



**SOUTH DAKOTA BOARD OF REGENTS
ACADEMIC AFFAIRS FORMS**

New Undergraduate Degree Program

UNIVERSITY:	SDSU
MAJOR:	Business Economics
EXISTING OR NEW MAJOR(S):	New
DEGREE:	Bachelor of Arts (B.A.) Bachelor of Science (B.S.)
EXISTING OR NEW DEGREE(S):	Existing
INTENDED DATE OF IMPLEMENTATION:	2018-2019 Academic Year
PROPOSED CIP CODE:	52.0601
SPECIALIZATIONS:¹	N/A
IS A SPECIALIZATION REQUIRED (Y/N):	No
DATE OF INTENT TO PLAN APPROVAL:	Waived
UNIVERSITY DEPARTMENT:	Economics
UNIVERSITY DIVISION:	Arts & Sciences

University Approval

To the Board of Regents and the Executive Director: I certify that I have read this proposal, that I believe it to be accurate, and that it has been evaluated and approved as provided by university policy.

President of the University

8/21/2017

Date

1. What is the nature/purpose of the proposed program?

South Dakota State University (SDSU) requests authorization to offer a Bachelor of Arts and Bachelor of Science in Business Economics. SDSU currently offers a Business Economics Specialization in the Economics major. This specialization will be terminated with approval of this new major.

Career opportunities for Business Economics graduates include financial analysis, investment banking and wealth management, bank customer relations, human resource management, market research and analysis, sales and customer relationships, sales forecasting, domestic and international market development, small and family business management, real estate, and corporate management training. The Business Economics major will also serve to prepare students for graduate work in law, economics, and business.

The addition of the proposed Business Economics major will provide greater transparency and assurance for state and regional businesses that they are hiring employees with the appropriate skills for finance, accounting, management and marketing positions. The establishment of a stand-

¹ If the proposed new program includes specific specializations within it, complete and submit a New Specialization Form for each proposed specialization and attach it to this form. Since specializations appear on transcripts, they require Board of Regents approval.

alone Business Economics major also offers greater transparency of program curricula to attract in and out of state undergraduate students.

Through the Business Economics program, students will be empowered to compete in the job market with those with similar skills knowing that they do not have to justify their qualifications.

The proposed program in Business Economics also helps align the current curriculum with the Association to Advance Collegiate Schools of Business (AACSB) standards. In 2011, SDSU was granted permission from the Board of Regents to seek accreditation from AACSB for a set of undergraduate programs including offerings based in economics, management and agricultural business.² SDSU is currently the only 1862 land-grant institution in the United States that does not have a formally organized and AACSB accredited business/management program/unit.

The University does not request new state resources.

2. How does the proposed program relate to the university's mission and strategic plan, and to the current Board of Regents Strategic Plan 2014-2020?³

The proposed major in Business Economics is within the statutory mission of SDSU as provided in SDCL 13-58-1: *Designated as South Dakota's land grant university, South Dakota State University, formerly the state college of agriculture and mechanical arts, shall be under the control of the Board of Regents and shall provide undergraduate and graduate programs of instruction in the liberal arts and sciences and professional education in agriculture, education, engineering, home economics, nursing and pharmacy, and other courses or programs as the Board of Regents may determine.*

Board Policy 1:10:2 South Dakota State University Mission Statement provides: *The legislature established South Dakota State University as the Comprehensive Land Grant University to meet the needs of the State and region by providing undergraduate and graduate programs of instruction in the liberal arts and sciences and professional education in agriculture, education, engineering, human sciences, nursing, pharmacy, and other courses or programs as the Board of Regents may determine (SDCL 13-58-1).*

As the state's land-grant institution, SDSU champions the public good through engaged learning, bold and innovative research and creative activities, and stewardship within a global society. SDSU offers a rich academic experience in an environment of inclusion and access through inspired, student-centered education, creative activities and research, innovation and engagement that improve the quality of life in South Dakota, the region, the nation, and the world. The major in Business Economics will support that mission and SDSU's strategic plan by promoting academic excellence.

The proposed program also supports the goals stated in the South Dakota Board of Regents Strategic Plan 2014-2020:

Goal 1 – Student Success

- Increase total undergraduate degrees awarded.

