross Revenues with respect to each Institution shall be paid to the Depository, to the credit of a special account for each Institution created and designated as the Housing and Auxiliary Facilities Revenue Fund of the related Institution (each, a "*Revenue Fund*"), and all operation and maintenance expenses of an Institutional System shall be payable from the related Revenue Fund.

The Board covenants and agrees in the Bond Resolution that, on a date on or before each March 25 and September 25 (or such other date as is provided for a series of Bonds in the supplemental resolution authorizing such Bonds) before each interest payment date and each principal payment date with respect to the Bonds, and after retaining in the Revenue Fund the current Operating Reserve and paying current operating and maintenance expenses of each Institutional System then due, the Chief Financial Officer of the Institution will transfer from the Revenue Fund to the credit of the Bond and Interest Sinking Fund Account for each Institution (to be held by the Depository) such amounts which, when added to the balance therein, will be sufficient to equal the interest then due on the Bonds of such Institution on such interest payment date and one-half of the principal due on such Bonds within the next 12 months. Such funds as are necessary to pay the principal of and interest on the Bonds of such Institution due on the immediately following payment date shall be immediately transferred to a separate account, to be known as the Debt Service Account of the related Institution (each, a "*Debt Service Account*") with the Bond Registrar. The Bond Registrar shall use moneys in the Debt Service Account to pay the interest due on the Bonds of such Institution then Outstanding on the next interest payment date and the principal of the Bonds of such Institution when due. All moneys credited to each Institution's Debt Service Account shall be and are irrevocably pledged to and shall be used solely for the payment of the principal and interest on the Bonds of such Institution. Notwithstanding the foregoing, if any such Bonds bear, or are expected to bear, interest at a Variable Rate, the Chief Financial Officer of such Institution shall transfer amounts to the Institution's Bond and Interest Sinking Fund Account and the Institution's Debt Service Account to pay interest on such Bonds at such times and in such amounts as set forth in the supplemental resolution authorizing such Bonds.

Each Institution shall notify the Board at least 30 days prior to each interest or principal payment date either (i) that it has sufficient Net Revenues available from the Institutional System to make the interest and principal payment, if any, on such payment date or (ii) that it does not have sufficient Net Revenues available from the Institutional System (a "*Notice of Deficiency*") to make such interest and principal payment, if any, and specifying the amount of such deficiency (a "*Deficiency*").

If the Board receives a Notice of Deficiency with respect to an Institution, the Executive Director shall take the following steps as soon as possible prior to the payment date, in the order of priority listed:

(i) if a Debt Service Reserve Subaccount is maintained for such Bonds, notify the Bond Registrar or the Depository, as the case may be, of such Deficiency and direct the application of a specified amount of such funds to the payment due;

(ii) if the Institution has funds in the Repair and Replacement Reserve Account for its Institutional System for which there are no contractual commitments, such funds shall be transferred to the Bond and Interest Sinking Fund Account of the Institution to make up the Deficiency;

(iii) the Executive Director shall direct the withdrawal and use of the Net Revenues of other Institutional Systems not necessary for payment of interest due on the next interest payment date and one-half of the principal due within the next 12 months on the Bonds issued on behalf of such Institution to make up all or a portion of the Deficiency; and

(iv) if other Institutions have funds in the Repair and Replacement Reserve Accounts for their Institutional Systems for which there are no contractual commitments, funds shall be withdrawn therefrom at the direction of the Executive Director and transferred to make up all or a portion of the Deficiency.

The repayment provisions for the reimbursement of Institutions from which Net Revenues or funds in the Repair and Replacement Reserve Accounts have been transferred to satisfy a Deficiency shall be as determined by the Executive Director.

NO DEBT SERVICE RESERVE ACCOUNT

No Debt Service Reserve Account will be established to secure the Series 2023 Bonds.

The Bond Resolution authorizes Debt Service Reserve Accounts to secure Bonds issued under the Bond Resolution. As of the date of this Official Statement, no Debt Service Reserve Accounts have been established under the Bond Resolution for any outstanding Bonds. The Board may create Debt Service Reserve Accounts to secure future series of Bonds. Such Debt Service Reserve Accounts, if any, with respect to future series of Bonds, may be established as provided in the supplemental resolution authorizing the issuance of such series of Bonds.

REPAIR AND REPLACEMENT RESERVE ACCOUNTS

Upon the delivery of the Series 2023 Bonds, the Repair and Replacement Reserve Accounts for BHSU, DSU, NSU, SDSMT, SDSU and USD will each have a cash balance which is to be used as a reserve for major projects in such Institutional Systems. As described above under "–NET REVENUES AND FUNDS," the Repair and Replacement Reserve Accounts of all the Institutions may be drawn down to make debt service payments of any of the Institutions for an issue of Bonds that is deficient for that purpose. See Appendix B for a further description of these Accounts.

A SYSTEM CONSOLIDATION

Subject to the requirements of the Bond Resolution, the Board may amend the Bond Resolution in the future to consolidate the operation of the System and eliminate the Institutional Systems.

ADDITIONAL BONDS

The Board may issue additional Parity Bonds ("*Additional Bonds*") to fund capital projects of the System or to refund Prior Parity Bonds. The timing and amount of such issuances of Additional Bonds, if any, will be dependent upon a variety of factors, including the actual project and financing needs of the Institutional System at the time, general bond market conditions and such other factors as the Board, in its sole discretion, determines. The Board has no immediate plans to issue Additional Bonds.

FUTURE PARITY BONDS

Parity Bonds may be issued under the Bond Resolution, or other additional debt secured by Net Revenues may be incurred, whether or not issued under the Bond Resolution, only if compliance with the following conditions, among others, is demonstrated:

(1) Any facility to be constructed with the proceeds of the Additional Bonds shall be a part of the System and the revenues derived from the operation thereof are pledged as additional security for the payment of all Bonds outstanding and the Additional Bonds proposed to be issued.

(2) The Board is current in all transfers and deposits to be made under the terms of the Bond Resolution.

(3) The Board certifies that the Board is in full compliance with all of the covenants and undertakings in connection with all Bonds then outstanding and payable from the Net Revenues of the System or any part of it, and no event of default has occurred or is continuing under the Bond Resolution.

(4) (a) *Historic Test*. Actual Net Revenues of the System for each of the two most recent Fiscal Years must equal at least 120% of Annual Debt Service on all Outstanding Bonds and outstanding additional obligations issued on a parity with the Bonds; and

(b) *Projected Test*. Projected Net Revenues of the System for each of the three full Fiscal Years immediately succeeding the later of the issuance of the Additional Bonds or additional obligations issued on a parity basis with the Bonds or the end of any capitalized interest period are equal to at least 120% of Annual Debt Service on all Outstanding Bonds and additional obligations, plus the Additional Bonds or additional obligations. If the Additional Bonds are being issued, all or in part, for refunding purposes, Annual Debt Service for the outstanding Bonds that are being refunded can be eliminated from this Projected Test. If the Additional Bonds are being issued, all or in part, to finance additional System facilities, the projected Net Revenues from such facilities may be included in this calculation.

(5) The resolution authorizing the issuance of each such series of Additional Bonds which are to pay interest on a semi-annual basis shall provide that the amount of each semiannual deposit into the related Bond and Interest Sinking Fund Account shall be increased by a sum equal to the interest which will be payable on such Additional Bonds on the next succeeding interest payment date and one-half of the principal maturing on such Additional Bonds, if any, within the next succeeding twelve-month period. If the Additional Bonds are to pay interest on other than a semiannual basis, such resolution shall make appropriate provisions therefor.

(6) The resolution authorizing the issuance of each such series of Additional Bonds shall state whether such series of Bonds is to be secured by a Debt Service Reserve Account and, if so, shall provide that the amount in the related Debt Service Reserve Account shall be adjusted to a sum equal to not less than the Debt Service Reserve Requirement on all Bonds then Outstanding which are secured by such Debt Service Reserve Account and the Additional Bonds then proposed to be issued, and at the time of delivery of such Bonds, the related Debt Service Reserve Account shall be maintained at the related Debt Service Reserve Requirement.

(7) The resolution authorizing the issuance of each such series of Additional Bonds shall provide that the minimum amount to be accumulated in the Renewal and Replacement Reserve Account for the related Institutional System with respect to such project or projects, shall be an amount equal to the existing RRR Requirement for such Institutional System and at least an additional five percent of: (i) the cost of construction of any projects for which the Additional Bonds are to be issued and which are to be added to such Institutional System; plus (ii) the cost of any furnishings and moveable equipment for each such project which are financed with proceeds of such Bonds.

(8) The resolution authorizing such Additional Bonds may provide that such Bonds be Variable Rate Bonds.

(9) If, in the resolution authorizing any such Additional Bonds, it is provided that excess revenues in the Revenue Fund are to be used to redeem Bonds in advance of scheduled maturity, or if the Board undertakes to redeem Bonds in advance of scheduled maturity, it is agreed and understood that such Bonds may be callable from any series as determined by the Board.

ANNUAL DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements on the Series 2023 Bonds and Prior Parity Bonds after giving effect to the refunding of the Refunded Series 2013A Bonds and Refunded 2014A Bonds.

	THE SERIES 2023 BONDS				
FISCAL YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	DEBT SERVICE	OUTSTANDING BONDS DEBT SERVICE(1)	TOTAL DEBT SERVICE
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					

(1) See "THE HOUSING AND AUXILIARY FACILITIES SYSTEM—Outstanding Bonds."

FUTURE PARITY BONDS FOR OTHER INSTITUTIONS

Provisions of the Bond Resolution may be amended without notice to, or the consent of, the owners of the Series 2023 Bonds or Parity Bonds, in order to include in the System the Net Revenues of the housing and auxiliary facilities systems and revenues of other institutions of higher education under the jurisdiction of the Board. Such amendments would authorize the issuance of future Parity Bonds to finance projects for such other systems, which Parity Bonds would be secured by a pledge of and lien on the revenues and funds described "SECURITY FOR THE SERIES 2023 BONDS–Net Revenues and Funds."

THE HOUSING AND AUXILIARY SYSTEM

GENERAL

The Housing and Auxiliary Facilities System of the Board consists of the aggregate of the housing and auxiliary facilities of BHSU, DSU, NSU, SDSMT, SDSU and USD. Auxiliary facilities include student unions, food services, bookstores, wellness centers, and a portion of the parking systems at the Institutions.

The System and each component Institutional System are under the control of the Board. The System was created by the Board in 2004 to strengthen the capacity of the Board to issue bonds to finance the construction, acquisition, or modification of revenue generating facilities of the Institutions by pledging the revenues of all of the Institutional Systems for each bond issue. Although the revenues of all Institutional Systems are cross-pledged to meet bond repayment obligations of the System, each Institution continues to independently operate its own housing and auxiliary facilities. The Board closely monitors enrollments, retention, occupancy rates and coverage ratios for each Institution to ensure the financial soundness of the System.

The System is a "closed" system in that the revenues and the costs of the System are managed and accounted for separately from other activities of the Institutions. Once a facility is pledged to the System it can only be removed when it no longer is a viable revenue producing asset.

Academic facilities of the Institutions, which include classroom buildings, libraries, administrative buildings, research facilities, and athletic facilities, are supported by higher education facility funds ("HEFF") and not revenues of the System. HEFF represents a portion of the tuition and fees collected by the Institutions and is used to fund maintenance, repairs and capital improvements to the academic facilities. Bonds for academic facilities are issued by the South Dakota Building Authority. See APPENDIX A—"SOUTH DAKOTA BOARD OF REGENTS AND SOUTH DAKOTA HIGHER EDUCATIONAL INSTITUTIONS—Ten Year Capital Investment Plan."

CAPITAL IMPROVEMENTS; MAINTENANCE AND REPAIR

Any project undertaken by an Institution costing more than $5 million is considered a capital improvement according to South Dakota codified law. The Board oversees all capital improvements through building committees. Capital improvements and most maintenance and repair projects fall under the jurisdiction of the Office of the State Engineer (OSE), which assists the Board and the Institutions with planning, project bidding, contracting, oversight, change orders, payment review, and trouble-shooting.

The Institutions are charged with the ongoing maintenance and repair of their respective facilities. The Board approves the projects which will be funded each year from the various sources of revenue dedicated to maintenance and repair. The Board's policy is to invest a minimum of 2% of the current replacement value annually for maintenance and repair for revenue facilities.

SYSTEM REVENUES

System revenues come from the operation of each Institution's housing, student union, dining service, the NSU, BHSU, and SDSMT bookstores, the SDSU, USD, and SDSMT wellness centers, and parking facilities at BHSU and SDSU.

Revenues generated by the residential facilities of the System must cover the cost to maintain the facilities. Board policy requires a minimum annual expenditure level of 2% on residence halls. Contributions to fully fund an Institution's Repair, Renewal and Replacement (RRR) requirement on bonded projects may be applied towards the 2% annual maintenance and repair expenditure requirement.

Student unions are funded entirely through student fees and revenues from bookstores and food service operations. Parking facilities generate revenues from vehicle fees.

EXISTING FACILITIES

The existing facilities of the System are comprised of the residential housing facilities, student unions, wellness centers, and most parking facilities of the Institutions. The existing buildings, structures and facilities of the System by Institution are set forth in the following table.

SYSTEM FACILITIES

BHSU

Housing Facilities:
- Heidepriem Hall
- Bordeaux Hall
- Wenona Cook Hall
- Thomas Hall
- University Apartments

Student Union
Parking Facilities
Dining Services
University Bookstore

DSU

Residence Halls:
- Zimmerman Hall
- Higbie Hall
- Richardson Hall
- Emry Hall
- The Courtyard
- Residence Village
- Van Eps

Student Union

NSU

Residence Halls:
- Briscoe Hall
- Great Plains East
- Great Plains West
- McArthur-Welsh Hall
- Steele Hall
- Kramer Hall
- Wolves Memorial Suites

Student Union

SDSMT

Connolly Hall
Palmerton Hall
Peterson Hall
Placer Hall
Surbeck Student Center
Wellness Center

SDSU

Housing Facilities:
- Binnewies Hall
- Brown Hall
- Caldwell Hall
- Hansen Hall
- Jackrabbit Grove (Ben Reifel, Theodore W. Schultz, Hallie Walker Hyde, and Honors Halls)
- Jackrabbit Village (Spencer, Abbott and Thorne Halls)
- Mathews Hall
- Meadows North
- Meadows South
- Pierson Hall
- Waneta Hall
- Young Hall
- Skylight Apartments
- Huggins Apartments
- Garden Square Units
- Thornber Apartments
- Southeast Neighborhood

Student Wellness Center
Dining Facilities:
- Larsen Commons
- Student Union Building

Parking Facilities

USD

Beede Hall
Burgess Hall
McFadden Hall
Mickelson Hall
Norton Hall,
including parking lot
Olson Hall
Richardson Hall
Cherry Street Rentals
Muenster University Center
Student Wellness Center,
including parking lot
Coyote Village Housing,
including parking lot

HOUSING FACILITIES

The System's student housing, which varies by Institution, consists of traditional dormitories, residence halls and suite-style apartments. All of the student housing utilized by the Institutions is on state property and is owned and operated by the Institutions, except for a limited number of student residences that are leased by DSU and SDSMT. The leased facilities are managed by the residence life staffs of the Institutions.

The housing capacity of the Institutional Systems and the System as a whole compared to headcount enrollments at the Institutions for the 2022 fall semester is provided in the following table.

System Housing Capacity

	Capacity	**Student Headcount**	**%**
BHSU	863	1,514	57.00
DSU	936	1,326	70.59
NSU	855	1,152	74.22
SDSMT	1,091	2,316	47.11
SDSU	4,571	8,556	53.42
USD	1,989	5,700	34.89
System Total	10,305	20,564	50.11

The Board's student housing policy requires freshmen and sophomores to live in the residence halls and have a meal plan. During the first two years from the time students were or would have been graduated from high school, all unmarried students who enroll in six credit hours or more at any Institution are required to enter into a housing agreement and designated meal plan for the specific living environment with that Institution unless special permission to room or dine elsewhere is received from the Institution. Permission ordinarily will be granted to students with dependent children, to students who reside full time during the academic year with parents or legal guardians, or students enrolled primarily at off-campus locations. Students who have enrolled for twelve or more credits for four semesters may be exempted from this agreement at the discretion of the Institutions. Institutions may also grant exemptions for students when residence hall occupancy exceeds manageable capacity.

Below is a summary of occupancy rates for each Institution and the System as a whole for the past five fiscal years. The System reports occupancy based on the designed capacity of rooms but adjusts for any "permanent" changes including changing rooms to single rooms.

System Housing Occupancy

	2018	**2019**	**2020**	**2021**	**2022**
BHSU	87.73%	91.49%	79.73%	86.63%	91.66%
DSU	97.77	99.62	94.72	83.06	86.65
NSU	78.85	75.62	61.38	64.13	61.40
SDSMT	89.98	92.59	84.84	94.90	99.27
SDSU	91.18	90.52	85.97	85.66	87.60
USD	100.27	91.11	85.71	87.11	99.65
System	91.99	90.40	84.00	85.02	88.05

STUDENT UNIONS

The student unions at the Institutions are the center of student and campus activity and have become the focal point for socializing among students, faculty and staff and student recruiting. The student unions are modern facilities with extensive student engagement and learning spaces as well as student support offices.

FOOD SERVICE

All of the Institutions have privatized food service operations. All six universities are under a contract with Sodexo America, LLC as their food service provider. Student union upgrades at the Institutions have all included expansion and improvements to food service operations.

BOOKSTORES

On-campus bookstores are operated by the respective Institutions. As publishers move away from printed books and market their e-texts and e-materials directly to faculty and students, the bookstores rely far more on their clothing and logo item sales to generate revenue. NSU, BHSU, and SDSMT are the only schools whose bookstore revenues are pledged to the system.

WELLNESS CENTERS

Fitness and health facilities have become expectations for today's college student. The Institutions serve this need through campus athletic facilities available to all students, community centers and joint student-athlete facilities. The System includes the student athletic, recreation and studio facilities at SDSU, USD, and SDSMT. These wellness centers are supported with student fees and operated by the respective Institutions.

PARKING

Parking facilities at BHSU (1,904 spaces) and SDSU (9,065 spaces) are included within the System. Parking facilities at all of the other Institutions are not part of the System. Both BHSU and SDSU charge students for parking at the facilities.

FINANCIAL MANAGEMENT, REPORTING AND BUDGETING

Financial management of the System is the responsibility of the Board and the chief business officers of each Institution.

