

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance
Consent

AGENDA ITEM: 5 – L
DATE: December 11-12, 2024

SUBJECT

FY26 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 FY26 available M&R funding is \$11,500,000.

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 FY26 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 \$100,000 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 \$100,000 (all costs and contracts inclusive) may be approved by the presidents or their designee.

(Continued)

DRAFT MOTION 20241211_5-L:

I move to approve the FY26 HEFF M&R projects as presented in Attachment II.

IMPACT AND RECOMMENDATIONS

The FY26 available funding is \$11,500,000.

Approval of the FY26 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 FY26 HEFF allocation

Attachment II – FY26 HEFF Maintenance and Repair projects requested by the institutions

FY26 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										\$11,500,000
2	Gross Sq. Feet										6,599,221
3	Replacement Value										\$2,235,289,467
4	FY24 Total HEFF Revenues										\$25,813,247
		BHSU	DSU	NSU	SDSMT	SDSU	USD	BHSU-RC	USD-SF	TOTAL	
5	HEFF Academic Buildings Gross Square Feet	534,279	372,552	629,263	596,948	2,336,777	1,930,846	58,795	139,761		6,599,221
6	Campus % of Total HEFF Academic Building Sq. Ft. (Line 5 / Line 2)	8.10%	5.65%	9.54%	9.05%	35.41%	29.26%	0.89%	2.12%		100.00%
7	Current FY Gross Sq. Ft. Disbursement Factor (Line 6 * 1/3)	2.70%	1.88%	3.18%	3.02%	11.80%	9.75%	0.30%	0.71%		33.33%
8	Allocation of 1/3 of Total HEFF M&R Funding (Line 7 * Line 1)	\$310,350	\$216,407	\$365,524	\$346,753	\$1,357,379	\$1,121,583	\$34,153	\$81,184		\$3,833,333
9	HEFF Academic Buildings Replacement Value	\$184,382,656	\$120,103,718	\$205,418,005	\$224,013,102	\$777,717,367	\$655,448,195	\$20,385,000	\$47,821,424		\$2,235,289,467
10	Campus % of Total HEFF Academic Replacement Value (Line 9 / Line 3)	8.25%	5.37%	9.19%	10.02%	34.79%	29.32%	0.91%	2.14%		100.00%
11	Current FY Replacement Value Disbursement Factor (Line 10 * 1/3)	2.75%	1.79%	3.06%	3.34%	11.60%	9.77%	0.30%	0.71%		33.33%
12	Allocation of 1/3 of Total HEFF M&R Funding (Line 11 * Line 1)	\$316,201	\$205,968	\$352,275	\$384,164	\$1,333,720	\$1,124,038	\$34,959	\$82,010		\$3,833,333
13	FY24 HEFF Revenues Generated by Campuses	\$1,915,547	\$2,378,356	\$1,495,133	\$1,937,617	\$9,197,259	\$8,491,780	\$261,984	\$135,571		\$25,813,247
14	Campus % of Total FY24 HEFF Revenues (Line 13 / Line 4)	7.42%	9.21%	5.79%	7.51%	35.63%	32.90%	1.01%	0.53%		100.00%
15	Current FY Revenues Disbursement Factor (Line 14 * 1/3)	2.47%	3.07%	1.93%	2.50%	11.88%	10.97%	0.34%	0.18%		33.33%
16	Allocation of 1/3 of Total HEFF M&R Funding (Line 15 * Line 1)	\$284,464	\$353,192	\$222,031	\$287,741	\$1,365,817	\$1,261,051	\$38,905	\$20,133		\$3,833,334
17	Campus HEFF M&R Allocation for FY26 (Line 8 + Line 12 + Line 16)	\$911,015	\$775,566	\$939,830	\$1,018,658	\$4,056,916	\$3,506,673	\$108,017	\$183,326		\$11,500,000
	FY26 Debt Service										
	Series 2011 M&R Bond	\$108,572	\$0	\$134,820	\$0	\$521,383	\$428,322	\$0	\$0		\$1,193,096
	Series 2020 M&R Bond	\$145,976	\$145,976	\$0	\$233,704	\$584,189	\$321,290	\$0	\$0		\$1,431,134
	5% Planning and Design (Line 17 * 5%)	\$45,551	\$38,778	\$46,991	\$50,933	\$202,846	\$175,334	\$5,401	\$9,166		\$575,000
	Balance of HEFF Allocation for M&R Projects	\$610,916	\$590,812	\$758,018	\$734,021	\$2,748,498	\$2,581,728	\$102,616	\$174,160		\$8,300,770
	FY25 Allocation	\$960,563	\$796,581	\$1,029,261	\$1,062,730	\$4,234,545	\$3,626,032	\$100,170	\$190,118		\$12,000,000
	Increase/(Decrease) from FY25	(\$49,548)	(\$21,015)	(\$89,431)	(\$44,072)	(\$177,629)	(\$119,359)	\$7,847	(\$6,792)		(\$500,000)