²South Dakota Board of Regents, March 30-April 1, 2011, pages 556-564 of the official minutes <https://www.sdbor.edu/the-board/minutes/Documents/minutes0330040111.pdf>

³ South Dakota statutes regarding university mission are located in SDCL 13-57 through 13-60; Board of Regents policies regarding university mission are located in Board Policies 1:10:1 through 1:10:6. The Strategic Plan 2014-2020 is available from https://www.sdbor.edu/the-board/agendaitems/Documents/2014/October/16_BOR1014.pdf.

Goal 2 – Academic Quality and Performance

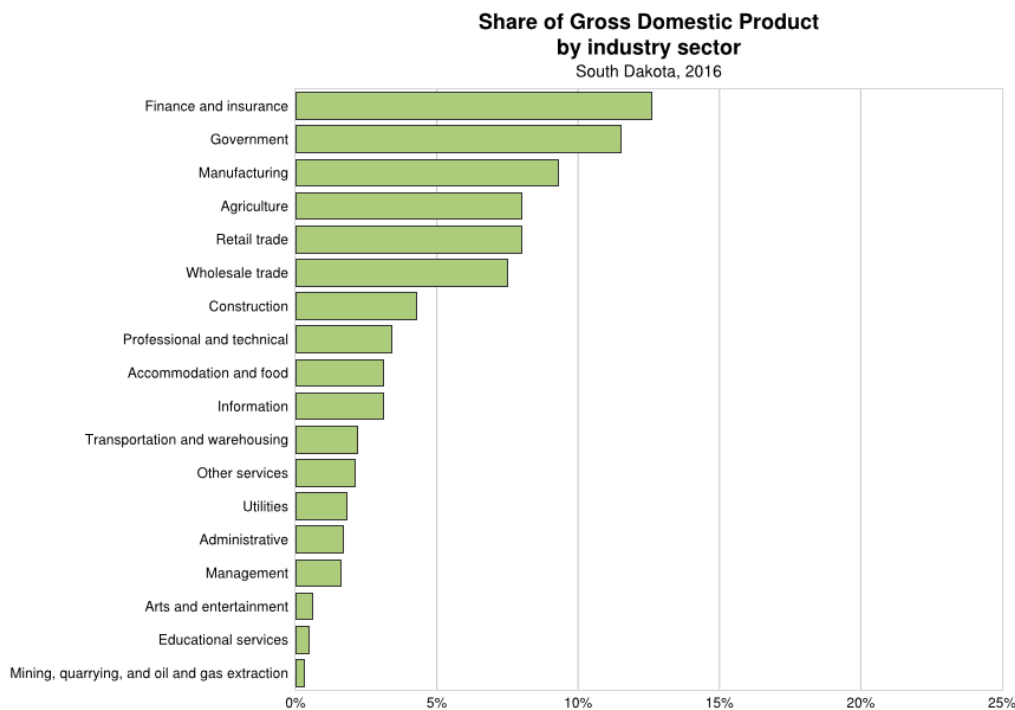
- Grow the number of students participating in experiential learning.

Goal 3 – Research and Economic Development

- Contribute to the state’s workforce and economic development.

3. Describe the workforce demand for graduates of the program, including national demand and demand within South Dakota. Provide data and examples; data sources may include but are not limited to the South Dakota Department of Labor, the US Bureau of Labor Statistics, Regental system dashboards, etc.

According to the Bureau of Labor Statistics, US employment in business and financial operations occupations is projected to grow 8 percent from 2014 to 2024, about as fast as the average for all occupations, adding about 632,400 new jobs. A rapidly changing regulatory environment is driving the demand for more accountants, auditors and financial analysts who prepare and examine financial documents.⁴ South Dakota’s financial and insurance sector continues to be a leader in contributing to the state’s GDP and a leading sector in employment growth. All top six industry sectors, accounting for over 50% of South Dakota’s GDP, have increasing demands for strong business analysis skills, supply chain knowledge (including global trade and economy), market and environment analysis, and the organization and management skills to return on the investment in them as an employee.⁵



⁴ Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Outlook Handbook, 2016-17 Edition*, Business and Financial Occupations on the internet at <https://www.bls.gov/ooh/business-and-financial/home.htm> (visited June 13, 2017).