Each year, the Auditor General must certify the financial statements of the State as a whole, inclusive of the System. As an agency of the State, the System's financial records reflect compliance with applicable State statutes and regulations. The significant accounting policies followed by the System in maintaining accounts and in the preparation of the combined primary financial statements are in accordance with the Auditor General's Annual Financial Reporting Requirements.

The Board has engaged the Department of Legislative Audit to perform a series of agreed upon procedures in order to assist the Board in evaluating its compliance with bond requirements in the System. An Independent Accountant's Report enumerating the procedures and results of the procedures is issued by the Auditor General for each fiscal year. See "FINANCIAL STATEMENTS" and "APPENDIX E—

FINANCIAL STATEMENTS OF THE HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BOND FUNDS FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021 (UNAUDITED)."

The annual budgeting process for the System begins in June of each year with informal budget hearings conducted by the Board with the participation of the Institutions. In July, Institutions make specific budget requests and the Board approves an official budget request. The official budget request is submitted in August to the South Dakota Bureau of Finance and Management and to the Governor of the State (the "*Governor*"). From September through November, the official budget request is discussed with the Bureau of Finance and the Governor, and in November the board is notified with the Governor's official recommendations. From January through March of the following year, the Board and university presidents have a scheduled time with the Legislature's Appropriations Committee to discuss the budget and the Governor's recommendations. An appropriations bill is passed out of the Appropriations Committee and sent to the floor of the House and Senate for passage, which becomes the next fiscal year's operating budget.

PROPOSED CAPITAL PROJECTS

There are currently no system projects being discussed at the Board level.

OUTSTANDING BONDS

The following table sets forth the series, original principal amounts, current outstanding principal amounts as of March 1, 2023, and the maturity date for the Prior Parity Bonds after giving effect to the issuance of the Series 2023 Bonds and the refunding of the Refunded Series 2013A Bonds and the Refunded Series 2014A Bonds and the redemption of the Redeemed Series 2014A Bonds.

Outstanding Debt

Issue	**Original Principal Amount**	**Current Amount Outstanding**	**Final Maturity Date**
Series 2006 Bonds	$ 9,015,000	$ 2,470,000	4/1/2026
Series 2007 Bonds	8,540,000	3,760,000	10/1/2028
Series 2008A Bonds	4,770,000	1,825,000	4/1/2028
Series 2008B Bonds	5,230,000	2,150,000	4/1/2028
Series 2014B Bonds	13,760,000	7,625,000	4/1/2033
Series 2015 Bonds	22,525,000	16,660,000	4/1/2040
Series 2016 Bonds	19,625,000	17,020,000	4/1/2041
Series 2017 Bonds	88,260,000	77,670,000	4/1/2042
Series 2019A Bonds	16,000,000	11,480,000	4/1/2044
Series 2019B Bonds	4,535,000	4,250,000	4/1/2036
Series 2021 Bonds	38,285,000	36,570,000	4/1/2036
Series 2023 Bonds			
	$	$	

NO PENSION OBLIGATIONS

The System does not carry or incur pension or OPEB liabilities. No costs for pension or OPEB are part of or included in operating and maintenance expenses used in calculating Net Revenues.

HISTORICAL AND PROJECTED CASH FLOWS

GENERAL

The following tables sets forth the historical and projected revenues and expenses of the System and each Institution on a cash basis for the fiscal years 2018-2026. The historical and projected financial information presented is based upon unaudited information furnished to the Board from each of the Institutions in connection with the issuance of the Series 2023 Bonds.

Financial information for the revenue bond funds maintained for the System and the Institutions for the fiscal years 2021 and 2022 are set forth in APPENDIX E. For information on the financial information for fiscal year 2022, see "FINANCIAL STATEMENTS."

Estimates for fiscal year 2023 and projections for the fiscal years 2024-2026 are based upon the assumptions stated herein under "—PROJECTED CASH FLOWS OF THE SYSTEM." The assumptions are believed to be reasonable by the Board. No assurance can be given that the assumptions used in the projections will prove correct. If any of the assumptions prove to be materially incorrect, the projected estimates of excess revenues over expenditures are likely to be materially and adversely affected. Neither the Board nor the Underwriter has independently verified the projections of excess revenues over expenditures contained in the following table.

Historical and Projected Cash Flows of the System

Revenues	FY18	FY19	FY20	FY21	FY22	Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26
Residence Life	$38,811,342	$40,331,835	$32,291,333	$36,556,155	$41,496,948	$42,734,914	$44,153,247	$43,666,171	$46,739,642
Food Service	28,716,258	29,532,550	23,012,411	26,113,277	29,286,861	29,411,522	31,678,855	32,312,433	33,617,855
Student Center Operations	1,730,164	1,776,061	1,259,145	952,806	1,415,741	1,526,533	1,485,273	1,517,344	1,583,721
General Activity Fee Support	3,554,993	3,955,167	4,365,466	4,458,331	5,820,158	5,992,756	6,159,095	6,292,936	6,573,787
Bookstore	4,150,659	4,001,721	3,566,135	3,144,179	3,301,188	3,202,120	3,247,772	3,286,728	3,366,990
Parking	1,864,928	1,761,323	1,477,990	1,337,925	1,799,737	1,892,109	1,930,492	1,969,103	2,048,654
Wellness Center Operations	907,884	951,470	719,681	444,626	764,096	759,085	774,266	1,359,793	1,245,740
SubTotal Operating Revenue	79,736,228	82,310,128	66,692,161	73,007,299	83,884,729	85,519,039	89,429,001	90,404,506	95,176,389
Other Revenues									
GAF Bond Support	9,463,519	9,271,598	8,772,593	8,767,868	7,207,651	6,835,001	6,910,385	6,991,437	7,239,909
Facility Support Fee	1,613,171	1,369,666	816,136	561,391	494,059	516,386	525,659	533,573	541,644
Aramark Investment	150,000	150,000	0	150,000	150,000	150,000	150,000	150,000	150,000
BAB Subsidy	755,489	49,792	0	0	0	91,231	93,421	95,289	97,195
One-Time Transfers	0	0	0	0	0	0	0	0	0
Capitalized Interest	0	0	114,493	420,350	8,302	0	0	0	0
COVID - CARES Funding	0	0	809,192	8,152,938	0	0	0	0	0
COVID - CRF Funding	0	0	8,430,128	0	0	0	0	0	0
SubTotal Other Revenue	11,982,179	10,841,056	18,942,542	18,052,547	7,860,012	7,592,618	7,679,465	7,770,299	8,028,748
Investment Income									
Debt Service	80,840	58,676	120,046	153,373	85,503	68,382	68,852	69,332	69,822
Interest Revenue	175,037	194,984	257,192	220,963	125,156	137,108	138,812	140,549	142,321
Renewals	259,846	330,648	621,784	799,570	492,384	289,986	251,732	267,069	266,672
Completed Construction Funds	0	0	0	0	0	0	0	0	0
SubTotal Investment Income	515,723	584,308	999,022	1,173,906	703,043	495,476	459,396	476,950	478,814
Total Revenues	$92,234,130	$93,735,492	$86,633,725	$92,233,752	92,447,784	93,607,133	97,567,861	98,651,755	101,933,143
Expenditures									
Residence Life	$18,341,641	$17,937,204	$18,228,253	$17,658,718	19,665,235	19,333,125	19,821,660	20,082,486	20,682,883
Food Service	28,226,601	28,817,225	22,582,110	25,695,045	28,431,831	29,102,076	31,401,052	32,036,351	32,729,666
Student Center	1,778,369	1,920,153	1,712,428	1,282,941	1,497,276	1,618,798	1,636,152	1,671,190	1,707,024
General Activity Fee	2,980,315	3,703,511	4,185,996	4,458,332	6,001,503	6,076,671	6,272,938	6,383,114	6,498,784
Bookstore	4,065,207	3,821,166	3,560,095	2,923,024	2,894,378	3,026,218	3,067,728	3,107,551	3,147,569
Parking	638,641	753,151	793,883	499,002	586,267	602,530	618,380	632,448	645,737
Other	374,057	270,324	268,736	270,206	298,385	380,000	380,000	380,000	380,000
Wellness Center	1,198,865	767,808	925,149	674,972	811,934	841,922	810,364	1,223,041	1,199,213
Total Expenditures	$57,603,696	$57,990,544	$52,256,650	$53,462,240	$60,186,809	$60,981,339	$64,008,275	$65,516,181	$66,990,876
Excess of Revenues over Expenditures	$34,630,434	$35,744,948	$34,377,075	$38,771,512	$32,260,975	$32,625,794	$33,559,586	$33,135,575	$34,942,267
Annual Debt Service	$22,476,644	$24,021,128	$23,659,395	$23,911,500	$23,368,957	$23,392,517	$23,093,413	$23,271,104	$20,383,701
Coverage Ratio	1.54	1.49	1.45	1.62	1.38	1,.39	1.45	1.42	1.71

Rate Covenant

Each Institution is required to maintain the ratio of Net Revenues to Annual Debt Service of the Bonds of that Institution in each Fiscal Year to at least equal to 120 percent (1.2 times) of such Annual Debt Service for such Fiscal Year, commencing with the end of the first Fiscal Year in which capitalized interest, if any, has been fully applied to the payment of debt service on any Outstanding Bonds of such Institution.

Failure to satisfy such rate covenant will not constitute an event of default as long as the Board timely engages an independent management consultant, and such consultant timely prepares a report with recommendations for meeting the required coverage ratios. In no event may coverage for any Institution fall below 100 percent (1.00 times) of the Annual Debt Service on all Bonds of such Institution in each Fiscal Year. See "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION—Rules and Covenants—Rate Covenant."

Management Discussion

Fiscal Years 2018-2020: Operating revenues decreased $13.0 million from $79.7 million in fiscal year 2018 to $66.7 million in fiscal year 2020, a total decrease of 16.3%. Other revenues and investment income, which includes student fees committed to debt service, increased $7.4 million from $12.5 million in fiscal year 2018 to $19.9 million in fiscal year 2020. Expenses decreased $5.3 million from $57.6 million in fiscal year 2018 to $52.3 million in fiscal year 2020, a two-year change of 9.2%.

The decrease in operating revenues were directly related to campuses sending students home in March due to COVID-19. Refunds were issued to those students for unused meal plans and for the term of the housing contract that students were not able to utilize. CARES Act and HEERF (defined below) funding were utilized to cover the refunds issued to those students. Those funds account for the unusual increase in other revenues from 2019 to 2020. Expenses decreased due to the major change in operations. Expenses related to contracts with vendor, such as meal plan providers, were adjusted and campuses made additional cuts to create needed savings.

Fiscal Year 2021-2022: Operating revenue increased $10.9 million from $73.0 million in fiscal year 2021 to $83.9 million in fiscal year 2022, a total increase of 15%. Other revenues and investment income, which includes student fees and federal pandemic assistance, decreased $10.6 million from $19.2 million in fiscal year 2021 to $8.6 million in fiscal year 2022. Expenses decreased $6.7 million from $53.5 million in fiscal year 2021 to $60.2 million in fiscal year 2022.

Annual debt service fell $500 thousand from $23.9 million in fiscal year 2021 to $23.4 million in fiscal year 2022. The reduction in debt service is due to refinanced debt reaching maturity in fiscal year 2021.

The System overall and each Institutional System maintained their respective debt service coverage ratios from 2021 to 2022 due to rate increases and management of expenditures. See "—Rate Covenant" above.

Projected Cash Flows of The System

The estimated cash flows for the System for fiscal year 2023 and the projected cash flows for the System for fiscal years 2024 through 2026 are based on the following material assumptions:

Fiscal Year 2023: Fiscal year 2023 projections are based on first half year-to-date figures plus estimates for the second half of the year based on first half performance.

Fiscal Years 2024-26: Fiscal year 2024 projections are a mix of inflationary and other assumptions. Housing occupancy was held at the prior year levels. Inflation is projected at 7.8% for fiscal year 2024. Campus increased expenses to match the projected inflation and then increased revenues enough to maintain the fiscal year 2023 margin.

INVESTMENT CONSIDERATIONS

The following discussion of investment considerations should be reviewed by prospective investors prior to purchasing the Series 2023 Bonds. There can be no assurance that other factors not discussed herein will not become material investment considerations in the future.

SPECIAL, LIMITED OBLIGATIONS

The Series 2023 Bonds are special, limited obligations of the Board payable solely out of the Net Revenues and uncommitted funds in the Repair and Replacement Accounts of the Institutions. The Bondholders may not look to any other revenue or assets of the Board or any Institution for the payment of the Series 2023 Bonds. The Series 2023 Bonds do not constitute an indebtedness of any Institution, the Board or the State, within any constitutional or statutory limitation, and neither the taxing power nor the general credit of the Institutions, of the Board or of the State is pledged to the payment of the Series 2023 Bonds. See "SECURITY FOR THE SERIES 2023 BONDS."

NO MORTGAGE OR LIEN ON PHYSICAL ASSETS

The Series 2023 Bonds are not secured by a mortgage, lien or security interest on or in any of the buildings or physical assets of the System. The Bondholders may not look to any buildings or other physical assets of the System for payment of debt service on the Series 2023 Bonds.

CHANGE IN ENROLLMENT; NON-RESIDENT STUDENTS

The amount of Net Revenues available for debt service on the Series 2023 Bonds will be affected by the future enrollments of the Institutions. Enrollment levels depend on the number of students applying to the Institutions and accepting offers of admission. A number of factors, including, without limitation, levels of tuition rates and other fees, competition from other public and private colleges and universities, a change in the number of college age students generally, the availability and affordability of student loans, and adverse general economic conditions could influence the number of applicants to the Institutions. The pool of potential high school graduates in South Dakota has fallen since 2004 and is not expected to begin to increase for a number of years. Certain of the Institutions have had success in attracting students from other states, which may or may not continue. There can be no assurance that the future enrollment of the Institutions will be maintained at the current level or increase.

REQUIRED OCCUPANCY LEVELS

In order for the Board to generate Net Revenues sufficient to pay debt service on the Series 2023 Bonds, the dormitories and residents halls of the System must achieve certain occupancy levels. The Board's student residency policy and the stable enrollment of the Institutions have historically resulted in strong occupancy rates for the System's housing facilities. Changes in the Board's housing policy, student enrollment, room and board rates, student housing preferences or other factors could have a negative effect on the future occupancy rates for the System's dormitories and residence halls. See "THE HOUSING AND AUXILIARY SYSTEM—Occupancy."

FUTURE FACILITIES UTILIZATION

The System includes dining halls, student unions, bookstores, recreational and health facilities, parking and other auxiliary facilities. The amount of Net Revenues will be affected by the future levels of utilization of the System's facilities and the rates and charges that the Board can reasonably impose in connection with the use of such facilities. The availability of alternative facilities at competitive rates and an increase in distance learning opportunities may have an adverse impact on the level of utilization of the facilities and on the ability of the Board to adjust fees and rates in the future.

RISKS RELATED TO SYSTEM OPERATIONS

Net Revenues will depend in part on the level of operating and maintenance expenses incurred in operating the System, including the normal course costs of the System's workforce, vendors, suppliers and materials and any extraordinary or unanticipated costs or expenses which may occur. Net Revenues will be affected by the Institutions' ability to manage and operate the System effectively and efficiently.

COVID AND OTHER HEALTH CRISES

In 2020, the Board initiated measures to address the effects of the COVID-19 pandemic on the Institutions. By late-March 2020, all classes were temporarily moved on-line and all public university courses continued by remote delivery. The Board reopened campuses for the fall 2020 semester and have since followed a full academic calendar. Despite lingering effects from the pandemic, the System recorded strong financial results in 2021 and 2022 and the Board expects similar results in 2023.

The impacts of COVID-19 and other public health crises that may come in the future on the Institutions are difficult to predict. Potential risks to the Institutions include, among others, adverse impacts on future enrollments, demand for student housing, availability of federal funding and state appropriations to cover increased health-related costs, and the ability or willingness of donors to support the System. The future impact of COVID-19 or other public health crises on the System are uncertain and the Board continues to monitor and assess the operations of the System.

LOSS OF STATE AID

A significant portion of the overall revenues of the Institutions comes from grants or appropriations provided by the State. The amount of money provided by the State has varied in past years. Loss of state aid to the Institutions could have a negative effect on the programs and opportunities the Institutions can offer students, the size and quality of faculty and research activities, all or any of which could have a negative impact on enrollment or the Institutions' ability to maintain the System at levels necessary to achieve high levels of occupancy and utilization.

RISKS RELATED TO HIGHER EDUCATION

There are a number of factors affecting institutions of higher education in general that could have an adverse effect on the Institutions. These factors include, but are not limited to, the continuing rising costs of providing higher education services; the failure to maintain or increase in the future the funds obtained by the Institution from other sources, including gifts and contributions from donors, grants or appropriations from governmental bodies and income from investment of endowment funds; adverse results from the investment of endowment funds; increasing costs of compliance with federal or state regulatory laws or regulations, including, without limitation, laws or regulations concerning environmental quality, work safety and accommodating the physically challenged; changes in federal governmental policy relating to the reimbursement of overhead costs of government contracts; any unionization of the Institution's work force with consequent impact on wage scales and operating costs of the Institutions; and legislation or regulations which may affect student aid and other program funding. The Board cannot assess or predict the ultimate effect of these factors on the Institutions or the System.

Damage or Destruction of Facilities

The Board insures the System against certain risks. There can be no assurance that the amount of insurance required to be obtained with respect to the System will be adequate or that the cause of any damage or destruction to the System will be as a result of a risk which is insured. Further, there can be no assurance of the ongoing creditworthiness of the insurance companies from which the Board obtains insurance policies. Damage or destruction of System facilities may impair the Board's ability to generate sufficient Net Revenues.

Environmental Regulation

The System is subject to various federal, State and local laws and regulations governing health and the environment. In general, these laws and regulations could result in liability for remediating adverse environmental conditions on or relating to the System, whether arising from preexisting conditions or conditions arising as a result of the activities conducted in connection with the ownership and operation of the System. Costs incurred by the Institutions with respect to environmental remediation or liability could adversely impact their financial condition and ability to own and operate the System.

Additional Bonds

Under the Bond Resolution, the Board is permitted to issue Additional Bonds which would be on a parity with the lien of the Series 2023 Bonds. Debt service on all Additional Bonds will be payable from Net Revenues on a pro rata basis. Although the Board is required to meet historic and projected annual debt service coverage tests before issuing Additional Bonds, to the extent that Additional Bonds are issued, the debt service coverage ratio of the Series 2023 Bonds may be adversely affected. See "SECURITY FOR THE SERIES 2023 BONDS—Additional Bonds" and "—Future Parity Bonds."

Rating Change

A rating application has been made to Moody's Investors Services, Inc. ("Moody's") for a rating on the Series 2023 Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating assigned to the Series 2023 Bonds will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Series 2023 Bonds.