FY26 HEFF Maintenance & Repair Projects

Project #	Building Name	Project Name	M&R Category ⁽¹⁾	M&R Class ⁽²⁾	Cost Estimate
Black Hills State University					
6H2601		M&R Bond - 2011			\$108,572
6H2602		Planning & Design			\$45,551
6H2603		M&R Bond - 2020			\$145,976
6H26XX	Jonas Academic	Mechanical Upgrade Phase I	D. Energy and Utility Savings	C. Renovation	\$610,916
FY26 HEFF M&R Projects Total					\$911,015
Black Hill State University - RC					
6H2652		Planning & Design			\$5,401
6H26XX	BHSU-Rapid City	HVAC Control System	D. Energy and Utility Savings	D. Alteration	\$50,000
6H26XX	BHSU-Rapid City	Interior & Exterior Painting & Caulking	B. Building Integrity	B. Repair	\$52,616
FY26 HEFF M&R Projects Total					\$108,017
Dakota State University					
8H2602		Planning & Design			\$38,778
8H2603		M&R Bond - 2020			\$145,976
8H26XX	Kennedy Center	Roof Replacement	B. Building Integrity	A. Maintenance	\$325,000
8H26XX	Museum	Roof Replacement	B. Building Integrity	A. Maintenance	\$125,000
8H26XX	Heston Hall	Office Renovations	C. Programmatic Suitability	D. Alteration	\$60,000
8H26XX	Campus Wide	Academic Building Repairs	C. Programmatic Suitability	C. Renovation	\$45,000
8H26XX	Fieldhouse	Locker Room and Office Renovations	C. Programmatic Suitability	C. Renovation	\$35,812
FY26 HEFF M&R Projects Total					\$775,566
Northern State University					
5H2601		M&R Bond - 2011			\$134,820
5H2602		Planning & Design			\$46,991
5H26XX	Barnett Center	Bathroom Remodel	B. Building Integrity	C. Renovation	\$600,000
5H26XX	Jewett Science Center	Light Controls Upgrade	B. Building Integrity	C. Renovation	\$158,018
FY26 HEFF M&R Projects Total					\$939,830
South Dakota School of Mines & Technology					
4H2602		Planning & Design			\$50,933
4H2603		M&R Bond - 2020			\$233,704
4H26XX	Various	General HVAC	E. Campus Infrastructure	A. Maintenance	\$100,000
4H26XX	Various	Fire Life & Safety	A. Public Health, Safety, and Compliance	A. Maintenance	\$50,000
4H26XX	Various	Building Integrity	B. Building Integrity	A. Maintenance	\$50,000
4H26XX	CBEC	Lab Renovation	C. Programmatic Suitability	C. Renovation	\$100,000
4H26XX	Civil Mechanical	HVAC (AHUs & Heat Exchanger)	B. Building Integrity	A. Maintenance	\$100,000
4H26XX	Mineral Industries	Mineral Industry Tear Down	B. Building Integrity	A. Maintenance	\$200,000
4H26XX	Campus	Infrastructure Repairs	E. Campus Infrastructure	A. Maintenance	\$74,021
4H26XX	O'Harra	ADA Ramp Repair	A. Public Health, Safety, and Compliance	A. Maintenance	\$30,000
4H26XX	Campus	Railing Repair	A. Public Health, Safety, and Compliance	A. Maintenance	\$30,000
FY26 HEFF M&R Projects Total					\$1,018,658
South Dakota State University					
3H2601		M&R Bond - 2011			\$521,383
3H2602		Planning & Design			\$202,846
3H2603		M&R Bond - 2020			\$584,189
3H26XX	CMP 2219, 2170, & 2820	Emergency HVAC Repairs	B. Building Integrity	B. Repair	\$200,000
3H26XX	Central Heating Plant	Phase Three Upgrades & Repairs	D. Energy and Utility Savings	C. Renovation	\$600,000
3H26XX	CMP 2115, 2203, 2222, 2235	Planned Preventative M&R	B. Building Integrity	B. Repair	\$280,000
3H26XX	Campus	Accessibility Improvements	A. Public Health, Safety, and Compliance	B. Repair	\$30,000
3H26XX	Central Chiller Plant	Utility Upgrades & Repairs	D. Energy and Utility Savings	B. Repair	\$75,000
3H26XX	Campus	Chilled Water Distribution - Annual PPM	D. Energy and Utility Savings	B. Repair	\$100,000
3H26XX	Campus	Steam Distribution - Annual PPM	D. Energy and Utility Savings	B. Repair	\$140,000
3H26XX	Yeager Hall	Elevator & Restroom Maintenance & Repairs	A. Public Health, Safety, and Compliance	B. Repair	\$230,000
3H26XX	Morrill Hall	Stormwater & Sanitary Sewer Improvements	B. Building Integrity	B. Repair	\$65,000
3H26XX	Morrill Hall	Masonry & Joint Sealant Repairs	B. Building Integrity	B. Repair	\$430,000
3H26XX	Animal Science Complex	Electrical Upgrades	B. Building Integrity	B. Repair	\$343,498
3H26XX	Coughlin Campanile	Interior Masonry, Plaster, Concrete, & Glazing Repairs	B. Building Integrity	B. Repair	\$255,000
FY26 HEFF M&R Projects Total					\$4,056,916
University of South Dakota					
2H2601		M&R Bond - 2011			\$428,322
2H2602		Planning & Design			\$175,334
2H2603		M&R Bond - 2020			\$321,290
2H26XX	Campus	Hazardous Materials Abatement (Asbestos, Lead Paint)	A. Public Health, Safety, and Compliance	A. Maintenance	\$50,000
2H26XX	Campus	Mechanical Repairs and Upgrades	D. Energy and Utility Savings	A. Maintenance	\$151,722
2H26XX	Campus	Electrical Repairs and Upgrades	D. Energy and Utility Savings	A. Maintenance	\$125,000
2H26XX	Campus	Roof Repairs	B. Building Integrity	A. Maintenance	\$75,000
2H26XX	Campus	Exterior Tuckpointing	B. Building Integrity	A. Maintenance	\$50,000
2H26XX	Campus	Building Control Systems Maintenance and Replacement	D. Energy and Utility Savings	A. Maintenance	\$35,000
2H26XX	Campus	Painting and Flooring Repairs and Upgrades	B. Building Integrity	A. Maintenance	\$50,000
2H26XX	Campus	Sidewalk Safety and Accessibility Improvements/Repairs	A. Public Health, Safety, and Compliance	A. Maintenance	\$120,000
2H26XX	Campus	Elevator Repairs	A. Public Health, Safety, and Compliance	A. Maintenance	\$50,000
2H26XX	Campus	Irrigation Line Maintenance and Landscape Upgrades	A. Public Health, Safety, and Compliance	A. Maintenance	\$70,000
2H26XX	Campus	Academic and Classroom Critical Maintenance and Repair	B. Building Integrity	A. Maintenance	\$100,000
2H26XX	Campus	Campus Security Camera and Card Access Upgrades	A. Public Health, Safety, and Compliance	A. Maintenance	\$70,642
2H26XX	Campus	Heating and Cooling Loop Upgrades	D. Energy and Utility Savings	A. Maintenance	\$35,000
2H26XX	Campus	Fire Protection Systems	A. Public Health, Safety, and Compliance	A. Maintenance	\$25,000
2H26XX	Campus	Central Steam Plant Repairs	D. Energy and Utility Savings	A. Maintenance	\$25,000
2H26XX	Delzell	Restroom Renovation	B. Building Integrity	C. Renovation	\$200,000

