

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance
Consent

AGENDA ITEM: 6 – N
DATE: December 7-8, 2022

SUBJECT

FY24 HEFF M&R Projects

CONTROLLING STATUTE, RULE, OR POLICY

[SDCL § 13-51-2](#) – Educational Facilities Fund – Purposes

[SDCL § 13-53-15](#) – Receipt by State Treasurer of Institutional Moneys - Distribution

[SDCL § 13-53-15.3](#) – Medical School Funds

[BOR Policy 6:6](#) – Maintenance and Repair

BACKGROUND / DISCUSSION

The Higher Education Facilities Fund (HEFF) represents eleven and one-half percent of all tuition (on-campus and off-campus) collected minus one hundred seventy-five thousand dollars related to the medical school. The funds are used for maintenance and repair (M&R) needs of the universities, long-term indebtedness for capital improvements, and new construction. The FY24 available M&R funding is \$12,500,000.

The HEFF allocation formula is now based on replacement values, gross square footage for academic buildings and HEFF revenues, all weighted equally ([March 2018 Board Minutes, Item 7-Z](#)). Attachment I provides the formula distribution for the FY24 HEFF allocation. The campuses can allocate funds towards planning and design to assist the universities in determining appropriate work scope and cost of each proposed project. The funding for planning and design is identified as part of the allocation.

Attachment II provides the FY24 maintenance and repair projects submitted by the institutions for approval. Each project is placed into one of the following categories: Public Health, Safety and Compliance; Building Integrity; Programmatic Suitability; Energy and Utility Savings; or Other according to Board Policy 6:6. The policy provides for funding realignments and transfers between approved projects. Changes to the approved project list for projects estimated to cost \$50,000 to \$250,000 must be submitted for the Executive Director's approval and projects more than \$250,000 must be submitted for Board approval. Projects under \$50,000 (all costs and contracts inclusive) may be approved by the presidents or their designee.

(Continued)

DRAFT MOTION 20221207_6-N:

I move to approve the FY24 HEFF M&R projects as presented in Attachment II.

IMPACT AND RECOMMENDATIONS

The FY24 available funding is \$12,500,000.

Approval of the FY24 HEFF Maintenance and Repair projects will allow the universities to begin project planning and completion in a timely manner.

ATTACHMENTS

Attachment I – Formula Distribution for the FY24 HEFF Allocation

Attachment II – FY24 HEFF Maintenance and Repair Projects Requested by the
Institutions

FY24 HEFF M&R Allocation

1/3 HEFF Buildings Square Footage, 1/3 HEFF Buildings Replacement Values, and 1/3 HEFF Revenues Generated