SECONDARY MARKET

There is no guarantee that a secondary market will develop for the Series 2023 Bonds. Subject to applicable securities laws and prevailing market conditions, the Underwriter intends but is not obligated to make a market in the Series 2023 Bonds.

FUTURE CHANGES IN LAWS

Various State laws and constitutional provisions apply to the operation of the System, the imposition, collection and pledging of the Net Revenues and the financing of the Board's operations in general. Other State and federal laws, constitutional provisions and regulations apply to the obligations evidenced by the Series 2023 Bonds. There is no assurance that there will not be any change in, interpretation of or addition to applicable laws, provisions and regulations which would have a material effect, directly or indirectly, on the Board or the Institutions.

FEDERAL TAX LEGISLATION/LOSS OF TAX EXEMPTION

From time to time, legislative proposals are pending in Congress that would, if enacted, alter or amend one or more of the federal tax matters described herein in certain respects or would adversely affect the market value of the Series 2023 Bonds, or possibly affect the ability of Bondholders to treat interest on the Series 2023 Bonds as exempt from federal income taxation. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Series 2023 Bonds. Finally, reduction or elimination of the tax-exempt status of obligations such as the Series 2023 Bonds could have an adverse effect on the Board's ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the Board.

The tax-exempt bond office of the Internal Revenue Service (the "Service") is conducting audits of tax exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the Owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit with respect to any tax-exempt obligations of the Board. If any such audit is commenced, under current procedures the Service may treat the Board as a taxpayer and the holders of the Series 2023 Bonds may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the Board could adversely affect the market value and liquidity of the Series 2023 Bonds, regardless of the ultimate outcome.

As discussed under the heading "TAX MATTERS," the interest on the Series 2023 Bonds could become includiable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Series 2023 Bonds, as a result of acts or omissions of the Board or the Institutions in violation of the tax covenants in the Bond Resolution. Should such an event of taxability occur, the Series 2023 Bonds are not subject to any special redemption.

ENFORCEABILITY OF REMEDIES

The Bond Resolution does not contain a provision allowing for the acceleration of the Series 2023 Bonds in the event of a default in the payment of principal of or interest on the Series 2023 Bonds when due. In the event of a default under the Bond Resolution, the Bondholders will only have the right to exercise the remedies provided in the Bond Resolution.

The remedies available upon an event of default under the Bond Resolution are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing laws and judicial decisions the remedies provided for under the Bond Resolution may not be readily available or may be limited. The Series 2023 Bonds may be subject to general principles of equity which may permit the exercise of judicial discretion, the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State, and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect. The various legal opinions to be delivered concurrently with the delivery of the Series 2023 Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series 2023 Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

CYBERSECURITY

The Institutions rely on security measures included in their respective information systems to enable secure processing, transmission and storage of confidential and other sensitive information. Information systems security breaches, including electronic break-ins, computer virus insertion, attacks by internal and external parties and similar breaches could create disruption or shutdown of an Institution's information systems and disrupt the services it provides. Security breaches could also facilitate unauthorized access to or disclosure of personally identifiable information and other confidential or sensitive information.

Despite implementing, monitoring and regularly updating information system security measures, the Institutions may remain vulnerable to intrusion attempts by outside or internal parties, as well as data breaches resulting from employee error, negligence or malfeasance. Failure to maintain proper functionality and security of an Institution's information systems could interrupt such Institution's operations, damage its reputation, subject it to significant costs, liability claims or regulatory penalties, and could have a material adverse effect on the operations and financial condition of the Institution.

Each Institution maintains insurance coverage for losses associated with information system security breaches and failure to protect confidential business and personal information.

CLIMATE CHANGE

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The System is vulnerable to extreme fluctuations in weather temperature, damaging winds and other severe weather conditions. The Board cannot predict the timing, extent or severity of climate change and its impact on the System and the Institutions.

FORCE MAJEURE EVENTS

There are certain unanticipated events beyond the control of the Institutions that could have a material adverse impact on the generation of Gross Revenues or the management of expenses if they were to occur. These events include fire, flood, earthquake, epidemic, pandemic, adverse health conditions or other unavoidable casualties or acts of God, freight embargo, labor strikes or work stoppages, civil commotion, new acts of war or escalation of existing war conditions, sabotage, terrorism or enemy action, pollution, unknown subsurface or concealed conditions affecting the environment, and any similar causes. No assurance can be provided that such events will not occur, and, if any such events were to occur, no prediction can be provided as to the actual impact or severity of the impact on the financial condition of the Institutions.

BOND RATING

The Series 2023 Bonds are rated "Aa3" by Moody's based upon the rating agency's assessment of the creditworthiness of the System. No application was made to any other rating service for the purpose of obtaining additional ratings on the Series 2023 Bonds. A rating reflects only the view of the rating agency giving such rating. An explanation of the significance of such rating may be obtained from the rating agency furnishing the same.

There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of the rating agency, circumstances so warrant. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the Series 2023 Bonds. The Underwriter has undertaken no responsibility either to bring to the attention of the Series 2023 Bondholders any proposed revision or withdrawal of any rating of the Series 2023 Bonds, or to oppose any such proposed revision or withdrawal.

TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the Series 2023 Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Board has covenanted to comply with all requirements that must be satisfied in order for the interest on the Series 2023 Bonds to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Series 2023 Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2023 Bonds.

Subject to the Board's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Series 2023 Bonds is excludible from the gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the *"Code"*). For tax years beginning after December 31, 2022, interest on the Series 2023 Bonds may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the Board with respect to certain material facts within the Board's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Series 2023 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2023 Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the *"OID Issue Price"*) for each maturity of the Series 2023 Bonds is the price at which a substantial amount of such maturity of the Series 2023 Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Series 2023 Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the Series 2023 Bonds is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Series 2023 Bonds (the *"OID Bonds"*) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Board complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Series 2023 Bonds who dispose of Series 2023 Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Series 2023 Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase Series 2023 Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Series 2023 Bond is purchased at any time for a price that is less than the Series 2023 Bond's stated redemption price at maturity, or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the *"Revised Issue Price"*), the purchaser will be treated as having purchased a Series 2023 Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Series 2023 Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Series 2023 Bond. Purchasers of the Series 2023 Bonds should consult their own tax advisors regarding the potential implications of market discount with respect to the Series 2023 Bonds.

An investor may purchase a Series 2023 Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Series 2023 Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Series 2023 Bond. Investors who purchase a Series 2023 Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Series 2023 Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Series 2023 Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Series 2023 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Series 2023 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Series 2023 Bonds. If an audit is commenced, under current procedures the Service may treat the Board as a taxpayer and the Series 2023 Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Series 2023 Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Series 2023 Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Series 2023 Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Series 2023 Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

LITIGATION

At the time of delivery of the Series 2023 Bonds, the Board will certify that there is no litigation or other proceeding pending or, to the knowledge of the Board, threatened in any court, agency or other administrative body restraining or contesting the issuance of the Series 2023 Bonds or the pledge of Net Revenues, or in any way affecting the validity of any provision of the Bond Resolution or the Series 2023 Bonds.

LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Series 2023 Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, who has been retained by, and acts as Bond Counsel to, the Board. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Series 2023 Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of Piper Sandler & Co. ("*Underwriter*"), reviewed the statements under the captions "SUMMARY STATEMENT—Security and Source of Payment," "—Rate Covenant" and "—Prior Parity Bonds," "THE SERIES 2023 BONDS," "SECURITY FOR THE SERIES 2023 BONDS," "FUTURE PARITY BONDS FOR OTHER INSTITUTIONS," "TAX MATTERS" and APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION." This review was undertaken solely at the request and for the benefit of the Underwriter and did not include any obligation to establish or confirm factual matters set forth herein.

Certain legal matters will be passed upon for the Board by its counsel, Nathan D. Lukkes, and certain matters will be passed upon for the Underwriter by SJ Gray Law LLC, Chicago, Illinois.

CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with certain provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "*Rule*") with respect to the Series 2023 Bonds, the Board will agree in a Continuing Disclosure Agreement to submit certain annual financial information and notices of certain events to the Electronic Municipal Market Access ("*EMMA*") system maintained by the Municipal Securities Rulemaking Board. The proposed form of the Continuing Disclosure Agreement is included as Appendix D to this Official Statement. The Continuing Disclosure Agreement may be enforced by any beneficial or registered owner of the Series 2023 Bonds, but the Board's failure to comply will not be a default under the Bond Resolution.

A failure by the Board to comply with the Continuing Disclosure Agreement must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2023 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2023 Bonds and their market price.The Board has previously entered into similar continuing disclosure agreements with respect to certain of its Outstanding Bonds.

The Board believes that it is in compliance in all material respects with its filing requirements under all of its continuing disclosure agreements.

The Board has created the position of Financial Compliance Officer to assist the Board in meeting its disclosure obligations under the Board's various continuing disclosure agreements. The Financial Compliance Officer will be responsible for all of the Board's EMMA filings.

UNDERWRITING

The Series 2023 Bonds are being purchased, subject to certain conditions, by the Underwriter pursuant to a Bond Purchase Agreement between the Board and the Underwriter.

The Underwriter has agreed to purchase all, but not less than all, of the Series 2023 Bonds at a price of $___________, representing the principal amount of the Series 2023 Bonds, plus an [net] [original issue premium/discount] of $_____________, less the Underwriter's discount of $____________, and to make a bona fide public offering of the Series 2023 Bonds at not in excess of the public offering prices set forth on the inside front cover page hereof. The Underwriter will purchase all of the Series 2023 Bonds if any are not purchased.

The Underwriter has entered into a distribution agreement ("*Distribution Agreement*") with Charles Schwab & Co., Inc. ("*CS&Co*") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase the Series 2023 Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Series 2023 Bonds that CS&Co. sells.

FINANCIAL STATEMENTS

The Board maintains funds and accounts for each Institutional System under the Bond Resolution. Set forth as Appendix E to this Official Statement are the Financial Statements of the Housing and Auxiliary Facilities System Revenue Bond Funds (the "*Financial Information*") for the Fiscal Years Ended June 30, 2022 and 2021 (unaudited), which present the financial position and results of financial activity of such funds and accounts for the periods indicated. The financial statements report the combined activity of the funds and accounts established under the Bond Resolution for each Institutional System on a cash basis and include supplementary statements for each Institutional System separately. The funds and accounts included in the financial statements are the Housing and Auxiliary Facilities Revenue Fund, the Bond and Interest Sinking Fund Account and the Repair and Replacement Reserve Account. See "SECURITY FOR THE SERIES 2023 BONDS" and "APPENDIX B –SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – FLOW OF FUNDS," and APPENDIX E – FINANCIAL STATEMENTS OF THE HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BOND FUNDS FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021 (UNAUDITED)."

The financial statements included in Appendix E are not audited but are accompanied by an independent accountant's report on applying agreed upon procedures. The procedures performed by the independent accountant were agreed to by management of the Board solely to assist the Board in evaluating its compliance with its covenants under the Bond Resolution. No opinion has been expressed by the accountant with respect to internal controls or an audit of the financial statements.

THE SERIES 2023 BONDS ARE OBLIGATIONS OF THE BOARD PAYABLE ONLY IN ACCORDANCE WITH THE TERMS THEREOF AND ARE NOT OBLIGATIONS GENERAL, SPECIAL, OR OTHERWISE, OF THE STATE OF SOUTH DAKOTA. THE SERIES 2023 BONDS DO NOT CONSTITUTE A DEBT, LEGAL OR MORAL, OF THE STATE OF SOUTH DAKOTA, AND ARE NOT ENFORCEABLE AGAINST THE STATE, NOR WILL PAYMENT THEREOF BE ENFORCEABLE OUT OF ANY FUNDS OF THE BOARD, OR OF ANY INSTITUTION, OTHER THAN THE INCOME AND REVENUES PLEDGED AND ASSIGNED TO, OR IN TRUST FOR THE BENEFIT OF, THE BONDHOLDERS.

MISCELLANEOUS

The foregoing descriptions or summaries of the Series 2023 Bonds and the Bond Resolution and all references to other materials not purporting to be quoted in full are only brief outlines of some of the provisions therein and do not purport to summarize or describe all of the provisions thereof. Reference is hereby made to such instruments and other materials for the complete provisions thereof, which may be examined, or copies of which will be furnished, upon request to the Board, Office of the Executive Director, 306 East Capitol Avenue, Suite 200, Pierre, South Dakota 57501-2545.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, including statements of belief, and any estimates are intended as such and not as representations of fact.

AUTHORIZATION

The Board has authorized the distribution of this Official Statement.

At the time of the delivery of the Series 2023 Bonds, the Board will furnish a certificate executed by the Executive Director stating that, to the best knowledge of such person, this Official Statement did not (as of the date hereof) and does not (as of the date of the delivery of the Series 2023 Bonds) contain any untrue statements of a material fact or omit to state any material fact required to be stated herein, or necessary in order to make the statements made herein, in the light of the circumstances under which they were made, not misleading (except for information relating to DTC).

SOUTH DAKOTA BOARD OF REGENTS

By ____
Executive Director, South Dakota Board of Regents

APPENDIX A

SOUTH DAKOTA BOARD OF REGENTS AND SOUTH DAKOTA HIGHER EDUCATIONAL INSTITUTIONS

GENERAL DESCRIPTION

GOVERNANCE

Control of higher educational institutions in the State of South Dakota is vested in the Board of Regents (the "*Board*").

The Board's duties and responsibilities are described by statute (South Dakota Codified Law Ch. 13-49 through 13-56):

The Board shall have power to establish such departments and courses of study in the institutions under its control as it may think best, to determine what textbooks shall be used, and what requirements for the admission and graduation of students shall be maintained.

The Board shall have power to enact and enforce all rules and regulations, not in conflict with any law, and deemed necessary by it for the wise and successful management of the institutions under its control and for the government for students and employees therein.

The Board may delegate provisionally to the president, dean, superintendent, or faculty of any school under its control, so much of the authority conferred by Section 13-54-4 as in its judgment seems proper and in accordance with usual custom in such cases.

The Board is authorized to confer all scholastic honors and degrees usually granted by such boards; and all degrees, diplomas and certificates of graduation shall be issued and conferred in its name and by its expressed authority. In conferring degrees the Board shall conform as nearly as may be to the best and most reputable current practice in such matters. Students shall be graduated from each institution by the Board upon recommendation of the faculty of such institution.

ADMINISTRATION

The Board's institutions are managed by presidents appointed by the Board and by chief business, research, student and academic vice presidents of each component institution. The chief administrative officers at all of the component institutions report to the Board through Dr. Brian L. Maher, Executive Director and CEO, and meet six times per year. The president prepares annual operating budgets, capital expenditure budgets, maintenance and repair plans, reports and requests for submission to the Board and conducts the ongoing affairs of his or her institution.

Following is summary biographical information relating to each member of the Board, the administrative officers of the Board and the presidents of the component institutions:

BOARD OF REGENTS

President of Board **Pam Roberts**

Pam Roberts of Pierre, holds a bachelor's degree in commercial economics from South Dakota State University. She retired from state government after a career in senior leadership roles serving on the cabinet of five South Dakota governors, including positions as state labor secretary, state personnel commissioner, and chief of operations. Roberts and her husband, Clay, operate their family's ranch in Stanley and Lyman counties. Appointed by Governor Daugaard in 2016 and reappointed by Governor Noem in 2022, her term will expire in 2028.

Vice President of Board **Jim Thares**

Jim Thares of Aberdeen, is the founder and CEO of Primrose Retirement Communities, an Aberdeen company founded in 1989 that currently operates 35 senior living communities in 16 states. He has also worked in hotel development and as a certified public accountant. Thares is a graduate of Moorhead State University, where he earned his degree in accounting. Appointed by Governor Daugaard in 2017, his term will expire in 2023.

Secretary of Board **Tim Rave**

Tim Rave, Baltic, is president and CEO of the South Dakota Association of Healthcare Organizations. He served in both chambers of the South Dakota Legislature, first in the House of Representatives from 2003-11, where he became Speaker of the House, and later in the Senate from 2011-15, where he was the majority leader. Rave attended South Dakota State University and graduated from the University of Sioux Falls. Appointed by Governor Noem in 2021, his term will expire in 2027.

Student Board Member **Brock Brown**

Brock Brown, Lake Norden, is enrolled in the Juris Doctor program at the University of South Dakota Knudson School of Law, which he plans to complete in May 2025. At USD Law, Brown serves as the 1L SBA Class President and on the Federalist Society Board. In 2022, Brown completed his undergraduate education at South Dakota State University in political science and history. While at SDSU, Brown was the Residence Hall Association President, Students' Association Senator, Students' Association Executive Board Member, and South Dakota College Republicans Chairman. Appointed by Governor Noem in 2020 and reappointed in 2022, his term will expire in 2024. After graduation, Brown plans to practice law.

Board Member **John W. Bastian**

John W. Bastian of Belle Fourche, holds a bachelor's degree in political science from South Dakota State University and a J.D. degree from Hamline University School of Law. He was a circuit court judge for the Fourth Judicial Circuit for 20 years and retired in 2013. Prior to that service, he spent 10 years in the attorney general's office as an appellate attorney and prosecutor. Bastian is also a veteran of the United States Air Force. He serves part-time with the South Dakota Unified Judicial System and is assigned to preside over cases in the Fourth, Sixth and Seventh Judicial Circuits. Appointed by Governor Daugaard in 2014 to complete the term of the late Randy Morris, his third term will expire in 2028.

Board Member **Jeff Partridge**

Jeff Partridge, Rapid City, is president of Partridge Financial Services. He served on the Rapid City Common Council from 2003-05, including a term as the council's vice president. Partridge was on the legislature's budget-setting Joint Appropriations Committee for six years, while serving terms in the House of Representatives from 2015-17 and in the Senate from 2017-21. He is a graduate of Augustana University. Appointed by Governor Noem in 2021, his term will expire in 2027.

Board Member **Joan Wink**

Joan Wink is a professor emerita of California State University, Stanislaus. In addition, Joan has been an adjunct professor at Black Hills State University, South Dakota State University, and The College of New Jersey in Mallorca, Spain. Joan began a six-year term to the South Dakota Board of Regents in April 2017. Throughout her career, she has focused on languages, literacy, and learning in pluralistic contexts. Dr. Wink completed her Ph.D. in Curriculum and Instruction (Texas A&M, 1991); two masters' degrees from the University of Arizona (Spanish, 1981; Educational Foundations/Bilingual, 1985); and a Spanish and English undergraduate degree from Yankton College, SD, 1966. During her experiences in K-12 public education, Joan taught Spanish, English, reading, language arts in junior and senior high school in Pennsylvania, Arizona, Texas, and California. She directed federal grants and was the bilingual/ESL/migrant education coordinator in California. Joan continues consulting, writing, and speaking nationally and internationally. Joan maintains an active website (joanwink.com) and a blog, *WinkWorld,* (http://www.joanwink.com/wink-world/). She has published widely in scholarly journals and is the author of *Critical Pedagogy: Notes from the Real World* (4 editions)*, A Vision of Vygotsky* with LeAnn Putney, and *Teaching Passionately: What's Love Got to Do with It?* with Dawn Wink. Joan's most recent book is *The Power of* Story links libraries and literacies through the power of story, both oral and written. Libraries Unlimited/ABCLIO published this book in 2018.