⁵ Bureau of Economic Analysis, U.S. Department of Commerce, Regional Economic Accounts. <https://www.bea.gov/regional/index.htm> and <http://www.southdakotadashboard.org/economic-output-gdp#0-7143-g>

4. How will the proposed program benefit students?

The analytical focus in all the degree programs offered by the Economics Department provides a common platform. The business oriented programs add a common core of finance, accounting, management, marketing and business law. The proposed Business Economics degree program builds on the core with electives that emphasize investment analysis and management, organization and human resource management, international business and marketing. The capstone course builds students' confidence in the ability to integrate and apply the qualitative and quantitative skills they have developed in management, marketing, financial and economic analysis. The acceleration of the forces of innovation and technology, globalization, changing business models and sustainability require graduates to be able to recognize change, and to be able to adapt their skills and knowledge in diverse situations and environments.

The degree programs in the Economics Department also reflect a state economy in which agriculture, agribusiness, and bioenergy historically provide the highest percent contribution to state level GDP of any state in the U.S. A significant percentage of students attending SDSU are from rural South Dakota, western Minnesota, and northern Iowa and seek careers that will maintain a connection to their rural heritage. The curriculum of the Business Economics program retains a high level of economic theory and quantitative methods and analytical skills development to meet the increasing job market demands for analytical training in competitive markets (commodities including energy markets) as well as coordinated supply chain analysis management. This provides a distinctive program of study that empowers graduates to bridge the intersection between the leading economic sectors in South Dakota.

Business Economics students take core courses with students in the Agricultural Business program and develop a mutual understanding and respect for the similarities and differences in the skills they develop and their applications. These relationships translate to the corporate and small business world and create opportunities to grow the economy.

Prospective and current students, and graduates, will be better served by a more clearly communicated degree title. Current graduates are at a competitive disadvantage when having to explain their degree curriculum and having to establish the credibility of their preparation for business, management, financial and market analyst, and any of the career paths aforementioned. In the "internet of everything" society, graduates may not even get the opportunity to explain the curriculum of their Business Economics Specialization degree given the prevalence of online job application platforms, where key filters on minimum qualifications may preclude the graduate from progressing in the employment process.

South Dakota is an attractive state for corporate business with an associated increasing demand for employees with business training. However, newcomers to the state will seek prospective employees with business skills among the conventional business schools. The proposed major will significantly enable graduates to make desirable career connections.

5. Program Proposal Rationale:

A. If a new degree is proposed, what is the rationale?⁶

This is not a new degree.

⁶ This question refers to the type of degree, not the program. For example, if your university has authorization to offer the Bachelor of Science and the program requested is a Bachelor of Science, then the request is not for a new degree.

B. What is the rationale for the curriculum?

All courses are offered in the current Economics major, Business Economics Specialization. A 42-credit core in economics and business provides the foundation to this curriculum, accounting for over one-third of the total credits. The business-oriented curricula in Agricultural Business and Entrepreneurship Studies were amended in June, 2015 to adopt the same 42-credit core thereby providing students with a common and equally rigorous program of study⁷. This common economics and business core also provides greater transparency to all stakeholders and was strongly encouraged by the external review team in spring 2014.

This business economics program differs substantively from a traditional business-administration program. Business administration programs typically provide a broad instruction on the functions of business, theories of business management, and strategic planning. In contrast, business economics emphasizes the relationship between the organization and the economy as a whole. Business economics includes instruction in advanced undergraduate courses in microeconomic and macroeconomic theory. It requires proficiency in quantitative economic and business analysis, and mastery of fundamental theories of organizations and strategy. This program ideally prepares graduates for career opportunities in the Northern High Plains, where professions in agribusiness, food processing and manufacturing procurement, management, financial risk management, and financial intermediation demand a deep foundation in macroeconomic business-cycle analysis and the interconnectedness of global-markets with upstream, and downstream, businesses.

C. Demonstrate/provide evidence that the curriculum is consistent with current national standards. Complete the tables below and explain any unusual aspects of the proposed curriculum?

Meetings with the AACSB accreditation manager over the past few years have demonstrated the business-oriented programs not only meet but actually exceed the minimum requirements of >25% of the total credits are in business-related courses. The SDBOR approved the 42 credit economics and management core for the three business-oriented programs, which require a minimum of 32% business courses excluding the principles of economics courses and not including business electives.

D. Summary of the degree program:

Business Economics (B.A.)	Credit Hours	Credit Hours	Percent
System General Education Requirements ⁸	31-32		
Subtotal, Degree Requirements			26%
Required Support Courses	6		
Major Requirements	62		

⁷ June 9-11, 2015 Minutes SD Board of Regents.