Line											
1	Total HEFF M&R Funding Available	\$12,500,000									
2	Gross Sq. Feet	6,580,414									
3	Replacement Value	\$1,955,699,305									
4	FY22 Total HEFF Revenues	\$25,483,037									
		BHSU	DSU	NSU	SDSMT	SDSU	USD	SSOM	BHSU-RC	USD-SF	TOTAL
5	HEFF Academic Buildings Gross Square Feet	530,880	367,451	664,805	596,948	2,325,776	1,804,103	91,895	58,795	139,761	6,580,414
6	Campus % of Total HEFF Academic Building Sq. Ft. (Line 5 / Line 2)	8.07%	5.58%	10.10%	9.07%	35.34%	27.42%	1.40%	0.89%	2.12%	100.00%
7	Current FY Gross Sq. Ft. Disbursement Factor (Line 6 * 1/3)	2.69%	1.86%	3.37%	3.02%	11.78%	9.14%	0.47%	0.30%	0.71%	33.33%
8	Allocation of 1/3 of Total HEFF M&R Funding (Line 7 * Line 1)	\$336,149	\$232,667	\$420,949	\$377,983	\$1,472,663	\$1,142,344	\$58,187	\$37,229	\$88,496	\$4,166,667
9	HEFF Academic Buildings Replacement Value	\$160,108,474	\$103,419,802	\$190,767,151	\$199,777,977	\$677,131,351	\$546,756,684	\$16,902,919	\$18,189,033	\$42,645,915	\$1,955,699,305
10	Campus % of Total HEFF Academic Replacement Value (Line 9 / Line 3)	8.19%	5.29%	9.75%	10.22%	34.62%	27.96%	0.86%	0.93%	2.18%	100.00%
11	Current FY Replacement Value Disbursement Factor (Line 10 * 1/3)	2.73%	1.76%	3.25%	3.41%	11.54%	9.32%	0.29%	0.31%	0.73%	33.33%
12	Allocation of 1/3 of Total HEFF M&R Funding (Line 11 * Line 1)	\$341,115	\$220,338	\$406,434	\$425,632	\$1,442,645	\$1,164,879	\$36,012	\$38,752	\$90,858	\$4,166,667
13	FY22 HEFF Revenues Generated by Campuses	\$2,096,267	\$2,201,088	\$1,562,372	\$1,993,146	\$9,061,015	\$7,303,481	\$768,191	\$287,150	\$210,326	\$25,483,037
14	Campus % of Total FY22 HEFF Revenues (Line 13 / Line 4)	8.23%	8.64%	6.13%	7.82%	35.56%	28.66%	3.01%	1.13%	0.83%	100.00%
15	Current FY Revenues Disbursement Factor (Line 14 * 1/3)	2.74%	2.88%	2.04%	2.61%	11.85%	9.55%	1.00%	0.38%	0.28%	33.33%
16	Allocation of 1/3 of Total HEFF M&R Funding (Line 15 * Line 1)	\$342,755	\$359,894	\$255,459	\$325,894	\$1,481,544	\$1,194,174	\$125,605	\$46,951	\$34,390	\$4,166,667
17	Campus HEFF M&R Allocation for FY24 (Line 8 + Line 12 + Line 16)	\$1,020,020	\$812,900	\$1,082,843	\$1,129,509	\$4,396,852	\$3,501,397	\$219,804	\$122,932	\$213,744	\$12,500,000
	FY24 Debt Service										
	Series 2011 M&R Bond	\$108,586	\$0	\$134,837	\$0	\$521,450	\$428,376	\$0	\$0	\$0	\$1,193,249
	Series 2020 M&R Bond	\$146,160	\$146,160	\$0	\$233,999	\$584,925	\$321,695	\$0	\$0	\$0	\$1,432,938
	5% Planning and Design (Line 17 * 5%)	\$51,001	\$40,645	\$54,142	\$56,475	\$219,843	\$175,070	\$10,990	\$6,147	\$10,687	\$625,000
	Balance of HEFF Allocation for M&R Projects	\$714,273	\$626,095	\$893,864	\$839,035	\$3,070,634	\$2,576,256	\$208,814	\$116,785	\$203,056	\$9,248,813