Administrative Officers

Executive Director and CEO **Dr. Brian L Maher**

Brian L. Maher was appointed June 24, 2020, to lead South Dakota's six public universities and two special schools as the Board of Regents' executive director and chief executive officer. Dr. Maher began his duties with the Board of Regents in the Pierre central office July 6, 2020.

Dr. Maher's experience in educational administration includes 21 years as a superintendent of K-12 school systems. He came to the Board of Regents after five years as superintendent of the Sioux Falls School District, South Dakota's largest public school district serving more than 23,000 students. He was superintendent of schools in two Nebraska districts, Kearney and Centennial, from 1999 to 2015.

A Nebraska native, he also worked as a school principal and began his career in education teaching mathematics, computer science, and physics. He was honored as Nebraska's superintendent of the year in 2015.

He holds a doctorate in educational administration from the University of Nebraska and a master's degree, also in educational administration, from the University of Nebraska at Omaha. His bachelor's degree in mathematics education is from Midland Lutheran College (now Midland University) in Fremont, Neb. Maher's family includes his wife, Peg, and together they have three grown children, Lindsey, Brett, and Maggie.

Vice-President of Finance and Administration **Heather K. Forney, CPA**

Heather Forney started with the Board of Regents in 2009 working in the finance area and left in 2014 to take on the role of controller at the South Dakota School of Mines & Technology (SDSMT). She was promoted to Vice President of Finance and Administration at SDSMT prior to her return to the Board office in September of 2020 as the System VP of Finance and Administration. In addition to her previous work for the Board of Regents, she acted as the deputy executive director for the South Dakota Public Utilities Commission, served in academia as an adjunct instructor of economics and accounting, and worked in public accounting. She holds master's and bachelor's degrees in accounting, both from the University of

South Dakota and is a Certified Public Accountant. She has been involved in all aspects of South Dakota higher education finances, including management of components of the auxiliary system for over a decade.

PRESIDENTS

President - Black Hills State University **Dr. Laurie Stenberg Nichols**

Dr. Laurie Stenberg Nichols is the 11th president of Black Hills State University in Spearfish, South Dakota. Prior to this appointment, Nichols led the University of Wyoming as its 26th president, the first woman to hold this post. From 2009 to 2016 she served as provost and vice president for academic affairs at South Dakota State University. From 1994 to 2009 she was dean of family and consumer sciences at South Dakota State University. In 2008 she was tapped to be the interim president at Northern State University. President Nichols was an American Council on Education (ACE) fellow, class of 2006-2007. Prior to that, she taught at secondary and post-secondary levels in South Dakota, Colorado, Nebraska, Ohio, Idaho, and Iowa.

A native of Colman, S.D., Nichols received her undergraduate degree in home economics education from South Dakota State University. She holds a master's of education degree in vocational and adult education from Colorado State University and a Ph.D. in family and consumer sciences education/family studies from The Ohio State University.

President - Dakota State University **Dr. Jose-Marie Griffiths**

Dr. José-Marie Griffiths is President of Dakota State University in Madison, South Dakota. President Griffiths has spent her career in research, teaching, public service, corporate leadership, economic development, and higher education administration. She has served in presidential appointments to the National Science Board, the U.S. President's Information Technology Advisory Committee, and the U.S. National Commission on Libraries and Information Science. She was also a member of the National Security Commission on Artificial Intelligence, part of the John S. McCain National Defense Authorization Act for 2020, where she served as chairman of the Workforce Subcommittee. In 2022, Griffiths was named one of the Top 50 Women in AI by Inspired Minds. In early 2022, she was named an expert advisor for the Special Competitive Studies Project (SCSP). In 2021, she was named a member of the CNAS Task Force on Artificial Intelligence and National Security. She has led projects for over 28 U.S. Federal agencies including the National Science Foundation, National Institutes of Health, Department of Energy, National Institutes of Science and Technology, NASA, and military and intelligence agencies. She has also carried out projects with over 20 major corporations such as AT&T Bell Laboratories and IBM. President Griffiths has received over 20 significant awards in science, technology, teaching and the advancement of women in these fields.

President - Northern State University **Dr. Neal Schnoor**

Dr. Neal H. Schnoor became the 18th president of Northern State University in July 2021. Prior to his time at Northern, Dr. Schnoor served as chief of staff at the University of California State Long Beach (CSULB) where he collaborated on a number of priorities with campus an community leaders including fiscal and capital planning, academic and student services, program accreditation, and development. He represented CSULB on the board of the Los Angeles Economic Development Corporation and Long Beach Economic Partnership. He also served as the first chief compliance officer at the University of Nebraska at Kearney (UNK) and served as the Dean for the School of Education and Counseling at Wayne State College (WSC). Prior to his role as the Dean, Dr. Schnoor was a faculty member at UNK where he taught an array of graduate and undergraduate courses and served as the director of bands. He has co-led institutional strategic planning, developed campus master plans, initiated an online curriculum and instruction master's degree, and led a comprehensive renewal and revision of teacher education programs at WSC.

President - South Dakota School of Mines &Technology **Dr. James Rankin**

James (Jim) Rankin, PhD returned to his alma mater as the 19th president of South Dakota School of Mines & Technology. A South Dakota native from Draper and Fort Pierre, Rankin graduated from SD Mines in 1978 with a Bachelor of Science degree in electrical engineering. Prior to returning to Mines, Dr. Rankin's leadership as vice-provost for research and economic development at the University of Arkansas generated more than 50 start-up companies and significantly increased annual external funding to $103 million. He led efforts to develop the institution's first strategic plan in research and economic development, instituted several faculty recognition programs, and developed an expedited industry contracting process. Previously at Ohio University, Rankin was interim vice president for research, associate dean, professor of electrical engineering, and director of the Avionics Engineering Center. He has also been a professor at St. Cloud State University and an engineer at Rockwell-Collins. Rankin's personal research has been funded by numerous NASA and FAA grants. His Ph.D. and master's degrees in electrical engineering were earned at Iowa State University.

President - South Dakota State University **Dr. Barry H. Dunn**

Barry H. Dunn became the 20th president of South Dakota State University in April 2016. The latest HLC report indicate Dunn led SDSU through a successful accreditation which granted the university its strongest report in decades. Since his inauguration, Dunn has led several key initiatives for SDSU to include the strategic plan, Imagine 2023 to embrace our core values, people-centered leadership, creativity, integrity, diversity and excellence, to fulfill our mission to be a premier land-grant university. In accordance with our mission, Dunn began the Wokini Initiative to increase access to higher education for Native American students in South Dakota.

President - University of South Dakota **Sheila K. Gestring, MBA**

Sheila K. Gestring, M.B.A., became the 18th president of the University of South Dakota on June 22, 2018, after serving as chief financial officer since 2010 and a part of the USD finance staff since 2006. She is a South Dakota native, and the second USD graduate and woman to serve as president.

Gestring obtained her undergraduate degree in Accounting and Business Administration from the University of Sioux Falls and her M.B.A. from the University of South Dakota. Gestring started her career working in various finance related positions for the State of South Dakota Departments of Health, Transportation and Human Services. She moved on to become the Director, Internal Audit for the South Dakota Board of Regents. Prior to her time at USD, Gestring served as the CFO at Flathead Valley Community College in Kalispell, MT until 2006. She was an instrumental leader in the University of South Dakota Foundation's 'Onward' campaign, which surpassed over $250 million raised for student scholarships and development. Beyond her commitment to the university, Gestring has been a driving force in growing the city of Vermillion and creating a positive, symbiotic relationship between the community and university serving as past chairperson of the Vermillion Chamber and Development Corporation and a member of multiple Vermillion NOW campaigns.

COMPONENT INSTITUTIONS

A summary description of the component institutions follows:

Black Hills State University offers 23 certificates, 5 associate, 55 baccalaureate and 8 master's degree programs within 3 academic units including the College of Liberal Arts, the College of Business and Natural Sciences, and the College of Education and Behavioral Sciences.

Dakota State University offers 26 undergraduate certificates, 10 graduate certificates, 45 minors, 9 associate, 24 baccalaureate, 7 master's, and 4 doctoral degree programs within 4 academic units including the College of Arts and Sciences, the Beacom College of Computer and Cyber Sciences, the College of Business and Information Systems, and the College of Education.

Northern State University offers 25 certificate, 5 associate, 43 baccalaureate, and 12 master's degree programs housed within its academic units: the College of Arts and Sciences; the College of Professional Studies, which includes the School of Business and Millicent Atkins School of Education; and the School of Fine Arts.

South Dakota School of Mines & Technology offers 11 certificate, 1 associate, 29 baccalaureate, 19 masters, and 13 doctoral degree programs.

South Dakota State University offers 86 majors, 38 specializations, 102 minors, 39 master's degree programs, 16 doctoral programs, and two professional doctorates within 9 academic units including the College of Agriculture Food and Environmental Sciences, the College of Arts, Humanities and Social Sciences, the College of Education and Human Sciences, the College of Natural Sciences, the Jerome J. Lohr College of Engineering, the College of Nursing, the College of Pharmacy and Allied Health Professions, the Graduate School, and the Van D. & Barbara B. Fishback Honors College.

The University of South Dakota offers 66 certificate, 4 associate, 75 baccalaureate and 37 master's, and 18 doctoral degree programs in addition to 2 graduate education specialist degrees and terminal doctoral degrees in law and medicine within 8 academic units including the College of Arts and Sciences, the Beacom School of Business, the School of Education, the College of Fine Arts, the Graduate School, the Knudson School of Law, the Sanford School of Medicine, and the School of Health Sciences.

ENROLLMENT

The following are the historical headcount enrollment and FTE figures at the institutions during the past five fall semesters:

Fall Headcount Enrollment by Component Institutions

	2018	**2019**	**2020**	**2021**	**2022**
BHSU	4,035	3,858	3,608	3,539	3,425
DSU	3,382	3,268	3,186	3,219	3,241
NSU	3,493	3,427	3,431	3,340	3,344
SDSMT	2,654	2,529	2,477	2,418	2,493
SDSU	12,107	11,518	11,405	11,465	11,331
USD	10,066	9,920	9,459	9,464	9,856
TOTAL	**35,737**	**34,520**	**33,566**	**33,445**	**33,690**

**Fall Full-time Equivalent Enrollment by
Component Institutions**

	2018	2019	2020	2021	2022
BHSU	2,646	2,521	2,357	2,229	2,114
DSU	2,037	2,063	2,046	1,978	1,990
NSU	1,913	1,817	1,770	1,750	1,681
SDSMT	2,197	2,156	2,040	2,013	2,041
SDSU	9,802	9,403	9,249	9,059	9,097
USD	7,497	7,344	7,125	6,935	7,045
TOTAL	**26,093**	**25,304**	**24,586**	**23,964**	**23,969**

The following are the combined historical headcount enrollment figures for undergraduate and graduate and professional students at all of the institutions during the previous five fall semesters.

Headcount Enrollment by Undergraduate and Graduate

Fall Term	Undergraduate	Graduate and Professional	Total
2022	27,981	5,709	33,690
2021	27,752	5,693	33,445
2020	28,215	5,351	33,566
2019	29,114	5,406	34,520
2018	30,073	5,664	35,737

The following are the historical undergraduate admissions figures for the institutions for the previous five fall semesters:

Historical Undergraduate Admissions						
Fall Semesters						
	BHSU	DSU	NSU	SDSMT	SDSU	USD
2018						
First Time Undergrad:						
Applications	1,858	1,058	1,068	1,460	5,390	4,120
Acceptances	1,647	880	941	1,211	4,982	3,535
Matriculants	30%	46%	36%	38%	44%	41%
Transfers:						
Applications	1,858	519	220	203	1,110	1,135
Acceptances	1,647	417	184	119	914	883
Matriculants	30%	60%	52%	57%	55%	60%
2019						
First Time Undergrad:						
Applications	2,182	1,343	1,392	1,501	5,731	4,327
Acceptances	1,825	1,094	1,179	1,155	5,121	3,690
Matriculants	28%	38%	29%	41%	40%	34%
Transfers:						
Applications	376	394	163	168	829	759
Acceptances	301	317	135	109	664	570
Matriculants	63%	67%	67%	63%	58%	60%
2020						
First Time Undergrad:						
Applications	1,366	936	1,002	1,328	5,206	3,254
Acceptances	1,093	809	793	1,137	4,644	2,977
Matriculants	40%	47%	41%	40%	43%	38%
Transfers:						
Applications	303	333	180	178	743	543
Acceptances	229	274	121	120	609	440
Matriculants	70%	61%	62%	49%	59%	65%
2021						
First Time Undergrad:						
Applications	1,603	936	1,186	1,445	5,783	4,165
Acceptances	1,314	843	961	1,163	5,046	3,635
Matriculants	34%	43%	34%	42%	39%	32%
Transfers:						
Applications	335	277	162	178	921	681
Acceptances	249	232	101	124	737	459
Matriculants	70%	69%	63%	59%	51%	63%

Historical Undergraduate Admissions Fall Semesters (continued)						
	BHSU	DSU	NSU	SDSMT	SDSU	USD
2022						
First Time Undergrad:						
Applications	1,809	1,208	1,277	1,514	6,302	5,157
Acceptances	1,470	1,006	1,016	1,252	5,443	4,326
Matriculants	81%	83%	80%	83%	86%	84%
Transfers:						
Applications	323	318	185	178	866	772
Acceptances	245	273	117	130	711	452
Matriculants	76%	86%	63%	73%	82%	59%

The non-resident student population has grown from 7,714 students representing 25.1% of the student population in fall 2005, to 13,114 or 38.8% of the student population for fall 2022. Recruiting and retaining non-resident students is one of the Board's strategic goals in order to meet the State's workforce needs and to offset the aging population. The Institutions recruit heavily throughout the Midwest as well as in states where demand exceeds capacity. The following table sets forth, by percentage, a breakdown of the System's enrollment by residency classification for the previous five fall semesters:

	2018	**2019**	**2020**	**2021**	**2022**
In-State Students	62.0%	61.8%	61.8%	62.2%	61.2%
Out-of-State Students	33.6	34.1	34.9	34.3	34.8
Foreign Students	4.4	4.1	3.3	3.4	4.0
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

In fall 2022, South Dakota's overall college enrollment increased slightly. This is the first increase in overall college enrollment since 2018.

Institution Enrollments

	Actual 2012-13	**Actual 2022-23**	**Percent Change**
Headcount	36,430	33,690	-7.5%
Full-Time Equivalents	26,468	23,969	-9.4%

Enrollments for fall 2022 at the Institutions increased slightly compared to fall 2021, increasing by less than one percent. Headcount enrollment increased by 245 students, or 0.73%, compared to 2021. The number of full-time equivalent students being served increased by 5 students or 0.02% from 2021. Given the very low unemployment rates, coupled with the coronavirus pandemic, decreases in enrollment were not surprising. Increasing student retention, growing the non-traditional student population, improving graduation rates, and recruiting non-residents have been key components of the enrollment management strategy of the Board.

In light of the uncertainty of the coronavirus pandemic, enrollments at the Institutions were relatively stable, and even grew in some areas. The number of graduate students increased, as did the number of students wishing to remain close to home, with campuses seeing a record number of students from the region.

The retention rates for campuses have been improving since the Board began to track and reward institutions for improvements. The retention rate for new degree seeking students from fall 2006 to fall 2007 was 70% for the Institutions. That has increased to 81.8% for new degree-seeking students retained from fall 2021 to fall 2022. The 81% retention rate has remained steady for the last few years. (Source: Regents Information Systems.) Nationally, the student retention rate at 4-year public institutions is 75.6% for fall 2021, the most recent data available. (Source: NCES IPEDS Data Center.)

The Board and the Institutions have made distance education a priority to reach more place-bound and non-traditional students. The Board has focused on distance education opportunities by encouraging the growth of distance programs and building educational centers in three population centers in the state. The System enrolled nearly 30,000 students in distance education courses in fall 2022 at the Institutions, an increase of 6.2% over fall 2018. This growth represents an investment by the Institutions in offering more courses and programs via distance and the significant change to hybrid and distance offerings as a result of the coronavirus pandemic. Distance education uses a variety of delivery mechanisms, primarily through the internet and the Digital Dakota Network and the off-campus centers in Sioux Falls, Pierre, and Rapid City.

Distance Education Enrollments Fall 2018 – Fall 2022

Enrollment Measurement	**2018**	**2019**	**2020**	**2021**	**2022**	**5-Year Change**
Unduplicated Headcount	15,136	13,716	21,379	15,637	16,074	6.20%
Total Enrollment	27,557	24,272	44,604	28,777	29,433	6.81%
Total Credit Hours	76,337	65,444	121,001	78,703	80,593	5.58%

FACULTY AND EMPLOYEES

The number of faculty and employees budgeted by the component institutions of the System as of July 1, 2022, the most recent date for which such information is available is set forth in the following table:

	Faculty and Employees
Faculty (FTE)	1,631
All Other Employees (FTE)	3,425
Subtotal	5,056
Board Administration (FTE)	27
Total	5,083

FINANCIAL INFORMATION

The table below reflects the Condensed Combined Balance Sheet of the Institutions at June 30, 2020, 2021 and 2022.

Condensed Combined Balance Sheet of the Institutions
(In Thousands)

	2020	2021	2022
Assets & Deferred Outflows:			
Current Assets	$ 409,662	$ 448,278	$ 538,203
Restricted Assets	245,866	210,897	214,741
Other Noncurrent Assets	427,814	608,147	768,830
Capital Assets, Net	1,301,359	1,407,908	1,431,042
Deferred Outflows	130,011	114,712	155,941
Total Assets & Deferred Outflows	$ 2,514,712	$ 2,789,942	$ 3,108,757
Liabilities & Deferred Inflows:			
Current Liabilities	162,523	151,701	243,582
Noncurrent Liabilities	597,437	590,632	556,318
Deferred Inflows	26,229	81,519	200,570
Total Liabilities & Deferred Inflows	$ 786,189	$ 823,852	$ 1,000,470
Net Position:			
Invested in Capital Assets, Net of Related Debt	814,467	917,210	949,225
Restricted for Pensions	95,667	19,690	45,733
Restricted	675,365	847,147	929,248
Unrestricted	143,024	182,043	184,081
Net Position	$ 1,728,523	$ 1,966,090	$ 2,108,287

The following table presents the Combined Statement of Revenues, Expenses and Changes in Net Assets of the institutions (Unaudited) for the fiscal years ended June 30, 2020, 2021 and 2022.