The substantive program modification for the Agricultural Business major, pgs 26-28 https://www.sdbor.edu/the-board/agendaitems/Documents/2015/June/CommA/II_D3_CommA0615.pdf

The substantive program modification for the Entrepreneurship Studies major, pgs 29-32 https://www.sdbor.edu/the-board/agendaitems/Documents/2015/June/CommA/II_D3_a_CommA0615.pdf

⁸ Board Policy 2:7 requires all baccalaureate degree programs to include 30 credits of coursework. Students will select MATH 121-121L (5 cr.) or MATH 123 (4 cr.) to fulfill SGR #5. This has increased the System General Education Requirement from 31-32 credits.

Subtotal, Program Requirements		68	57%
College of Arts & Sciences Requirements ⁹		3	3%
General Electives ¹⁰		17-18	14%
Degree Total ¹¹		120	100%

Business Economics (B.S.)	Credit Hours	Credit Hours	Percent
System General Education Requirements ⁷	31-32		
Subtotal, Degree Requirements		31-32	26%
Required Support Courses	6		
Major Requirements	62		
Subtotal, Program Requirements		68	57%
College of Arts & Sciences Requirements ¹²		7	6%
General Electives ⁵		13-14	11%
Degree Total ¹³		120	100%

System General Education Requirements

Prefix	Number	Course Title	Credit Hours	New (yes, no)
ENGL	101	Composition I (SGR #1)	3	No
ENGL	201	Composition II (SGR #1)	3	No
SPCM	201	Fundamentals of Speech (SGR #2)	3	No
		Student Choice (SGR #3)	3	No
		Student Choice (SGR #3)	3	No
		Student Choice (SGR #4)	3	No
		Student Choice (SGR #4)	3	No
MATH OR MATH	121-121L	Survey of Calculus & Lab (5 cr.) (SGR #5)	4-5	No
	123	Calculus (4 cr.) (SGR #5)		
		Student Choice (SGR #6)	3	No
		Student Choice (SGR #6)	3	No
Subtotal			31-32	

⁹ Modern Foreign Language (6+ cr.) are required for competency at the 202 level. Six credits from one approved Modern Foreign language from SGR #4 may be counted toward goal.

¹⁰ Electives are taken as needed to complete any additional degree requirements, including the college requirement to complete a minor outside of the major prefix or a second major.

¹¹ Board Policy 2:29 requires each baccalaureate level degree program to require 120 credit hours and each associate degree program to require 60 credit hours. Exceptions to this policy require documentation that programs must comply with specific standards established by external accreditation, licensure, or regulatory bodies or for other compelling reasons and must receive approval by the Executive Director in consultation the President of the Board of Regents.

¹² Natural Sciences (10+ cr.) are required. Satisfying coursework must include at least two classes with laboratory components and at least two different prefixes. MATH & STAT courses do not count toward the Science requirement. Six credits of SGR #6 are counted toward this goal.

¹³ Board Policy 2:29 requires each baccalaureate level degree program to require 120 credit hours and each associate degree program to require 60 credit hours. Exceptions to this policy require documentation that programs must comply with specific standards established by external accreditation, licensure, or regulatory bodies or for other compelling reasons and must receive approval by the Executive Director in consultation the President of the Board of Regents.

College of Arts & Sciences Requirements – Bachelor of Arts¹⁴

Prefix	Number	Course Title	Credit Hours	New (yes, no)
Modern Foreign Language (6+ cr.) (Competency at the 202 level. Six credits from one approved Modern Foreign language from SGR #4 may be counted toward goal.)			6+ 0-6	No
A&S	111	Introduction to Global Citizenship & Diversity	3	No
One declared minor outside of the major prefix OR a second major OR a teaching specialization. The minor may be a traditional minor within one department or it may be interdisciplinary involving more than one department. The minor can be in a different college. The minor must be declared no later than the student's third semester of enrollment.			---	No
Capstone course within the major (BADM 485 Business & Financial Decisions in a Global Economy)			---	No
33 Upper Division Credits (300-400 level coursework inside and outside of the major)			---	No
Subtotal			9+	
Additional required credits of coursework beyond SGRs, Major, and Support Courses			3+	