FY26 HEFF Maintenance & Repair Projects

Project #	Building Name	Project Name	M&R Category ⁽¹⁾	M&R Class ⁽²⁾	Cost Estimate
2H26XX	ID Weeks	Exterior Window Replacement	D. Energy and Utility Savings	A. Maintenance	\$200,000
2H26XX	ID Weeks	Roof and Skylight Replacement	B. Building Integrity	A. Maintenance	\$250,000
2H26XX	Fine Arts	Electrical Infrastructure Upgrades	D. Energy and Utility Savings	A. Maintenance	\$280,485
2H26XX	Neuharth	Boiler Replacement	D. Energy and Utility Savings	A. Maintenance	\$400,000
2H265X	SSOM-HSC	Mechanical Repairs and Upgrades	D. Energy and Utility Savings	A. Maintenance	\$50,000
2H265X	SSOM-HSC	Building Repairs and Upgrades	B. Building Integrity	A. Maintenance	\$25,000
2H265X	SSOM-HSC	Roof Replacement	B. Building Integrity	A. Maintenance	\$143,879
FY26 HEFF M&R Projects Total					\$3,506,673
University of South Dakota - SF					
2H2662		Planning & Design			\$9,166
2H266X	USDSF	Mechanical Repairs and Upgrades	B. Building Integrity	A. Maintenance	\$114,160
2H266X	USDSF	Electrical Repairs and Upgrades	B. Building Integrity	A. Maintenance	\$20,000
2H266X	USDSF	Exterior Renovations	A. Public Health, Safety, and Compliance	A. Maintenance	\$20,000
2H266X	USDSF	Interior Renovations	B. Building Integrity	A. Maintenance	\$20,000
FY26 HEFF M&R Projects Total					\$183,326
Grand Total FY26 HEFF M&R Projects					\$11,500,000

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