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION OF THE INSTITUTIONS
(In Thousands)

	2020	2021	2022
Operating Revenue:			
Tuition and Fees (net of discounts and allowances for scholarships of $45,739)	$253,926		
Tuition and Fees (net of discounts and allowances for scholarships of $47,606)		$235,405	
Tuition and Fees (net of discounts and allowances for scholarships of $45,557)			$232,728
Use of Money and Property			
Sales and Services (net of discounts and allowances for scholarships of $13,866)	120,706		
Sales and Services (net of discounts and allowances for scholarships of $12,626)		103,750	
Sales and Services (net of discounts and allowances for scholarships of $10,936)			125,095
Administering Programs	118,099	111,496	119,056
Other Revenue	71,656	107,019	67,821
Total Operating Revenue	$564,387	$557,670	$544,700
Operating Expenses:			
Personal Services and Benefits	$473,614	$478,417	$426,066
Travel	21,694	6,531	17,162
Contractual Services	127,842	117,269	126,084
Supplies and Materials	61,281	55,983	68,883
Grants and Subsidies	38,836	44,587	54,031
Other	2,113	2,933	4,214
Interest	62	346	257
Depreciation/Amortization	58,665	63,684	68,736
Total Operating Expenses	$784,107	$769,750	$765,433
Operating Income (Loss)	($219,720)	($212,080)	($220,733)
Non-operating Revenue (Expenses):			
Gain/(Loss) on Disposal of Assets	$4,345	($73)	($480)
Realized Gain on Defeasance of Bonds	0	0	0
Interest Income	(1,760)	67,317	44,123
Interest Expense	(21,156)	(16,272)	(15,965)
Other Expense	(19,352)	(17,535)	(18,157)
State Aid from Primary Government	213,843	228,207	242,751
Federal Appropriation	6,861	5,564	5,427
Grant and Other Income	30,629	68,628	68,622
Depreciation	0	0	0
Total Non-operating Revenue (Expenses)	213,410	$335,836	326,321

Income (Loss) Before Capital Grants	($6,310)	$123,756	$105,588
Capital Grants	14,301	4,417	4,071
Additions to Endowments and Special Items	19,077	28,035	43,084
Change in Net Position	$27,068	$156,208	$152,743
Net Position at Beginning of Year, restated	$1,701,981	$1,808,352	$1,966,090
Net Position at End of Year	$1,728,523	$1,966,090	$2,108,286

STATE APPROPRIATIONS

The operations of the Institutions are dependent upon the continued support of the State through appropriations of general fund revenues. The State Legislature is a part-time body that meets annually and appropriates funds on a fiscal year basis, July 1 through June 30. The State Legislature appropriated $258.4 million in general funds for the Board of Regents Institutions for the 2022-2023 fiscal year. The total FY23 budget for the System was $856 million.

The higher education budget in South Dakota tends to be a base plus budget with no current formulas or statutes governing the funding levels. The State Legislature funds targeted appropriations by adding them to the base budgets of the institutions. State funding support over the last decade has focused on the ability of higher education to grow the State's economy through research and providing an educated workforce to drive the state's economy and meet the needs of the state's citizens.

The State support of higher education grew at an average rate of 4.5% from fiscal year 2000 to fiscal year 2009. Similar to other states, starting in fiscal year 2010 the State began to experience a downturn in the economy and the public universities budget was cut by $12.2 million (-7.9%). All but $700,000 of this was replaced with federal American Recovery and Reinvestment Act ("*ARRA*") funding. In fiscal year 2011, the budget was again cut by $2.4 million (-1.7%). The cuts for fiscal year 2010 and fiscal year 2011 were both backfilled with tuition funding. The fiscal year 2012 base State budget was cut by $14.1 million or a 10.3% reduction of State funding. A similar reduction in funding was made across state government to balance the State's budget. Tuition was used to backfill $9.1 million of the Board's cut with a final cut of $5.6 million.

While the Institutions experienced a reduction in state funding from fiscal year 2010 to fiscal year 2012, the System only suffered an actual loss in revenue of about $3.0 million (-1.9%) when considering tuition revenue increases related to rate increases and enrollment growth. In fiscal year 2013, higher education received $1.4 million (0.9%) in new State funding. The "ARRA" funding was replaced with State dollars totaling $10.6 million and a $4.5 million employee compensation package was appropriated giving the Board of Regents a total increase in State funding of $16.6 million (11%). In fiscal years 2014 and 2015, the general fund increase totaled $12.6 million and $13.4 million respectively or a 7.5% increase in both FY14 and FY15. In FY16, the general fund increase of $7.3 million (3.8%), equated to about half the previous fiscal year's increase.

Numerous initiatives and a $4.2 million salary package equated to a general fund increase of $10.7 million (5.3%) in FY17. Base budgets cuts were required across state government in FY18, with the System taking a $3.5 million (-1.7%) cut in general funds. By FY19, the general fund allocation to the System was restored beyond the FY18 cuts and increased by a total of $4.8 million (2.3%) which included a salary package of $1.9 million. FY20 saw continued general funds growth of $10.8 million (4.8%) which included a $7.2 million salary package for the Board of Regents. Another $4.0 million (1.79%) was allocated in the System's FY21 general funds budget with, again, the majority of this base funding applied toward a salary package. The Board of Regents saw an additional $7.7 million (3.37%) in general funds in FY22, with nearly half of that funding applied toward a $3.6 million salary package. With the State in great financial health coming out of the COVID-19 pandemic, the Legislature was able to allocate over $22.4 million (9.51%) in additional base general funds to the Board of Regents for FY23. Of this $22.4 million, there was $8.6 million dedicated specifically for a tuition freeze and another $10.8 million for a salary package.

Future levels of State support are dependent upon the ability and willingness of the State Legislature to make appropriations to the institutions taking into consideration the availability of financial resources and other potential uses of such resources.

TUITION AND FEES

The Board adopted a strategic plan in 2014 that identified affordability as one of four strategic goals. To that end, the Board has been focused on minimizing tuition increases for resident students. For FY15-FY18, the Board requested the funding from the State to freeze tuition including funding to cover mandatory cost increases related to the salary and benefit package, and inflation on operating expenses. The request was funded for FY15, FY17, and FY23 and resident on-campus students did not see an increase in tuition and mandatory fees for those years. There were no tuition increases in FY21 to help students manage the difficulties surrounding COVID-19. Off-campus and distance delivery rates were also saw no increases from FY22 to FY23.

Following is a table showing the total tuition and fees charged by each institution for a full-time student for academic year 2022-23.

Tuition and Fees for Full-time Students

Academic Year 2022-23

	Undergraduate Resident	Undergraduate Nonresident	Graduate Resident	Graduate Nonresident
BHSU	$ 8,763	$11,865	$8,916	$15,850
DSU	9,633	12,735	8,974	15,907
NSU	8,844	11,946	8,981	15,914
SDSMT	10,167	14,592	9,324	17,516
SDSU	9,293	12,809	9,384	16,918
USD	9,432	12,942	9,491	17,024

Prior to fiscal year 2007, the Board offered students from 14 states that were part of an interstate compact a reduction in non-resident tuition rates. The non-resident rate for states in the compact was 150% of the resident rate. All other non-resident students paid 320% of the resident tuition rate. Starting in fiscal year 2007, the Board reduced the non-resident rate for all states to 150%. The Institutions aggressively recruited in target states and grew their non-resident enrollments. The Board monitored the revenues through fiscal year 2010 and found that enrollments were offsetting the reduced rate, and in fact overall revenues were increasing. The Board authorized an adjacent state tuition program offering new freshman and new transfer students from Wyoming, Montana, North Dakota, Nebraska, Iowa, and Colorado a tuition rate equivalent to the resident undergraduate rate set for each university starting summer 2020. Starting in the summer of 2023 two more states were added to this program, Illinois and Wisconsin. On-campus non-resident enrollments increased from 25% of total headcount in fiscal year 2006, to 45.1% in fiscal year 2018, an increase of 3,558 students.

While many states have experienced double digit tuition and fee increases over the last decade, the Board has been very conscious of student affordability. The Board monitors the cost in the surrounding states and looks closely at resident and non-resident costs. Beginning in FY13 the Board changed the number of credit hours required for graduation from 128 credits to 120. The average tuition and fee increase over the last six years for an undergraduate resident has been 1.60%.

History of Tuition and Fee Rates
Undergraduate Resident

	Average Cost	$ Change	Percent Change
FY05	4,903.77	352.31	7.7
FY06	5,178.22	274.44	5.6
FY07	5,580.67	402.45	7.8
FY08	5,951.55	370.88	6.6
FY09	6,474.33	522.78	8.8
FY10	6,904.08	429.75	6.6
FY11	7,217.27	313.18	4.5
FY12	7,721.05	503.78	6.9
FY13	7,675.61	(45.43)	(.6)
FY14	8,038.50	362.89	4.7
FY15	8,038.50	0.00	0.0
FY16	8,475.00	436.50	5.4
FY17	8,503.75	28.75	0.3
FY18	8,811.33	307.58	3.6
FY19	9,018.00	206.67	2.3
FY20	9,298.67	206.67	3.1
FY21	9,298.67	0.00	0.0
FY22	9,356.17	57.50	0.6
FY23	9,356.17	0.00	0.0
		Average Increase	3.90%

The State began to fund the South Dakota Opportunity Scholarship Program in fiscal year 2005. The scholarship program is the first state-funded merit based scholarship program. The scholarship value was $5,000 over four years. For students starting in FY16, the scholarship was increased from $5,000 to $6,500, or about 17% of the tuition and fees for an eligible undergraduate student over a four-year period. New students receive $1,300 for the first three years and $2,600 for the last year. As of fall 2018, there were 3,601 recipients attending all South Dakota institutions, with 2,776 at the Board of Regents' universities.

TEN YEAR CAPITAL INVESTMENT PLAN

The Board funds the maintenance and repair and any capital investments to its academic facilities by dedicating 11.5% of all tuition to the Higher Education Facilities Fund ("*HEFF*"). The creation of the fund and the uses of the dollars are provided in the South Dakota Codified Laws. Any investment in academic facilities requires approval by the South Dakota Legislature. Each year the South Dakota Legislature appropriates the funds for maintenance and repair and approves any major remodels, or new facilities through passage of legislation. In 2000, 2005 and 2012, the South Dakota Legislature approved the Board's proposed Ten-Year Capital Investment Plan. The current 2012 ten-year plan represents a principal investment of $105,000,000 of HEFF and $95,252,182 of private and federal money into academic facilities. The Board and institutions have been aggressive in investing in infrastructure and buildings to make the campuses attractive to today's demanding students. The Board's 2012 Ten-Year Capital Investment Plan follows.

2012 Ten-Year Plan Proposed Funding Schedule

10/1/2022

		Fund Sources				Bonded				Proposed Bonding
	Project	**HEFF Bonds**	**Other Bonds**	**Other Funds**	**Project Total**	**FY14**	**FY15**	**FY17**	**FY22**	**FY27**
Infrastructure Projects**										
BHSU	Infrastructure Repair and Upgrade	$4,000,000		$500,000	$4,500,000	$4,000,000				$0
DSU	Energy Efficiency and ADA Compliance	$1,275,000		$0	$1,275,000	$1,275,000				$0
NSU	Street Improvements	$600,000		$0	$600,000	$600,000				$0
SDSM&T	Utility Infrastructure	$2,740,000		$500,000	$3,240,000	$2,740,000				$0
SDSU	Utility Tunnel, Steam/Condensate Infrastruture Repair & Modernization	$7,000,000		$10,434,000	$17,434,000	$7,000,000				$0
SDSU	Utility Repairs & Upgrades - Water, Sanitary Sewer, Storm Sewer	$5,000,000		$5,043,000	$10,043,000	$0				$5,000,000
USD	Mechanical Overhaul & Modernization	$8,000,000		$2,000,000	$10,000,000	$8,000,000				$0
		$28,615,000		$18,477,000	$47,092,000	$23,615,000	$0	$0	$0	$5,000,000
Building Projects										
BHSU	Jonas Science Renovation	$1,250,000		$2,900,000	$4,150,000	$1,250,000				$0
BHSU	E. Y. Berry Library Renovation	$3,000,000		$1,500,000	$4,500,000	$0			$3,000,000	$0
DSU	Information Systems Building	$6,000,000		$5,400,000	$11,400,000	$0	$6,000,000			$0
NSU	Johnson Fine Arts Center Renovation and Addition	$5,000,000		$9,108,648	$14,108,648	$5,000,000				$0
SDSM&T	Chemistry/Chemical Engineering Renovation **	$6,040,000		$519,000	$6,559,000	$0	$6,040,000			$0
SDSU	New Headhouse & Greenhouses	$1,000,000		$3,414,000	$4,414,000	$1,000,000				$0
SDSU	Architecture, Math & Engineering	$10,000,000		$5,755,142	$15,755,142	$10,000,000				$0
SDSU	Visual Arts Facility	$7,500,000		$4,900,000	$12,400,000	$0				$7,500,000
SDSU	Performing Arts Center	$13,000,000		$35,391,807	$48,391,807	$0		$13,000,000		$0
SDSU	New Cow-Calf Research & Education Unit - Volga	$900,000	$2,000,000	$1,732,500	$4,632,500	$900,000				$0
USD	Science, Health, and Research Lab Building*	$9,695,000		$3,904,085	$13,599,085	$8,695,000				$0
USD	Patterson Hall Renovation	$5,500,000		$250,000	$5,750,000	$6,500,000				$0
USD	Allied Health Facility	$7,500,000		$0	$7,500,000	$0			$7,500,000	$0
		$76,385,000	$2,000,000	$74,775,182	$153,160,182	$33,345,000	$12,040,000	$13,000,000	$10,500,000	$7,500,000
Total Infrastructure Plus Building Projects		$105,000,000	$2,000,000	$93,252,182	$200,252,182	$56,960,000	$12,040,000	$13,000,000	$10,500,000	$12,500,000

** Other funds will come from campus HEFF M&R allocations.

NO PENSION OBLIGATIONS

Employees of the Board and the institutions participate in the State of South Dakota's pension and other postemployment benefit (OPEB) plans for which the State is responsible for making employer contributions. As such, the Board and the institutions do not carry any pension or OPEB liabilities. As of June 30, 2016, the State had no unfunded pension obligations with respect to its OPEB.

STATE AND FEDERALLY-SPONSORED RESEARCH EXPENDITURES

Federal agencies continue to provide the largest portion of funding for the institutions' research and training projects. The following table sets forth the amounts of research expenditures sponsored by federal agencies during fiscal year 2022, the last year for which such numbers are available.

FY22 Expenditures from Grants and Contracts

Restricted Non-Appropriated Current Fund Expenditures

	State	Federal*	Private	Total
BHSU	607,371	2,952,775	1,357,907	4,918,054
DSU	1,483,189	4,693,547	2,466,662	8,643,399
NSU	86,802	801,244	536,270	1,424,316
SDSMT	1,449,140	14,941,537	1,060,531	17,451,208
SDSU	1,025,296	16,117,118	1,404,492	18,546,905
USD	1,754,864	11,105,992	883,346	13,744,202
Subtotal	6,406,662	50,612,214	7,709,208	64,728,084
SSOM	1,198,432	14,254,922	665,194	16,118,548
SDSU Extension	182,332	2,883,845	351,622	3,417,799
SD AES	1,559,354	9,393,963	3,125,045	14,078,362
Total	9,346,780	77,144,944	11,851,070	98,342,794

* Federal expenditures do not include American Recovery and Reinvestment Act Stabilization dollars (the dollars that replaced general funds) or federal, state or private resources expended as scholarships or financial aid. Federal expenditures do include individual American Recovery and Reinvestment Act grants awarded to the institutions. Federal expenditure do not include COVID relief funds.

Source: Accounting System Expenditure Data

Expenditures from Grants and Contracts History

	State	Federal*	Private	Total
FY08	7,982,665	60,744,686	9,884,378	78,611,729
FY09	7,808,992	68,700,165	9,797,768	86,306,925
FY10	8,731,238	86,152,766	8,784,544	103,668,548
FY11	6,974,069	104,889,644	8,275,465	120,139,178
FY12	8,603,988	93,998,883	9,063,144	111,666,015
FY13	8,933,190	76,623,730	11,264,601	96,821,521
FY14	9,522,242	64,532,247	9,626,593	83,681,082
FY15	10,092,160	61,219,224	12,100,220	83,411,604
FY16	11,431,428	66,847,138	11,643,215	89,921,781
FY17	11,172,077	69,989,586	13,444,170	94,605,833
FY18	15,622,436	69,437,792	12,626,500	97,686,728
FY19	18,352,165	72,815,795	13,505,297	104,673,257
FY20	11,586,543	67,266,577	12,322,894	91,446,014
FY21	9,466,819	62,899,203	9,453,489	81,819,510
FY22	9,346,780	77,144,944	11,851,070	98,342,794

* Federal expenditures do not include American Recovery and Reinvestment Act Stabilization dollars (the dollars that replaced general funds) or federal, state or private resources expended as scholarships or financial aid. Federal expenditures do include individual American Recovery and Reinvestment Act grants awarded to the institutions. Federal expenditure do not include COVID relief funds.

Source: Accounting System Expenditure Data

To further support the South Dakota research agenda, the State funded ten new Ph.D. programs over the past fifteen years, including a $1.9 million investment for a joint Ph.D. program in Physics during the 2013 Legislative session. Additionally, during this time frame they began transitioning the former Homestake Gold Mine in Lead, SD, into the Sanford Underground Research Laboratory (SURF). Initially, South Dakota Scientists worked with the National Science Foundation ("*NSF*") on a long-term goal of converting SURF into a national Deep Underground Science and Engineering Laboratory, with facility operations funding responsibilities transitioning to the Department of Energy ("DOE") in 2012. The State has provided $62 million to support SURF since 2004, which has been leveraged to garner over $932 million in private and federal funding. Through continued operational funding support from the DOE, the laboratory is currently engaged in a series of preliminary experiments, which if successful will hold great promise for education, technology and research on a global scale. The Long-Baseline Neutrino Facility ("LBNF"), which broke ground in July of 2017 and is led by Fermilab, is the largest planned experiment for SURF, including 218 institutions and 1,427 collaborators from 37 countries. Facility construction for LBNF and assembly of the Deep Underground Neutrino Experiment within LBNF is estimated to exceed $682 million in federal funding.