College of Arts & Sciences Requirements – Bachelor of Science¹⁵

Prefix	Number	Course Title	Credit Hours	New (yes, no)
Natural Sciences (10+ cr.) Satisfying coursework must include: - at least two classes with laboratory components - at least two different prefixes (MATH & STAT courses do not count toward the Science requirement. Six credits of SGR #6 are counted toward this goal.)			10+ 4+	No
A&S	111	Introduction to Global Citizenship & Diversity	3	No
One declared minor outside of the major prefix OR a second major OR a teaching specialization. The minor may be a traditional minor within one department or it may be interdisciplinary involving more than one department. The minor can be in a different college. The minor must be declared no later than the student's third semester of enrollment.			---	No
Capstone course within the major (BADM 485 Business & Financial Decisions in a Global Economy)			---	No
33 Upper Division Credits (300-400 level coursework inside and outside of the major)			---	No
Subtotal			13+	
Additional required credits of coursework beyond SGRs, Major, and Support Courses			7+	

Major Requirements

Prefix	Number	Course Title	Credit Hours	New (yes, no)
ACCT	210	Principles of Accounting I	3	No

¹⁴ Electives are taken as needed to complete any additional degree requirements, including the college requirement to complete a minor outside of the major prefix or a second major.

¹⁵ Electives are taken as needed to complete any additional degree requirements, including the college requirement to complete a minor outside of the major prefix or a second major.

ACCT	211	Principles of Accounting II	3	No
BADM	101	Survey of Business	3	No
BADM	485	Business & Financial Decisions in a Global Economy	3	No
BLAW	350	Legal Environment of Business	3	No
DSCI OR ECON	424	Operations Research (3 cr.)	3	No
ECON	423	Introduction to Econometrics (3 cr.)		
ECON	119	First Year Seminar	1	No
ECON	201	Principles of Microeconomics	3	No
ECON	202	Principles of Macroeconomics	3	No
ECON	301	Intermediate Microeconomics	3	No
ECON	302	Intermediate Macroeconomics	3	No
ECON	319	Seminar with Industry Leaders	1	No
FIN	310	Business Finance	3	No
HRM	460	Human Resources Management	3	No
MGMT	360	Organization and Management	3	No
MGMT/ CSC	325	Management Information Systems	3	No
MKTG	370	Marketing	3	No
Upper-division electives prefixed ACCT, BADM, BLAW, ECON, FIN, HRM, MKTG, or MGMT; or DSCI 424 or DSCI/ECON 453			15	No
Subtotal			62	

Required Support Courses

Prefix	Number	Course Title	Credit Hours	New (yes, no)
ENGL	379	Technical Communication	3	No
STAT	281	Introduction to Statistics	3	No
Subtotal			6	

6. Student Outcomes and Demonstration of Individual Achievement

- A. What specific knowledge and competencies, including technology competencies, will all students demonstrate before graduation?** *The knowledge and competencies should be specific to the program and not routinely expected of all university graduates. Complete Appendix A – Outcomes using the system form. Outcomes discussed below should be the same as those in Appendix A. The knowledge and competencies specific to the program must relate to the proposed assessments in B and C below.*

Business Economics graduates will be able to:

- demonstrate the knowledge and understanding of concepts of economics and management that underlie the global economy and commerce;
- apply quantitative and qualitative analytical methods from economics and management to decision-making;
- incorporate business research and analysis in oral and written communication to diverse audiences; and
- evaluate ethical matters within the context of the discipline.

See Appendix A for specific courses that meet these outcomes.

B. Are national instruments (i.e., examinations) available to measure individual student achievement in this field? If so, list them.

No.

C. How will individual students demonstrate mastery? Describe the specific examinations and/or processes used, including any external measures.¹⁶ What are the consequences for students who do not demonstrate mastery?

Students will demonstrate mastery by successfully completing each of the required courses and elective courses that will complete the degree. The capstone course, BADM 485 Business and Financial Decisions in a Global Economy, will provide a high level of integration and application of all aspects of business, finance, and economic analysis.

Students will be monitored using Starfish and the Student Success Collaborative platforms for progress. Students failing to meet minimum standards may be required to retake course work. Additionally, mentoring and tutoring will be made available to all students, and those falling behind will require one-on-one counseling from academic advisors. Enrollment and retention in the program also will be monitored.

Students must earn a grade of "C" or better in CSC/MGMT 325 Management Information Systems, FIN 310 Business Finance, HRM 460 Human Resource Management, and MGMT 360 Organization and Management.

7. What instructional approaches and technologies will instructors use to teach courses in the program? This refers to the instructional technologies and approaches used to teach courses and NOT the technology applications and approaches expected of students.