FY24 HEFF Maintenance & Repair Projects

Project #	Building Name	Project Name	M&R Category ⁽¹⁾	M&R Class ⁽²⁾	Cost Estimate
<u>Black Hills State University</u>					
6H2401		M&R Bond - 2011			\$108,586
6H2402		Planning & Design			\$51,001
6H2403		M&R Bond - 2020			\$146,160
6H24XX	Campus	Entryway Updates	E. Campus Infrastructure	C. Renovation	\$300,000
6H24XX	Campus	Wayfinding	E. Campus Infrastructure	A. Maintenance	\$150,000
6H24XX	Jonas & Jonas Science	Entry Renovation	B. Building Integrity	C. Renovation	\$264,273
FY24 HEFF M&R Projects Total					\$1,020,020
<u>Black Hill State University - RC</u>					
6H2452		Planning & Design			\$6,147
6H24XX	BHSU-RC	Admin Office & Testing Redesign	C. Programmatic Suitability	D. Alteration	\$50,000
6H24XX	BHSU-RC	Atrium/Entry Renovation	C. Programmatic Suitability	C. Renovation	\$66,785
FY24 HEFF M&R Projects Total					\$122,932
<u>Dakota State University</u>					
8H2402		Planning & Design			\$40,645
8H2403		M&R Bond - 2020			\$146,160
8H24XX	Campus Wide	Landscape/Sidewalk/Parking	A. Public Health, Safety, and Compliance	A. Maintenance	\$350,000
8H24XX	Kennedy Center	Renovations	C. Programmatic Suitability	C. Renovation	\$100,000
8H24XX	Campus Wide	Academic Building Repairs	B. Building Integrity	A. Maintenance	\$76,095
8H24XX	Community Center	Roof Replacement	B. Building Integrity	C. Renovation	\$50,000
8H24XX	Fieldhouse/ Memorial Gym	Door Security Upgrades	A. Public Health, Safety, and Compliance	D. Alteration	\$50,000
FY24 HEFF M&R Projects Total					\$812,900
<u>Northern State University</u>					
5H2401		M&R Bond - 2011			\$134,837
5H2402		Planning & Design			\$54,142
5H24XX	Beulah Williams Library	Light Control System	D. Energy & Utility Savings	C. Renovation	\$75,000
5H24XX	Krikac Administration	Replace roof	B. Building Integrity	B. Repair	\$225,000
5H24XX	Gerber	Replace roof	B. Building Integrity	B. Repair	\$250,000
5H24XX	Mewaldt Jensen	Addressable fire alarm installation	A. Public Health, Safety, and Compliance	C. Renovation	\$268,864
5H24XX	Campus-wide	Office Updates & Renovation	C. Programmatic Suitability	C. Renovation	\$75,000
FY24 HEFF M&R Projects Total					\$1,082,843
<u>South Dakota School of Mines & Technology</u>					
4H2402		Planning & Design			\$56,475
4H2403	Devereaux Library	M&R Bond - 2020			\$233,999
4H24XX	CBEC	Renovations	C. Programmatic Suitability	C. Renovation/A. Maintenance	\$100,000
4H24XX	O'Harra Building	Various Renovations	C. Programmatic Suitability	C. Renovation/A. Maintenance	\$100,000
4H24XX	King Center	King Center Utility/HVAC	E. Campus Infrastructure	A. Maintenance	\$420,035
4H24XX	Various	Energy Project	D. Energy and Utility Savings	A. Maintenance	\$29,000
4H24XX	Various	General HVAC	E. Campus Infrastructure	A. Maintenance	\$100,000
4H24XX	Various	Fire, Life & Safety	A. Public Health, Safety, and Compliance	A. Maintenance	\$50,000