The State has made strategic investments in research in a large part through the institutions. Research awards at the institutions have shown trending growth since FY2000, rising from $33.2 million to $118.3 million in fiscal year 2022. During this time frame, South Dakota was ranked first in the country for a number of consecutive years (2002-2005) based on its percentage growth in research awards and expenditures. From FY2006-2007, South Dakota experienced the second highest percentage of increase of research and development funding. Investments in research infrastructure through the Governor Research Center programs, Established Program to Stimulate Competitive Research ("EPSCoR"), as well as other private and federal investments have helped to generate an average of $554.9 million a year in economic impact in the state since FY2005. Technology Transfer and Commercialization activities have begun to expand over the past decade as institutions have begun to aggressively facilitate the transfer of intellectual property and innovation into the marketplace. Due to these successes, research growth continues to be a goal of the Board and the State and is emphasized in the State's new Science and Innovation Strategy. In 2020, the State Legislature appropriated $300,000 in ongoing annual funding to support the operations of research parks at SDSU, SDSM&T and USD, in addition to providing $1,000,000 in one-time funding to seed a bioprocessing research and development initiative led by SDSU and SDSM&T.

PRIVATE SECTOR CAMPAIGNS

Comprehensive fundraising efforts at various institutions are directed toward support of annual programs to address facilities expansion and renovation and establishment of endowments for instruction, research and patient care activities.

BHSU – The Black Hills State University Foundation has conducted two back-to-back successful capital campaigns raising over $71 million combined for scholarships, the alumni center and athletic facilities. The foundation is currently in the quiet phase of a $58 million campaign raising money for scholarships, an endowed faculty chair, the Laboratory Preschool facility, equipment and operational money. The campaign is in the first nine months and has raised $20.8 million thus far. The goal will be adjusted as the campaign moves along.

DSU – On April 1, 2022, Dakota State University announced the Trojans Unite Comprehensive Campaign focused on three areas: Building Champions, Cyber-Research Initiative, and Academic Success. This $250 million campaign breaks down into goals of $100 million for Building Champions, $90 million for the Cyber-Research Initiative, and $60 million for Academic Success. Included in the $100 million for Building Champions is an Athletics Events Center, which is under construction with a current commitment (funds raised) of $40 million for that facility. The $90 million for the Cyber-Research Initiative is fully funded, with funds of $30 million from the State of South Dakota, $50 million pledge from private funds, and $10 million grant from the City of Sioux Falls.

NSU – The Northern State University Foundation completed the Educational Impact Campaign in 2021. This capital campaign raised $62.7 million to fund the Athletic and Recreation Fields, which includes a football practice field, women's soccer field and pavilion; a new School for the Blind and Visually Impaired; and a Regional Sports Complex, which includes a football stadium, softball field, locker rooms and event space. With the successful completion of the capital campaign, fundraising efforts are now focused on scholarships and support of academic programs.

SDSMT – Given the priority of scholarship dollars, an increased focus will be placed on both endowed and non-endowed funds for academic and athletic scholarships over the next three to five years. The Sustainable Earth Resources Center (formally the Mineral Industries) building project has been identified as a campus priority, which the South Dakota Mines Center for Alumni Relations and Advancement (CARA) is actively discussing with donors. The Sustainable Earth Resources Center building project is designed to create an environment that supports the delivery of a multi-discipline curriculum and research program for South Dakota Mines geological engineering, geology, mining engineering, materials science, and metallurgy majors. South Dakota Mines received a $19M general fund budget approved during 2021 legislative session to support this project. The University has committed $3M from other funds and CARA is soliciting the remaining $12M required to complete the project. CARA has raised $5.4M of the $7.1M for the Surbeck Center expansion. A portion ($1M) from the Surbeck Center project was moved to the library renovation to support student success. Additionally, CARA is cultivating $22M in donations to support academic departments and student programming.

SDSU – The SDSU Foundation is in a comprehensive campaign that began in 2017 and is expected to run through April 2024. The campaign has a working goal of $500 million. The goals of the campaign were established based on priorities of South Dakota State University, as outlined in the University's strategic plan, Imagine 2023. In September 2022,the university's annual giving day, One Day for STATE, raised over $2.4 million from 5,882 donors in 24 hours to support scholarships, academic programming and student travel.

USD – Following the close of a 7-year comprehensive fundraising campaign in June 2019 which raised more than $272 million in support of the following campus-wide initiatives: $98.6 million for student scholarships; $21.1 million for the support of faculty; $79.7 million for student and program enrichment programs; and $73 million for capital projects, the University of South Dakota and the USD Foundation have continued to focus on the needs of the university, raising an additional $28.3 million during the fiscal year ended June 30, 2020, 74% of which is in support of student scholarships.

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION

The Series 2023 Bonds will be issued under the Bond Resolution. Reference is made to the Bond Resolution for complete details of the terms of the Series 2023 Bonds and the security therefor. The following is a summary of certain provisions of the Bond Resolution and should not be considered as a full statement thereof.

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APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Series 2023 Bonds, Chapman and Cutler LLP, Bond Counsel, expects to issue its approving opinion in substantially the following form:

_____________, 2023

South Dakota Board of Regents
306 East Capitol Avenue
Pierre, South Dakota 57501

We hereby certify that we have examined a certified copy of the proceedings of the South Dakota Board of Regents (the *"Board"*) passed preliminary to the issue by the Board of its Housing and Auxiliary Facilities System Revenue Bonds, Series 2023 (the *"Series 2023 Bonds"*), in the aggregate principal amount of $__________, dated the date hereof, maturing on April 1 of the years, in the amounts and bearing interest at the rates per annum as follows:

YEAR	PRINCIPAL AMOUNT ($)	INTEREST RATE (%)
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		

and the Series 2023 Bonds maturing on and after April 1, 20__, being subject to redemption prior to maturity at the option of the Board in whole or in part (in integral multiples of $5,000), in any order of maturity as determined by the Board, on any date occurring on or after April 1, 20__, at a price equal to the principal amount of the Series 2023 Bonds to be redeemed plus accrued interest to the date of redemption.

We are of the opinion that such proceedings show lawful authority for the issuance of the Series 2023 Bonds under the authorizing Amended and Restated Bond Resolution of the Board adopted October 21, 2004, as supplemented and amended on December 6, 2005 (as amended), November 22, 2006 (as amended), December 13, 2007 (as amended), March 28, 2008 (as amended), October 22, 2008 (as amended), May 21, 2009 (as amended), October 12, 2011 (as amended), December 12, 2012, December 4, 2013 (as amended), August 14, 2014, December 2, 2015, December 7, 2016, December 6, 2017, December 11, 2019, December 9, 2020, March 29, 2023 and as hereafter amended or supplemented (the *"Bond Resolution"*) and the laws of the State of South Dakota now in force. Capitalized terms used herein and not defined shall have the meanings set forth in the Bond Resolution.

We further certify that we have examined the form of Series 2023 Bond prescribed for said issue and find the same in due form of law.

In our opinion said issue of Series 2023 Bonds, to the amount named, is valid and the Series 2023 Bonds are legally binding special obligations of the Board, except that the rights of the owners of the Series 2023 Bonds and the enforceability of the Series 2023 Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The Series 2023 Bonds are payable from and secured by the the Net Revenues of the USD Institutional System, as to the Series 2023 USD Proportion, the Net Revenues of the BHSU Institutional System, as to the Series 2023 BHSU Proportion, the Net Revenues of the SDSMT Institutional System, as to the Series 2023 SDSMT Proportion, and the uncommitted funds of the Repair and Replacement Reserve Accounts of USD, BHSU, and SDSMT as to the Series 2023 USD Proportion, the Series 2023 BHSU Proportion, and the Series 2023 SDSMT, respectively. The Series 2023 Bonds, together with the Series 2006 Bonds, the Series 2007 Bonds, the Series 2008A Bonds, the Series 2008B Bonds, the Series 2011 Bonds, [the Series 2013A bonds], the Series 2014B Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2019A Bonds, the Series 2019B Bonds and the Series 2021 Bonds and such bonds as may be issued on a parity with the Series 2023 Bonds pursuant to the terms of the Bond Resolution, are also payable from and secured by Net Revenues of the other Institutions (limited as described in the Bond Resolution), uncommitted funds in the Repair and Replacement Reserve Accounts of the other Institutions (as described in the Bond Resolution), and by such other funds which may be pledged or used as authorized by the Board of Regents Revenue Bond Act of 1971, as amended.

It is our opinion that, subject to the Board's compliance with certain covenants, under present law, interest on the Series 2023 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. For tax years beginning after December 31, 2022, interest on the Series 2023 Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such Board covenants could cause interest on the Series 2023 Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2023 Bonds. Ownership of the Series 2023 Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Series 2023 Bonds.

Ownership of the Series 2023 Bonds may result in state and local tax consequences to certain taxpayers, and we express no opinion regarding any such state and local tax consequences arising with respect to the Series 2023 Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2023 Bonds.

In rendering this opinion, we have relied upon certifications of the Board with respect to certain material facts within the Board's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion, and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX D

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the "*Agreement*") is executed and delivered by the South Dakota Board of Regents (the "*Board*") in connection with the issuance of its $______________________ Housing and Auxiliary Facilities System Refunding Revenue Bonds, Series 2023 (the "*Series 2023 Bonds*"). The Series 2023 Bonds are being issued pursuant to t an Amended and Restated Bond Resolution dated October 21, 2004, as amended and supplemented from time to time thereafter, including a Sixteenth Supplemental System Revenue Bond Resolution adopted by the Board on March 29, 2023 (the "*Bond Resolution*")..

In consideration of the issuance of the Series 2023 Bonds by the Board and the purchase of such Series 2023 Bonds by the beneficial owners thereof, the Board covenants and agrees as follows:

(1) PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the Board as of the date set forth below, for the benefit of the beneficial owners of the Series 2023 Bonds and to assist the Participating Underwriter (as defined below) in complying with the requirements of the Rule (as defined below). The Board represents that it will be the only obligated person with respect to the Series 2023 Bonds at the time the Series 2023 Bonds are delivered to the Participating Underwriter and that no other person is expected to become so committed at any time after issuance of the Series 2023 Bonds.

(2) DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

"*Annual Financial Information*" means the financial information and operating data described in Exhibit I.

"*Annual Financial Information Disclosure*" means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements, if any, as set forth in Section 4.

"*Audited Financial Statements*" means audited financial statements of the Board, if and when prepared, as described in Exhibit I.

"*Commission*" means the Securities and Exchange Commission.

"*Dissemination Agent*" means any agent designated as such in writing by the Board and which has filed with the Board a written acceptance of such designation, and such agent's successors and assigns.

"*EMMA*" means the Electronic Municipal Market Access system for municipal securities established by the MSRB or any other electronic format or system prescribed by the MSRB for purposes of the Rule.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b); provided that "financial obligation" shall not include

municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Participating Underwriter*" means Piper Sandler & Co.

"*Reportable Event*" means the occurrence of any of the Events with respect to the Series 2023 Bonds set forth in Exhibit II.

"*Reportable Events Disclosure*" means dissemination of a notice of an Event as set forth in Section 5.

"*Rule*" means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

"*State*" means the State of South Dakota.

"Undertaking" means the obligations of the Board pursuant to Sections 4 and 5.

(3)

CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Series 2023 Bonds are as set forth in Exhibit III. The Final Official Statement relating to the Series 2023 Bonds is dated __________, 2023 (the "*Final Official Statement*"). If the Series 2023 Bonds are refunded after the date hereof, the Board will also make all filings required under this Agreement under any new CUSIP Numbers assigned to the Series 2023 Bonds as a result of such refunding, to the extent the Board remains legally liable for the payment of such Series 2023 Bonds; provided, however, that the Board will not be required to make such filings under new CUSIP Numbers unless the Board has been notified in writing by the Participating Underwriter or the Board's financial advisor that new CUSIP Numbers have been assigned to the Series 2023 Bonds. The Board will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Series 2023 Bonds after the date hereof for any reason other than a refunding, as described in the previous sentence, including, but not limited to, new CUSIP Numbers assigned to the Series 2023 Bonds as a result of a holder of the Series 2023 Bonds obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Series 2023 Bonds in the secondary market.

(4) ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 9 of this Agreement, the Board hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (in the form and by the dates set forth in Exhibit I), to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Board will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

(5) REPORTABLE EVENTS DISCLOSURE. Subject to Section 9 of this Agreement, the Board hereby covenants that it will disseminate in a timely manner (not in excess of ten business days following the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. References to "material" in *Exhibit II* refer to materiality as it is interpreted under the Exchange Act. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Series 2023 Bonds or defeasance of any Series 2023 Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Bond Resolution.

(6) EMMA. All documents submitted to the MSRB through EMMA pursuant to this Agreement shall be in electronic format and accompanied by identifying information as prescribed by the MSRB, in accordance with the Rule. All documents submitted to the MSRB through EMMA must be word-searchable PDFs, configured to permit documents to be saved, viewed, printed and electronically retransmitted.

(7) CONSEQUENCES OF FAILURE OF THE BOARD TO PROVIDE INFORMATION. The Board shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the Board to comply with any provision of this Agreement, the beneficial owner of any Series 2023 Bond may seek mandamus or specific performance by court order to cause the Board to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Bond Resolution, and the sole remedy under this Agreement in the event of any failure of the Board to comply with this Agreement shall be an action to compel performance.

(8) AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the Board by a duly enacted order or supplement or amendment to the Bond Resolution, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Board, or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2023 Bonds, as determined by a party unaffiliated with the Board at the time of the amendment.

(9) TERMINATION OF OBLIGATIONS. The obligations of the Board pursuant to this Agreement shall be terminated hereunder if the Board shall no longer have any legal liability for any obligation on or relating to repayment of the Series 2023 Bonds under the Bond Resolution.

(10) DISSEMINATION AGENT. The Board may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

(11) ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the Board from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the Board chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the Board shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

(12) BENEFICIARIES. This Agreement has been executed to assist the Participating Underwriter in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Board, the Dissemination Agent, if any, and the beneficial owners of the Series 2023 Bonds, and shall create no rights in any other person or entity.

(13) RECORDKEEPING. The Board shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

(14) ASSIGNMENT. The Board shall not transfer its obligations under the Bond Resolution unless the transferee agrees to assume all obligations of the Board under this Agreement or to execute a similar agreement obligating such transference to comply with the provisions of the Rule.

(15) FUTURE CHANGES TO THE RULE. As set forth in Section 1 of this Agreement, the Board has executed and delivered this Agreement solely and only to assist the Participating Underwriter in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the Board shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 8 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the Board shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO CONTINUING DISCLOSURE AGREEMENT]

(15) GOVERNING LAW. This Agreement shall be governed by the laws of the State.

SOUTH DAKOTA BOARD OF REGENTS

By: ______________________________
Executive Director, Board of Regents

Address: South Dakota Board of Regents
306 East Capitol Avenue
Suite 200
Pierre, South Dakota 57501

Dated: _________ __, 2023

Exhibit I
Annual Financial Information and Timing and Audited Financial Statements

Annual Financial Information means the financial information and operating data as set forth below. All or a portion of the Annual Financial Information and Audited Financial Statements, if any, as set forth below may be included by reference to other documents, including other official statements (subject to the following sentence), which have been submitted to EMMA. The Board shall clearly identify each such item of information included by reference.

I. Annual Financial Information:

a. Financial information and operating data (exclusive of Audited Financial Statements), including information of the type contained in the Final Official Statement in the table in the section captioned "Historical and Projected Cash Flows of the System" and in "Appendix E – Financial Statements of the Housing and Auxiliary Facilities System Revenue Bond Funds." The financial statements of the type contained in Appendix E shall be unaudited and prepared in accordance with the accounting principles set forth in the accountants report included in Appendix E.

b. Annual Financial Information exclusive of Audited Financial Statements will be provided to EMMA not more than 210 days after the last day of the Board's Fiscal Year, which is currently June 30.

c. Audited Financial Statements as described in Part II are not presently prepared by the Board. If the Board ever prepared Additional Financial Statements, they would be expected to be filed at the same time as the Annual Financial Information described in this Part I. If Audited Financial Statements, if prepared, are not available when the Annual Financial Information is filed, Audited Financial Statements will be filed when available.

II. Audited Financial Statements:

a. The Board may, but is not under any obligation to, prepare Audited Financial Statements. No assurance is or can be provided that the Board will ever prepare Audited Financial Statements.

b. Audited Financial Statements, if and when prepared by the Board, will be provided within 30 days after availability to the Board.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the Board will disseminate a notice of such change as required by Section 4.

Exhibit II
Events with Respect to the Series 2023 Bonds for Which Reportable Events Disclosure Is Required

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Board (this event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer)
13. The consummation of a merger, consolidation, or acquisition involving the Board, or the sale of all or substantially all the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. (a) The incurrence of a Financial Obligation, if material, or (b) agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Board, any of which affect security holders, if material
16. A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties

Exhibit III
CUSIP Numbers

Series 2023 Bonds

YEAR OF MATURITY (APRIL 1)	CUSIP NUMBER ( )
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	
2041	
2042	

APPENDIX E

FINANCIAL STATEMENTS OF THE HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BOND FUNDS FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021 (UNAUDITED)

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YOUR FUTURE IS HERE!

SOUTH DAKOTA BOARD OF REGENTS

PUBLIC UNIVERSITIES & SPECIAL SCHOOLS

BOND PURCHASE AGREEMENT

between

SOUTH DAKOTA BOARD OF REGENTS

and

PIPER SANDLER & CO.

__________ __, 2023

South Dakota Board of Regents

$_____________
Housing and Auxiliary Facilities System
Revenue Bonds, Series 2023

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BOND PURCHASE AGREEMENT

1. Parties and Relevant Dates

Issuer: South Dakota Board of Regents

Underwriter: Piper Sandler & Co.

Securities: $_____________ Housing and Auxiliary Facilities System Revenue Bonds, Series 2023

Acceptance Deadline: __________ __, 2023, 5:00 p.m. (Chicago time).

Effective Date and Time of Formal Award: __________ __, 2023, 5:00 p.m. (Chicago time).

Closing Date: April __, 2023.

2. Defined Terms

All capitalized terms used in this Agreement and not otherwise defined are used as defined in the Bond Resolution or the Official Statement:

Acceptance Deadline: The date set forth in Section l, being the date and time by which the Issuer must accept this Agreement.

Accountants: State of South Dakota Department of Legislative Audit, the public accountants of the Issuer whose independent accountant's reports on applying agreed-upon procedures are included in the Preliminary Official Statement and the Official Statement.