The following approaches and technologies will be used:

- Lecture
- Active learning/flipped classroom
- Seminar
- Experiential learning
- Desire2Learn classroom management software
- Online and hybrid course delivery

8. Did the University engage any developmental consultants to assist with the development of the curriculum?¹⁷ Did the University consult any professional or accrediting associations during the development of the curriculum? What were the contributions of the consultants and associations to the development of curriculum?

SDSU currently offers a Business Economics Specialization within the Economics major. SDSU leadership has been in on-going contact with Association to Advance Collegiate Schools of

¹⁶ What national examination, externally evaluated portfolio or student activity, etc., will verify that individuals have attained a high level of competence and identify those who need additional work?

¹⁷ Developmental consultants are experts in the discipline hired by the university to assist with the development of a new program (content, courses, experiences, etc.). Universities are encouraged to discuss the selection of developmental consultants with Board staff.

Business (AACSB) representatives. Numerous meetings with the AACSB accreditation manager over the past few years have demonstrated the business-oriented programs not only meet but actually exceed the minimum requirements of >25% of the total credits are in business-related courses. A consultation team, including the former director of accreditation for AACSB and a former Business School Dean and leader of AACSB accreditation and Assessment of Learning workshops for AACSB, was engaged in November 2015 to review the Economics Department programs and a draft of the Eligibility Application. Their feedback was generally very positive but they highlighted the challenges presented by the lack of a clear business degree program and the organizational structure.

9. Are students enrolling in the program expected to be new to the university or redirected from other existing programs at the university? Complete the table below and explain the methodology used in developing the estimates (replace “XX” in the table with the appropriate year). If question 12 includes a request for authorization for off-campus or distance delivery, add lines to the table for off-campus/distance students, credit hours, and graduates.

<i>Estimates</i>	Fiscal Years*			
	1st FY 18	2nd FY 19	3rd FY20	4th FY 21
Students new to the university	80	90	100	100
Students from other university programs**	250	35	35	35
Continuing students		284	294	308
=Total students in the program (fall)	300	409	429	443
Program credit hours (major courses)***	5,888	5,958	6,091	6,333
Graduates	70	70	75	85

*Do not include current fiscal year.

** Business Economics specialization program transfer students to new major plus transfers in 2nd semester sophomore e.g. from Pharmacy, Nursing, Engineering, Vet-Med, etc.

***This is the total number of credit hours generated by students in the program in the required or elective program courses. Use the same numbers in Appendix B – Budget.

It is expected that students for this major will be mostly redirected from the Economics (B.S.) – Business Economics Specialization with a few initially transferring from other programs within the Economics Department. Incoming students who would have been choosing the existing Business Economics Specialization will be redirected to the new program. Current Business Economics Specialization students will transition to the new Business Economics major. Students currently in the Business Economics specialization are very well aware of the opportunities associated with the change in status of the program to a major. Those making the change mid-program would face a new 3-credit globalization course requirement in the College of Arts and Sciences and a new 300-level 1-credit seminar course with industry leaders introduced with the discontinuation of the IGR’s. In the table above, the enrollment estimates were calculated based on estimated retention rates of 90% between years 1 and 2 and 95% thereafter. Graduation numbers are based on the past 5-year trend. The Business Economics Specialization will stop admitting students on August 2018 and will be terminated on May 2020.

The program name will help SDSU recruit additional students to the university particularly those from western Minnesota and northern Iowa who are comparing opportunities at Land Grant institutions and may have had difficulty in identifying the business program. Athletic recruits are particularly sensitive to the degree program title and it is expected that these will add 12-15

enrollments annually. Enrollment and graduation rates are expected to slightly increase with the greater transparency of the program, particularly with out-of-state recruitment. There has been steady growth in student enrollment in degree program headcount as well as in registered student credit hours in the past 5 years. Student demand for the Business Economics Specialization has been masked for a number of years for two reasons:

1. As a specialization, the program is not recorded in IPEDS numbers separate from the 'parent' Economics degree, and
2. Through AY14 students were enrolled as pre-Agricultural and Resource Economics and pre-Economics majors, which masked the number of students considering a business-oriented degree program and career path.