FY24 HEFF Maintenance & Repair Projects

Project #	Building Name	Project Name	M&R Category ⁽¹⁾	M&R Class ⁽²⁾	Cost Estimate
4H24XX	Various	Building Integrity	B. Building Integrity	C. Renovation	\$40,000
FY24 HEFF M&R Projects Total					\$1,129,509
<u>South Dakota State University</u>					
3H2401		M&R Bond - 2011			\$521,450
3H2402		Planning & Design			\$219,843
3H2403		M&R Bond - 2020			\$584,925
3H24XX	Stanley J. Marshall Center	First Bank & Trust Arena Renovation	B. Building Integrity	C. Renovation	\$3,000,000
3H24XX	Performing Arts Center	Replace Humidification System	B. Building Integrity	B. Repair	\$70,634
FY24 HEFF M&R Projects Total					\$4,396,852
<u>University of South Dakota</u>					
2H2401		M&R Bond - 2011			\$428,376
2H2402		Planning & Design			\$175,070
2H2403		M&R Bond - 2020			\$321,695
2H22XX	Campus	Hazardous Materials Abatement (asbestos, lead paint)	A. Public Health, Safety, and Compliance	A. Maintenance	\$50,000
2H22XX	Campus	Mechanical Repairs and Upgrades	D. Energy & Utility Savings	A. Maintenance	\$150,000
2H22XX	Campus	Electrical Repairs & Upgrades	D. Energy & Utility Savings	A. Maintenance	\$100,000
2H22XX	Campus	Roof Repairs	B. Building Integrity	A. Maintenance	\$35,000
2H22XX	Campus	Building Control Systems Maintenance & Replacement	D. Energy & Utility Savings	A. Maintenance	\$25,000
2H22XX	Campus	Painting and Flooring Repairs and Upgrades	B. Building Integrity	A. Maintenance	\$50,000
2H22XX	Campus	Sidewalk Safety And Accessibility Improvements / Repair	D. Energy & Utility Savings	A. Maintenance	\$100,000
2H22XX	Campus	Elevator Repairs	A. Public Health, Safety, and Compliance	A. Maintenance	\$50,000
2H22XX	Campus	Academic & Classroom Critical Maintenance & Repair	B. Building Integrity	A. Maintenance	\$50,000
2H22XX	Campus	Electrical Infrastructure Upgrades	E. Campus Infrastructure	C. Renovation	\$400,000
2H22XX	Campus	IT Infrastructure Upgrades	D. Energy & Utility Savings	A. Maintenance	\$30,074
2H22XX	Campus	Security Camera and Card Access Upgrades	A. Public Health, Safety, and Compliance	A. Maintenance	\$50,000
2H22XX	Campus	Heating and Cooling Loop Upgrades	D. Energy & Utility Savings	A. Maintenance	\$34,090
2H22XX	Dakota Dome	Roof Replacement	B. Building Integrity	C. Renovation	\$1,000,000
2H22XX	ID Weeks	Chiller Replacement	D. Energy & Utility Savings	C. Renovation	\$242,092
2H22XX	Lee Medical	West Side Corridor Renovations	B. Building Integrity	C. Renovation	\$30,000
2H22XX	Lee Medical	Water Heater Replacement	D. Energy & Utility Savings	A. Maintenance	\$100,000
2H22XX	Service Center	Replace Condensate Skid	B. Building Integrity	A. Maintenance	\$40,000
2H22XX	Slagle Hall	Second Floor Corridor Renovation	D. Energy & Utility Savings	C. Renovation	\$40,000
FY24 HEFF M&R Projects Total					\$3,501,397
<u>Sanford School of Medicine</u>					
2H2452		Planning & Design			\$10,990
2H245X	SSOM-HSC	Mechanical Repairs and Upgrades	B. Building Integrity	A. Maintenance	\$50,000
2H245X	SSOM-HSC	LED Lighting upgrades	B. Building Integrity	A. Maintenance	\$50,000
2H245X	SSOM-HSC	Chiller Upgrades	D. Energy & Utility Savings	A. Maintenance	\$108,814
FY24 HEFF M&R Projects Total					\$219,804
<u>University of South Dakota - SF</u>					

FY24 HEFF Maintenance & Repair Projects

Project #	Building Name	Project Name	M&R Category ⁽¹⁾	M&R Class ⁽²⁾	Cost Estimate
2H2462		Planning & Design			\$10,687
2H246X	USD-SF	Mechanical Upgrades	B. Building Integrity	A. Maintenance	\$103,057
2H246X	USD-SF	Electrical Upgrades	B. Building Integrity	A. Maintenance	\$25,000
2H246X	USD-SF	Exterior Upgrades	B. Building Integrity	A. Maintenance	\$75,000
FY24 HEFF M&R Projects Total					\$213,744
Grand Total FY24 HEFF M&R Projects					\$12,500,000
Refer to BOR Policy 6:6 Maintenance & Repair					
⁽¹⁾ M&R Category					
A.	Public Health, Safety, and Compliance				
B.	Building Integrity				
C.	Programmatic Suitability				
D.	Energy and Utility Savings				
E.	Campus Infrastructure				
⁽²⁾ M&R Class					
A.	Maintenance				
B.	Repair				
C.	Renovation				
D.	Alteration				