Act: The Board of Regents Revenue Bond Act of 1971, as amended.

Agreement: This Bond Purchase Agreement, dated the Effective Date, including Schedule I attached hereto.

Bond Counsel: Chapman and Cutler LLP, Chicago, Illinois.

Bond Resolution: The Amended and Restated Bond Resolution of the Issuer adopted on October 21, 2004, as amended and supplemented from time to time thereafter, including a Sixteenth Supplemental System Revenue Bond Resolution adopted by the Board on March 29, 2023.

Closing Date: The date set forth in Section 1 of this Agreement, being the date of the issuance and delivery of the Securities.

Continuing Disclosure Agreement: The continuing disclosure agreement entered into by the Issuer with respect to the Securities in accordance with Rule 15c2-12.

Creditors' Rights Laws: Limitations on enforceability as may result from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution.

DTC: The Depository Trust Company.

Effective Date and Time or Effective Date: The date and time that this Agreement is effective, as set forth in Section 1 of this Agreement.

End of the Underwriting Period: The later of (i) the Closing Date or (ii) when the Underwriter no longer retains an unsold balance of the Securities.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Excluded Sections: For purposes of the representations and warranties of the Issuer set forth in Section 9(a)(viii) the "Excluded Sections" of the Preliminary Official Statement and the Official Statement shall be: (i) the section describing DTC and its book-entry-only procedures, (ii) the section captioned "Tax Matters," and (iii) the section captioned "Underwriting" if provided in writing by the Underwriter. "Excluded Sections" of the Preliminary Official Statement shall also include the information permitted to be excluded from a preliminary official statement pursuant to Rule 15c2- l 2.

Good Faith Deposit: The amount to be provided as a good faith deposit by the Underwriter to the Issuer, if and to the extent set forth in this Agreement under Section 7.

Issuer: The Issuer of the Securities, identified in Section 1.

Issuer Documents: All financing documents to which the Issuer is a party relating to the issuance of and security for the Securities, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

(i) this Agreement,

(ii) the Bond Resolution;

(iii) the Continuing Disclosure Agreement; and

(iv) the Tax Exemption Certificate and Agreement.

Issuer's Counsel: Nathan D. Lukkes, Counsel to the Board.

MSRB: Municipal Securities Rulemaking Board.

Official Statement: Official Statement dated the Effective Date, relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Paying Agent: First Bank & Trust, Brookings, South Dakota, acting as paying agent for the Securities.

Pledged Revenues and Income: The revenues and/or other funds pledged or otherwise identified by the Issuer as security or the source of payment for the Securities as set forth in the Bond Resolution.

Preliminary Official Statement: Preliminary Official Statement dated March __, 2023, relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Primary Offering Disclosure Period: The period commencing with the first submission to an Underwriter of an order for the purchase of the Securities or the purchase of such Securities from the Issuer, whichever first occurs, and ending 25 days after the final delivery by the Issuer or its agent of all Securities to or through the underwriting syndicate or sole underwriter.

Purchase Price: The amount specified in Section 5 as the Purchase Price to be paid by the Underwriter at the Closing for the purchase of the Securities on the Closing Date.

Registrar: First Bank & Trust, Brookings, South Dakota, acting as paying agent for the Securities.

Rule 15c2-l2: Rule 15c2-12 promulgated by the SEC under the Exchange Act.

Rule G-32: Rule G-32 of the MSRB.

SEC: Securities and Exchange Commission of the United States.

Securities or Series 2023 Bonds: The Securities identified in Section 1 on the first page of this Agreement, as more specifically described in Schedule I.

Securities Act: The Securities Act of 1933, as amended.

State: South Dakota.

Trust Indenture Act: Trust Indenture Act of I 939, as amended.

Underwriter: The firm identified as such in Section I of this Agreement.

Underwriter's Counsel: SJ Gray Law, LLC, Chicago, Illinois.

3. Offer to Purchase the Securities; Execution of Terms and Acceptance

The Issuer and the Underwriter are entering into this Agreement to provide for the purchase and sale of the Securities. The Securities are further described in Schedule I.

The Underwriter hereby offers to purchase all (but not less than all) of the Securities from, and to enter into this Agreement with, the Issuer. This offer is subject to acceptance by the Issuer by the Acceptance Deadline and, if not so accepted, will be subject to withdrawal by the Underwriter by written notice delivered to the Issuer at any time prior to acceptance. The Issuer shall accept this Agreement by its execution hereof upon such execution, the Agreement will be binding upon the Underwriter and the Issuer. This Agreement is effective as of the Effective Date and Time.

4. Purchase of the Securities

The Underwriter shall purchase from the Issuer, and the Issuer shall sell to the Underwriter, all (but not less than all) of the Securities on the Closing Date at the aggregate Purchase Price set forth below, plus accrued interest, if any. The Securities shall bear interest at the rates per annum, mature on the dates, be sold to the public at the prices and be subject to optional and mandatory sinking fund redemption, if applicable, prior to maturity and to such other terms and provisions, all as set forth in

Schedule I. The Securities otherwise shall be as described in the Official Statement, the Bond Resolution and the other Issuer Documents. The Underwriter's agreement to purchase the Securities from the Issuer is made in reliance upon the Issuer's representations, covenants and warranties and on the terms and conditions set forth in this Agreement.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities for resale to investors in an arms-length commercial transaction between the Issuer and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer; (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

5. Purchase Price

The Purchase Price of the Securities is $____________ (representing the principal amount of the Securities of $_____________, less an Underwriter's discount of $___________, plus [net] original issue [premium/discount] of $____________), plus accrued interest, if any, to the Closing Date. The Purchase Price shall be payable on the Closing Date by the Underwriter to or as directed by the Issuer by wire transfer in immediately available funds. In accordance with Section 18, the Underwriter also will be reimbursed for those out-of-pocket expenses described therein.

6. Public Offering

The Underwriter agrees to make a bona fide initial public offering of all the Securities in compliance with federal and state securities laws, at a price not in excess of the initial offering price set forth in Schedule I; *provided, however,* that, subject to the limits set forth in Section 14(c) hereof with respect to the hold-the-offering price rule (as defined in such section), the Underwriter may subsequently change such offering price or prices. The Underwriter agrees to notify the Issuer of such changes upon request from the Issuer if such changes occur prior to the Closing, but failure to so notify shall not invalidate such changes. The Underwriter may offer and sell the Securities to certain dealers (including dealers depositing the Securities into investment trusts) at prices lower than the public offering prices. The Underwriter also reserves the right to (i) over-allot or effect transactions which stabilize or maintain the market price or prices of the Securities at levels above those which might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

7. Good Faith Deposit

No Good Faith Deposit will be delivered.

8. Official Statement

The Issuer hereby consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering of the Securities by the Underwriter, and further confirms the authority of the Underwriter to use, and consents to the use of, the final Official Statement with respect to the Securities in connection with the public offering and sale of the Securities. The Issuer hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriter was "deemed final" by the Issuer as of its date for purposes of Rule 15c2-12, except for permitted omissions.

(a) The Issuer, at its cost, shall provide, or cause to be provided, to the Underwriter within seven business days after the date of this Agreement (or within such shorter period as may be approved by the Underwriter or required by applicable rule) such number of copies of a final Official Statement as reasonably requested by the Underwriter, but in sufficient quantity to permit the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12 and Rule G-32 and any other applicable rules of the SEC and the MSRB.

(b) The Issuer authorizes the Underwriter to file, to the extent required by any applicable SEC or MSRB rule, and the Underwriter agrees to so file, the Official Statement with the MSRB or its designee. If an amended Official Statement is prepared during the "primary offering disclosure period," and if required by any applicable SEC or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The Issuer shall provide the Underwriter with the information necessary to complete MSRB Form G-32 for all filings to be made under this Section 8.

(c) The Preliminary Official Statement and the Official Statement may be delivered in printed and a "designated electronic format" as defined in Rule G-32 and as may be agreed by the Issuer and the Underwriter. If the Official Statement has been prepared in electronic form, the Issuer hereby confirms that it does not object to distribution of the Official Statement in electronic form.

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(d) The Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The Issuer covenants to notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period, (or such other period as may be agreed to by the Issuer and the Underwriter) any event shall occur, or information comes to the attention of the Issuer, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the reasonable opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the Issuer's expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) a printed format form in substance mutually agreed upon by the Issuer and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing Date, the Issuer also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

9. Representations and Warranties

(a) <u>Representations and Warranties of the Issuer</u>. The Issuer hereby agrees with, and makes the following representations and warranties to, the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(i) The Issuer is duly created and existing under the constitution and laws of the State and has full legal right, power and authority under the constitution and laws of the State, including the Act, to adopt the Bond Resolution, to execute and deliver the Issuer Documents and the Official Statement, to issue, sell and deliver the Securities as provided herein, and to carry out and to consummate the transactions contemplated by the Bond Resolution, the other Issuer Documents and the Official Statement.

(ii) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved (A) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement for use by the Underwriter in connection with the public offering of the Securities, (B) the issuance and sale of the Securities upon the terms set forth herein and as contemplated by the Bond Resolution, the other Issuer Documents and the Official Statement and (C) the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Securities, the Bond Resolution and the other Issuer Documents.

(iii) The Securities will be issued in conformity with and entitled to the benefit and security of the Bond Resolution, including the pledge or application thereunder of the Pledged Revenues and Income.

(iv) This Agreement constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; the other Issuer Documents, when duly executed and delivered, will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms; and the Securities, when issued, authenticated and delivered in accordance with the Bond Resolution and sold to the Underwriter as provided herein, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms; in all cases, except as the enforceability of this Agreement, the other Issuer Documents and the Securities may be limited by application of Creditors' Rights Laws.

(v) Except as may be described in the Preliminary Official Statement or the Official Statement, the Issuer is not in breach of or default in any material respect under (if applicable) its charter documents, its articles of incorporation or its bylaws or under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing.

(vi) The adoption, execution and delivery of the Securities, the Bond Resolution and the other Issuer Documents, and compliance with the provisions on the Issuer's part contained therein, will not, in any material respect, conflict with or constitute a breach of or default under any constitutional provision, existing law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets are otherwise subject, and such adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the Pledged Revenues and Income, if any, of the Issuer to be pledged to secure the Securities or under the terms of any such law, regulation or instrument, except as provided by the Securities, the Bond Resolution and the Issuer Documents; *provided* no such representation is made with respect to federal or State securities laws, rules or regulations.

(vii) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Securities or the due performance by the Issuer of its obligations under the Bond Resolution, the other Issuer Documents and the Securities have been duly obtained or will be obtained prior to the Closing.

(viii) The Preliminary Official Statement as of its date did not, and the Official Statement as of its date does not and as of the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections of the Preliminary Official Statement or the Official Statement.

(ix) The historical financial information included in the Official Statement under the captions "HISTORICAL AND PROJECTED CASH FLOWS" and in Appendix E - "FINANCIAL STATEMENTS OF THE HOUSING AND AUXILIARY FACILITIES SYSTEM REVENUE BOND FUNDS FOR THE FISCAL YEARS ENDED June 30, 2022 and 2021 (Unaudited)" present fairly the financial condition and results of operations for the System at the dates and for the periods specified. For the period June 30, 2022, to the date hereof, there has been no material adverse change in the financial position of the Board, any Institution or the System, (ii) no increase in the long-term debt of the Board or any Institution with respect to the System, (iii) no material loss or interference with the operation of the System from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, and (iv) no development involving a prospective material adverse change, in or affecting the general affairs, management, financial position or results of operations of any Institution and the System, except in all cases as the Official Statement discloses has occurred or may occur.

(x) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, agency, public board or body, pending or, to the knowledge of the Issuer, threatened against the Issuer: (A) affecting the existence of the Issuer or the titles of its officers to their respective offices, (B) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Securities or the pledge or collection by the Issuer of the Pledged Revenues and Income or the making of any other required deposits with respect to the Securities, (C) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Securities, the Bond Resolution or the other Issuer Documents, (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, (E) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the Pledged Revenues and Income or to pay debt service on the Securities, or (F) contesting the status of the interest on the Securities as excludable from gross income for federal income tax purposes, in each case as described in the Official Statement.

(xi) The Issuer has received all licenses, permits or other regulatory approvals required, if any, for the pledge, collection and/or application by the Issuer of the Pledged Revenues and Income and the Issuer is not in material default, and no event has occurred which would constitute or result in a material default, under any such licenses, permits or approvals.

(xii) The Issuer will enter into the Continuing Disclosure Agreement and, unless otherwise described in the Official Statement or set forth below, the Issuer has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

(xiii) The Bond Resolution, the other Issuer Documents and the Securities conform to the description thereof contained in the Official Statement.

(xiv) The Issuer has the legal authority to apply proceeds of the Securities for the purposes contemplated by the Bond Resolution and the other Issuer Documents, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Securities to the extent required by this Agreement and in compliance with applicable law.

(b) Covenants of the Issuer.

The Issuer hereby covenants with the Underwriter that:

(i) Prior to the Closing Date, except as otherwise contemplated by the Official Statement, the Issuer shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the Pledged Revenues and Income or other assets, properties, funds or interests that will be pledged as security for the Securities pursuant to the Bond Resolution.

(ii) The Issuer shall cooperate with the Underwriter in the qualification of the Securities for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions, to the extent applicable, as the Underwriter may request; provided that the Issuer shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, any other state or to file any general or special consents to service of process under the laws of any jurisdiction.

(iii) The Issuer shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, of the interest on the Securities.

(c) Representations and Warranties of the Underwriter. The Underwriter hereby agrees with, and makes the following representations and warranties to, the Issuer, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(i) The Underwriter is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

(ii) This Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the Issuer, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Agreement may be limited by application of Creditors' Rights Laws.

(iii) The Underwriter is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

(iv) The Securities will be offered in accordance with all applicable State and federal laws.

10. [Reserved]

11. Rating

The following rating on the Securities shall be in effect on the Closing Date: Moody's: "Aa3".

12. Closing

(a) The delivery of and payment for the Securities shall be the "Closing" for the Securities and shall occur at or prior to 1:00 p.m., New York City time, on the Closing Date, or at such other time or on such other date as may be mutually agreed by the Underwriter and the Issuer. The Closing shall be held virtually. At the Closing, the Issuer shall deliver or cause to be delivered the Securities to DTC on behalf of the Underwriter, as further described in paragraph (b) below. The Securities shall be delivered in definitive form, duly executed by the Issuer and authenticated by the Registrar or Paying Agent, together with the other documents identified in Section 13. Subject to satisfaction of the conditions contained in this Agreement, the Underwriter will accept delivery of the Securities as described above and pay the Purchase Price, plus accrued interest, if any, on the Securities from their dated date to, but not including, the Closing Date, in immediately available funds, payable to the order of the Issuer.

(b) Delivery of the definitive Securities shall be made through the facilities of DTC's book-entry-only system in New York, New York, or at such other location as may be designated by the Underwriter prior to the Closing. The Securities will be delivered as fully-registered bonds, bearing CUSIP numbers, with a single bond for each maturity of each series of the Securities (or, if so provided in Schedule I, for each separate interest rate within a maturity), and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Securities.

13. Closing Conditions

The Underwriter shall receive on the Closing Date, in form and substance satisfactory to Bond Counsel and to the Underwriter, each item specified below, unless waived by the Underwriter:

(i) The approving opinion of Bond Counsel, addressed to the Issuer, dated the Closing Date, and in substantially the form included as an appendix to the Official Statement, along with a reliance letter addressed to the Underwriter,.

(ii) The supplemental opinion of Bond Counsel, addressed to the Underwriter and the Issuer, dated the Closing Date, to the effect that:

(A) this Agreement has been duly authorized, executed and delivered by the Issuer and constitutes the legal, valid and binding agreement of the Issuer, enforceable against the Issuer in accordance with its terms, except as such enforceability may be limited by Creditors' Rights Laws; and

(B) the Securities are exempt from registration pursuant to the Securities Act and the Bond Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act.

(iii) A negative assurances letter of Bond Counsel to the effect that the statements and information contained in the Official Statement, as of its date and as of the date of such opinion, relating to the Securities, the security and sources of payment for the Securities and the tax status of the Securities fairly and accurately summarize the provisions of the documents or matters of law indicated therein, as of such dates, and the statements describing the Bond Resolution and the other Issuer Documents contained in the Official Statement, as of its date and as of the date of such opinion, fairly and accurately summarize the provisions of such documents purported to be summarized as of such dates;

(iv) The opinion of Issuer's Counsel addressed to the Underwriter, the Issuer and Bond Counsel, dated the Closing Date, in the form attached hereto as <u>Exhibit A</u>.

(v) The opinion of Underwriter's Counsel, addressed to the Underwriter, dated the Closing Date, to the effect that: (A) the Securities are exempt from registration under the Securities Act and the Bond Resolution is exempt from qualification under the Trust Indenture Act and (B) the Continuing Disclosure Agreement meets the requirements of Rule 15c2-l 2. In addition, such counsel shall state in its letter containing the foregoing opinion or in a separate letter addressed to the Underwriter to the effect that, without having undertaken to determine independently, or to assume responsibility for, the accuracy, completeness or fairness thereof, and based solely on their participation in meetings and telephone conferences at which representatives of the Issuer, Bond Counsel and the Underwriter were at various times present, nothing has come to the attention of such counsel that would lead them to believe that the information and statements in the Preliminary Official Statement as of its date and the Official Statement, as of its date and as of the date of such letter, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, no view need be expressed as to the financial statements of the Issuer, any other financial, forecast, technical or statistical data, and any information in the Preliminary Official Statement as of its date and the Official Statement respecting DTC.

(vi) A certificate dated the Closing Date of an authorized officer of the Issuer to the effect that:

(A) the representations and warranties of the Issuer contained in this Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date;

(B) the Issuer has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied at or prior to the Closing; no event affecting the Issuer has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Preliminary Official Statement or the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and

(C) there is no action, suit, proceeding or investigation before or by any court or public board or body pending or threatened against the Issuer to restrain or enjoin the issuance, execution or delivery of the Securities or in any manner questioning the proceedings or authority for the issuance of the Securities or affecting directly or indirectly the validity of the Securities or of any provisions made or authorized for their payment or contesting the existence of the Issuer or the title of any of its officers to their respective offices.

(vii) Written evidence that the rating(s) on the Securities by the applicable rating services, as set forth in Section 11, are in effect as of the Closing Date.

(viii) A tax certificate or tax regulatory agreement, executed by a duly authorized officer of the Issuer, in form and substance satisfactory to Bond Counsel, setting forth, among other things, in the manner permitted by the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the reasonable expectations of the Issuer as of the Closing Date as to the use of proceeds of the Securities and of any other funds of the Issuer expected to be used to pay debt service on the Securities and the facts and estimates on which such expectations are based, and stating that, to the best of knowledge and belief of such certifying officer, the expectations set forth therein are reasonable.