Department of Economics Undergraduate Student Credit Hour and Headcount Enrollment

	Department of Economics Undergraduate Student Credit Hours	SDSU Undergraduate Student Credit Hours	Department of Economics Fall Undergraduate Headcount	SDSU Fall Undergraduate Headcount
AY16	21,637	289,628	746	11,751
AY15	21,665	287,710	744	11,677
AY14	20,990	287,601	738	10,840
AY13	20,704	289,478	697	10,968
AY12	20,465	292,427	630	10,993
AY11	19,963	292,840	575	11,062

*SCH source: FY16 Redbook by Level

*HC source: 2015 Fall HC by Program

The following table indicates a slightly positive trend in overall graduations from the Department of Economics with the increase emanating from Agricultural Business, Economics - Business Economics Specialization, and Entrepreneurial Studies.

Summary of Degree Programs Offered and Students Graduated by Degree Program by the Department of Economics, South Dakota State University (Undergraduate Business-oriented degree programs highlighted)

Degree Program	Location	Year Program was Established	# of Credit Hours for Degree Completion	Number of Students Graduated by Academic Year				
				AY12	AY13	AY14	AY15	AY16
B.S. in Agricultural and Resource Economics	Brookings Main Campus	1929	120	2	3	3	6	4
B.S. in Agricultural Business	Brookings Main Campus	1947	120	42	32	40	48	69
B.S. (B.A.) in Economics	Brookings Main Campus	1954	120	5 (0)	4 (0)	0 (0)	6 (0)	3 (1)
B.S. (B.A.) in Economics – Business Economics Specialization (previously Commercial Economics)	Brookings Main Campus	1992 (1980)	120	63 (3)	75 (2)	80 (0)	63 (6)	66 (7)
B.S. in Entrepreneurial Studies	Brookings Main Campus	2009	120	10	17	22	22	28
Total Graduates with B.S. and B.A. degrees				122	133	145	151	178

Of the 140-150 students graduating each year from the Department of Economics, over 90% of their programs of study are business-oriented. Of the business-oriented students, approximately 50% would benefit from the greater transparency of a more descriptive title to their degree program.

10. Is program accreditation available? If so, identify the accrediting organization and explain whether accreditation is required or optional, the resources required, and the University's plans concerning the accreditation of this program.

Yes. Achieving Association to Advance Collegiate Schools of Business (AACSB) accreditation is critical for the University, for faculty and students and other stakeholders for reasons outlined in question #1. Since receiving permission to seek AACSB accreditation, numerous milestones have been met including:

- Re-alignment of 6 tenure-track faculty positions in Accounting, Finance, Entrepreneurship (2), Management, and Marketing and 4 instructors in Accounting (2) and Management (2) associated with retirements and resignations.
- Two faculty lines associated with the Endowed Chair in Entrepreneurship (Nies Chair of Entrepreneurship) and the Director of the Ness Division of Management and Economics are supported by \$85,000 in recurring salary by Nies and Ness Foundation accounts.
- The 6 re-aligned and 4 new instructor positions involved a financial commitment and reallocation in excess of \$500,000 from the university. These tuition revenues were being generated by the department and allocated back to cover salaries and benefits.
- External reviews and consultations in spring 2014 and fall 2015 to provide feedback and assess preparedness for AACSB accreditation application.
- Submission of the Eligibility Application to AACSB's Initial Accreditation Committee (October 2016).

SDSU leadership has been in on-going contact with Association to Advance Collegiate Schools of Business (AACSB) representatives. SDSU business-oriented programs exceed the required minimum of 32% business courses excluding the principles of economics courses and not including business electives. In January 2017, the AACSB Initial Accreditation Committee's response to SDSU's Eligibility Application was to request clarification as to whether SDSU has (business) academic programs, which align with the intent of the accrediting body. This feedback clearly illustrates the need for greater transparency in how the program offerings are titled and organized.

11. Does the University request any exceptions to any Board policy for this program? Explain any requests for exceptions to Board Policy. *If not requesting any exceptions, enter "None."*

None.

12. On-line and Off-campus Delivery.¹⁸

A. Complete the following charts to indicate if the university seeks authorization to deliver the entire program at any off-campus location (e.g., UC Sioux Falls, Capital University Center, Black Hills State University-Rapid City, etc.) or seeks authorization to deliver the entire program through distance technology (e.g., as an on-line program)?

¹⁸ The accreditation requirements of the Higher Learning Commission (HLC) require Board approval for a university to offer programs off-campus and through distance delivery.

	Yes/No	If Yes, list location(s), including the physical address	Intended Start Date
Off-campus	No		Click here to enter a date.