(ix) An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the Issuer.

(x) A copy of the Blanket Letter of Representations to DTC from the Board.

(xi) True and complete copies of the Bond Resolution and the other Issuer Documents, and all opinions, certificates and other documents delivered under the Bond Resolution and the other Issuer Documents.

(xii) [Reserved].

(xiii) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or Bond Counsel reasonably may request, in form and substance satisfactory to the Underwriter or Bond Counsel, as the case may be, to evidence (A) compliance by the Issuer with legal requirements reasonably relating to the transactions contemplated by the Official Statement and this Agreement, (B) the truth and completeness, as of the date thereof, of the statements and information contained in the Preliminary Official Statement, (C) the truth and completeness, as of the date thereof and as of the time of the Closing, of the statements and information contained in the Official Statement, (D) the truth and completeness, as of the time of the Closing, of the representations and warranties of the Issuer contained in this Agreement and the certificates and other documents referred to in this Agreement, and (E) the due performance or satisfaction by the Issuer at or prior to the Closing of all agreements then to be satisfied.

14. Establishment of Issue Price

(A) The Underwriter agrees to assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Securities.

(B) Except as otherwise set forth in Schedule I attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Securities (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Securities. If at that time the 10% test has not been satisfied as to any maturity of the Securities, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Securities of that maturity or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or Bond Counsel. For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

(C) The Underwriter confirms that it has offered the Securities to the public on or before the date of this Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Agreement, the maturities, if any, of the Securities for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Securities, the Underwriter will neither offer nor sell unsold Securities of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

(D) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A)(i) to report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the closing date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter, (B) to promptly notify the Underwriter of any sales of Securities that, to its knowledge, are made to an underwriter who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the closing date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(E) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Securities to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Securities to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.

(F) The Underwriter acknowledges that sales of any Securities to any person that is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Securities to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Securities to the public),

(iii) an underwriter of any of the Securities is a "related party" to an underwriter if the underwriter and the Underwriter are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Agreement by all parties.

15. Accountants' Letter

No Accountants' letters will be delivered in connection with issuance of the Securities.

16. No Indemnification; Limitation of Liability

It is understood and agreed that the Issuer is a constituent agency of the State and that it has not been authorized to enter into a contract of indemnity for the benefit of a third party or parties. It is understood and agreed further that no member of the Issuer and no officer, agent or employee thereof, shall be charged personally by the Underwriter with any liability, or held liable to the Underwriter under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, thereof.

17. Termination

The Underwriter shall have the right to cancel its obligation to purchase the Securities and to terminate this Agreement by written notice to the Issuer if, between the Effective Date to and including the Closing Date, in the Underwriter's sole and reasonable judgment any of the following events shall occur (each a "Termination Event"):

(a) the market price or marketability of the Securities, or the ability of the Underwriter to enforce contracts for the sale of the Securities, shall be materially adversely affected by any of the following events:

(i) any legislative, executive or regulatory action or any court decision which, in the judgment of the Underwriter, casts sufficient doubt on the legality of, or the exclusion from gross income for federal income tax purposes of interest on obligations such as, the Securities, so as to materially impair the marketability or lower the market price of such obligations or otherwise make it impracticable or inadvisable to proceed with the offering or delivery of the Securities on the terms and in the manner contemplated in this Agreement and the Official Statement; or

(ii) (1) An outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere; or

(iii) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(iv) legislative action shall have been taken by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, which in the judgment of the Underwriter, results in any obligations of the general character of the Securities, the Bond Resolution or the other Issuer Documents, or any comparable securities of the Issuer, not being exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or

(v) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Issuer shall have occurred; or

(vi) any rating on securities of the Issuer which are secured by a pledge or application of the Pledged Revenues and Income on a parity with the Securities is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency: or

(vii) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Securities or the ability of the Underwriter to enforce contracts for the sale of the Securities; or

(b) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(c) a material disruption in securities settlement, payment or clearance services affecting the Securities shall have occurred; or

(d) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(e) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Securities, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Securities, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Agreement by the Underwriter, all obligations of the Issuer and the Underwriter under this Agreement shall terminate, without further liability except that the Issuer and the Underwriter shall pay their respective expenses as set forth in Section 18.

18. Payment of Expenses

(a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay from available funds or direct the Registrar under the Bond Resolution and the other Issuer Documents to pay from the proceeds of the Securities (to the extent permitted under applicable law) or from other funds of the Issuer, all expenses that are incidental to the performance of the Issuer's obligations under this Agreement, including but not limited to: all expenses in connection with the printing of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; all expenses in connection with the printing, issuance and delivery of the Securities; the fees and expenses of Bond Counsel and Underwriter's Counsel; the fees and expenses of the Issuer's financial advisors, accountants, and all other consultants; the fees and disbursements of any Bond Registrar or Paying Agent and their respective counsel; all expenses in connection with obtaining a rating or ratings for the Securities; all expenses of the Issuer in connection with the preparation, printing, execution and delivery, and any recording or filing, of the Bond Resolution, any other Issuer Document or any other instrument; the Issuer's administrative fees;; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale and distribution of the Securities. Unless the Issuer and the Underwriter otherwise agree, the Issuer shall pay for all incidental costs (including, but not limited to, transportation, lodging, meals and entertainment of Issuer personnel) incurred by or on behalf of the Issuer in connection with the marketing, issuance and delivery of the Securities.

(b) The Underwriter shall pay the costs of qualifying the Securities for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Securities, and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Securities.

19. Notices

Any notice or other communication to be given to the Issuer under this Agreement may be given by certified mail or by delivering the same in writing to the Issuer at South Dakota Board of Regents, 306 East Capitol Avenue, Suite 200, Pierre, South Dakota 57501, Attention: Heather Forney, Vice President of Finance and Administration, and any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to the Underwriter at Piper Sandler & Co., 444 West Lake Street, Suite 3300, Chicago, IL 60606, Attention: Neil Pritz, or to such other addresses as one party shall furnish the other in writing for receipt of notice.

20. Governing Law

This Agreement shall be governed by the laws of the State.

21. Miscellaneous

This Agreement is made solely for the benefit of the signatories hereto (including the Underwriter and its successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. Neither the Issuer nor the Underwriter may assign this Agreement. The term "successor" shall not include any holder of any Securities merely by virtue of such holding. All representations, warranties, agreements and indemnities contained in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Securities and any termination of this Agreement. Section headings have been included in this Agreement as a matter of convenience of reference only and are not to be used in the interpretation of any provisions of this Agreement. If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

22. Counterparts

This Agreement may be executed in one or more counterparts with the same force and effect as if all signatures appeared on a single instrument.

23. Signatures

Upon execution by the Issuer and the Underwriter, this Agreement shall be binding upon the Issuer and the Underwriter as of the Effective Date and Time.

ACCEPTED AND AGREED:

ISSUER:

SOUTH DAKOTA BOARD OF REGENTS

By:_______________________________
Name: ____________________________
Title: _____________________________

UNDERWRITER:

PIPER SANDLER & CO.

By:_______________________________
Name: ____________________________
Title: _____________________________

Schedule I

Terms of the Securities

Maturities, Principal Amounts, Interest Rates, Prices and CUSIPs

South Dakota Board of Regents

$____________
Housing and Auxiliary Facilities System
Revenue Bonds, Series 2023

Maturity (April 1)	Principal Amount	Interest Rate	Price	CUSIP
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
	$___________			

C: Price to call date.

Optional Redemption of Series 2023 Bonds

The Series 2023 Bonds maturing on or after April 1, 20__, are subject to redemption prior to maturity at the option of the Board in whole or in part (in integral multiples of $5,000), in any order of maturity as determined by the Board, on any date occurring on or after April 1, 20__, at a price equal to the principal amount of Series 2023 Bonds to be redeemed plus accrued interest to the date of redemption.

Exhibit A

[Opinion remains subject to review by SDBOR counsel]

Legal Opinion of Issuer's Counsel

April __, 2023

Chapman and Cutler LLP
320 South Canal Street
Chicago, Illinois 60606

South Dakota Board of Regents
306 East Capitol Avenue
Pierre, South Dakota 57501

Piper Sandler & Co.
444 West Lake Street, Suite 3300
Chicago, Illinois 60606

Ladies and Gentlemen:

I am counsel for the South Dakota Board of Regents (the "Board"). As such, I am familiar with the proceedings of the Board in connection with the issuance by the Board of its $_____________ Housing and Auxiliary Facilities System Revenue Bonds, Series 2023 (the "Bonds"), and in connection with the issuance of the Bonds, I have examined (i) an Amended and Restated Bond Resolution adopted on October 21, 2004, as supplemented and amended by the First Supplemental Revenue Bond Resolution adopted by the Board on December 6, 2005 (as amended), a Second Supplemental System Revenue Bond Resolution adopted by the Board on November 22, 2006 (as amended), a Third Supplemental System Revenue Bond Resolution adopted by the Board on December 13, 2007 (as amended), a Fourth Supplemental System Revenue Bond Resolution adopted by the Board on March 29, 2008 (as amended), a Fifth Supplemental System Revenue Bond Resolution adopted by the Board on October 22, 2008 (as amended), a Sixth Supplemental System Revenue Bond Resolution adopted by the Board on May 21, 2009 (as amended), a Seventh Supplemental System Revenue Bond Resolution adopted by the Board on October 12, 2011 (as amended), an Eighth Supplemental System Revenue Bond Resolution adopted by the Board on December 12, 2012, an Amended and Restated Ninth Supplemental System Revenue Bond Resolution adopted by the Board on December 4, 2013 (as amended), a Tenth Supplemental System Revenue Bond Resolution adopted by the Board on August 14, 2014, an Eleventh Supplemental System Revenue Bond Resolution adopted by the Board on December 2, 2015, a Twelfth Supplemental System Revenue Bond Resolution adopted by the Board on December 7, 2016, a Thirteenth Supplemental System Bond Resolution adopted by the Board on December 6, 2017, a Fourteenth Supplemental System Bond Resolution adopted by the Board on December 11, 2019, a Fifteenth Supplemental System Bond Resolution adopted by the Board on December 9, 2020, a Sixteenth Supplemental System adopted by the Board on March 29, 2023, and as hereafter supplemented and amended (collectively, the "Bond Resolution"), (ii) the Bond Purchase Agreement dated __________ __, 2023 (the "Bond Purchase Agreement"), between the Board and Piper Sandler & Co. (the "Underwriter"), (iii) the Preliminary Official Statement of the Board relating to the Bonds dated March __, 2023 (the "Preliminary Official Statement"), (iv) the Final Official Statement of the Board relating to the Bonds dated __________ __, 2023 (the "Final Official Statement"), and (v) the Continuing Disclosure Agreement dated April __, 2023 (the "Continuing Disclosure Agreement"). Capitalized terms used herein and not defined shall have the meanings set forth in the Bond Resolution.

Based on the foregoing and such other investigations, as I have deemed necessary, it is my opinion that:

l. The Board is a duly organized and validly existing body corporate and politic under the laws of the State of South Dakota (the "State").

2. The Bond Resolution has been duly adopted by the Board, has not been amended, modified, supplemented or repealed, and remains in full force and effect. The Board has duly authorized the execution, delivery and due performance of the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Final Official Statement and the Bonds and the taking of any action as may be required on the part of the Board to consummate the transactions contemplated therein. Except as may be required under the securities laws of any state, there is no consent, approval, authorization or other order of, filing with, registration with, or certification by, any regulatory authority having jurisdiction over the Board and no election or referendum of or by any person, organization or public body whatsoever required in connection with any of the foregoing actions. There are no provisions of South Dakota law which would allow, as of the date hereof or any date subsequent hereto, any public vote or referendum, the results of which could invalidate the Bond Resolution, or invalidate, limit or condition the obligations of the Board undertaken in the Bond Purchase Agreement or in connection with the transactions contemplated thereby.

3. The Board has full legal right, power and authority pursuant to the Constitution and laws of the State of South Dakota, and particularly the Board of Regents Revenue Bond Act of 1971, as amended, (the "Act"), to: (1) enter into the Bond Purchase Agreement, (2) adopt the Bond Resolution; (3) prepare the Preliminary Official Statement and the Final Official Statement and authorize their distribution by the Underwriter; (4) execute the Final Official Statement, (5) execute the Continuing Disclosure Agreement; (6) issue, sell and deliver the Bonds as provided in the Bond Purchase Agreement; (7) perform its obligations under and as contemplated in the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Bond Resolution and the Bonds; and (8)·carry out and consummate all the transactions contemplated by the foregoing documents.

4. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Board, and constitutes the legal, valid and binding obligation of the Board, enforceable in accordance with its terms except that the enforcement of the provisions thereof may be limited by any applicable law relative to bankruptcy, reorganization, insolvency, or other similar laws now or hereafter in effect, affecting the enforcement of creditors' rights generally.

5. The Continuing Disclosure Agreement has been duly authorized, executed and delivered by the Board, and constitutes the legal, valid and binding obligation of the Board, enforceable in accordance with its terms except that the enforcement of the provisions thereof may be limited by any applicable law relative to bankruptcy, reorganization, insolvency, or other similar laws now or hereafter in effect, affecting the enforcement of creditors' rights generally.

6. The execution and delivery of the Final Official Statement, the Continuing Disclosure Agreement, the Bond Purchase Agreement and the Bonds, the adoption of the Bond Resolution, and compliance with the provisions thereof, and the consummation by the Board of the transactions contemplated by the aforesaid documents, do not and will not conflict with or result in a violation of the Constitution of the State or the Act or any other laws of the State or the United States of America, including, without limitation, any debt limitations or other restrictions or conditions on debt-issuing power of the Board, and will not conflict with or result in any violation of, or breach of, or constitute a default under, any law or administrative regulation or any of the terms, conditions or provisions of any judgment, decree, loan agreement, note, resolution, indenture, mortgage, deed of trust or other agreement or instrument to which the Board is a party or by which it is bound.

7. No action, suit, inquiry, investigation or proceeding, at law or in equity, to which the

Board is a party is pending and, to the best of my knowledge no action, suit, inquiry, investigation or proceeding is threatened, in or before any court, governmental agency, authority, body or arbitrator, in any way affecting:

(a) the existence of the Board or the title of any official of the Board to such person's office, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the execution and delivery of the Bond Purchase Agreement or the Continuing Disclosure Agreement; or

(b) the pledge of and lien on the Net Revenues of the USD Institutional System, as to the Series 2023 USD Proportion, the Net Revenues of the BHSU Institutional System, as to the Series 2023 BHSU Proportion, and the Net Revenues of the SDSMT Institutional System, as to the Series 2023 SDSMT Proportion; (2) uncommitted funds of the Repair and Replacement Reserve Accounts of USD, BHSU and SDSMT; (3) Net Revenues of the other Institutions, but only after provision for payment of interest due on the next interest payment date and one-half of the principal due on the Bonds issued on behalf of such Institutions within the succeeding 12 months; (4) uncommitted funds in the Repair and Replacement Reserve Accounts of the other Institutions, in an amount and from such Institutions as determined by the Executive Director; and (5) such other funds which may be pledged or used as authorized by the Act, or

(c) in any way contesting or affecting the validity or enforceability of the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Bond Resolution or the Bonds and related documents, or any agreement or instrument relating to the foregoing, or

(d) contesting in any way the completeness or accuracy of the Final Official Statement, or

(e) the power or authority of the Board with respect to the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Bond Resolution or the Bonds, or

(f) with respect to the establishing of rents, fees, charges and admissions for the System (as defined in the Bond Resolution), or

(g) the exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

8. There is no litigation pending against the Board or relating to the System, or to my knowledge threatened, which in any way questions or affects the validity of the Bonds or any proceedings or transactions relating to their issuance, sale and delivery or affecting the validity of the establishment of the System or any transaction incidental thereto.

9. Based upon my participation in the preparation of the Preliminary Official Statement and the Final Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained therein, nothing has come to my attention which would lead me to believe that the material contained in the Final Official Statement contains any untrue statement of material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, I express no belief or opinion as to (i) any financial, forecast, technical or statistical information or data; (ii) any information relating to the description of DTC or the book-entry system; (iii) information under the captions "UNDERWRITING" or "TAX STATUS" or otherwise pertaining to the tax status of the Bonds; or (iv) Appendices B, C, or E.

Very truly yours,

Exhibit B

Form of Issue Price Certificate

CERTIFICATE OF PURCHASER

The undersigned, on behalf of Piper Sandler & Co. (the *"Purchaser"*), hereby certifies as set forth below with respect to the sale and issuance of the $_____________ Housing and Auxiliary Facilities System Revenue Bonds, Series 2023 (the "*Bonds*"), issued by the South Dakota Board of Regents (the *"Issuer"*).

I. General

The Purchaser, as underwriter of the Bonds, and the Issuer have executed a bond purchase agreement in connection with the Bonds on the Sale Date (the *"Agreement"*). The Purchaser has not modified the Agreement since its execution on the Sale Date.

II. Price

General Rule Only, All Maturities Sold by Closing

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A*.

General Rule Only, Not all Maturities Sold

1. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A* (the *"First Sale Price"*).

2. Expected First Sale Price.

With respect to each of the Maturities of the Bonds other than the General Rule Maturities:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Schedule A* (the *"Expected First Sale Price"*).

All Maturities use Hold the Offer Price

1. The Purchaser offered the Bonds to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the *"Initial Offering Prices"*) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Schedule B*.

2. As set forth in the Agreement, the Purchaser agreed in writing that, (i) for each Maturity, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the *"Hold-the-Offering-Price Rule"*), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule.

3. No Underwriter (as defined below) has offered or sold any Bonds of any Maturity at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

Some Maturities Use Hold the Offer Price

1. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A*.

2. A. The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the *"Initial Offering Prices"*) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Schedule B*.

B. As set forth in the Agreement, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the *"Hold-the-Offering-Price Rule"*), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.

C. No Underwriter (as defined below) has offered or sold any Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

III. Defined Terms

[1. *General Rule Maturities* means those Maturities of the Bonds not listed in *Schedule A* hereto as the "Hold-the-Offering-Price Maturities."]

[2. *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in *Schedule A* hereto as the "Hold-the-Offering-Price Maturities."]

[3. *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being December 17, 2020), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

5. *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

6. A person is a *"Related Party"* to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is __________ __, 2023.

8. *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, including, specifically, the Purchaser, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

IV. Representations

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this ___ day of April, 2023.

PIPER SANDLER & CO.

By: ______________________________
Title:______________________________