	Yes/No	If Yes, identify delivery methods	Intended Start Date
Distance Delivery	No		Click here to enter a date.

B. Complete the following chart to indicate if the university seeks authorization to deliver more than 50% but less than 100% of the program through distance learning (e.g., as an on-line program)?

	Yes/No	If Yes, identify delivery methods	Intended Start Date
Distance Delivery	Yes		2017-2018AY
Delivery Method (if applicable)?		Online delivery	

Courses constituting approximately 50% of the Business Economics program (33 out of the 62 credit major requirements) plus a few elective courses are currently offered in the summer sessions online and approximately 20% in the fall/spring semesters. These courses are common across the Entrepreneurship, Agricultural Business, and the Economics: Business Economics specialization.

13. Cost, Budget, and Resources: Explain the amount and source(s) of any one-time and continuing investments in personnel, professional development, release time, time redirected from other assignments, instructional technology & software, other operations and maintenance, facilities, etc., needed to implement the proposed major. Address off-campus or distance delivery separately. Complete Appendix B – Budget and briefly summarize to support Board staff analysis.

A program budget is provided in Appendix B. The University does not request new State resources or new or increased student fees. The program is currently supported through existing resources, tuition and program fee revenue. This program will replace the B.S. and B.A. in Economics – Business Economics Specialization. No new resources are planned (FTE, courses, etc.).

14. Is the university requesting or intending to request permission for a new fee or to attach an existing fee to the program (place an “X” in the appropriate box)? If yes, explain.

Yes No

Explanation (if applicable):

The Business Economics major would be supported by the same existing program fee schedule as the current Business Economics specialization program fee which attaches to all courses with prefixes taught by the Economics Department (ECON, ACCT, MGMT, MKTG, HRM, BLAW, FIN, BADM, ENTR, DSCI, and AGECE).

15. New Course Approval: New courses required to implement the new undergraduate degree program may receive approval in conjunction with program approval or receive approval separately. Please check the appropriate statement:

- YES,
the university is seeking approval of new courses related to the proposed program in conjunction with program approval. All New Course Request forms are included as Appendix C and match those described in section 5D.
- NO,
the university is not seeking approval of all new courses related to the proposed program in conjunction with program approval; the institution will submit new course approval requests separately or at a later date in accordance with Academic Affairs Guidelines.

Appendix A
Individual Student Outcomes and Program Courses

Individual Student Outcome	Program Courses the Address the Outcomes																			
	ACCT 210	ACCT 211	BADM 101	BADM 485	BLAW 350	DSCI 424 or ECON 423	ECON 119	ECON 201	ECON 202	ECON 301	ECON 302	ECON 319	ENGL 379	FIN 310	HRM 460	MGMT 360	MGMT/CSC 325	MKTG 370	Upper Division Electives ¹⁹	DSCI/ ECON 453 STAT 281
Students will demonstrate the knowledge and understanding of concepts of economics and management that underlie the global economy and commerce.	X	X	X	X	X		X	X	X	X	X	X		X	X	X		X	X	
Students will apply quantitative and qualitative analytical methods from economics and management to decision-making.						X				X	X			X			X			X
Students will incorporate business research and analysis in oral and written communication to diverse audiences.				X			X						X	X	X	X		X	X	X
Students evaluate ethical matters within the context of the discipline.				X	X		X													

¹⁹ Upper-division electives prefixed ACCT, BADM, BLAW, ECON, FIN, HRM, MKTG, or MGMT

Appendix B
Budget and Resources

South Dakota State University, BS/BA in Business Economics

		1st FY18	2nd FY19	3rd FY20	4th FY21
<i>Headcount & hours from proposal</i>					
Fall headcount (see table in proposal)		300	409	429	443
Program FY cr hrs, On-Campus		5,888	5,958	6,091	6,333
Program FY cr hrs, Off-Campus		0	0	0	0
Faculty, Regular FTE	See p. 3	5.75	5.75	5.75	5.75
Faculty Salary & Benefits, average	See p. 3	\$130,450	\$130,450	\$130,450	\$130,450
Faculty, Adjunct - number of courses	See p. 3	3	3	3	3
Faculty, Adjunct - per course	See p. 3	\$3,488	\$3,488	\$3,488	\$3,488
Other FTE (see next page)	See p. 3	1.00	1.00	1.00	1.00
Other Salary & Benefits, average	See p. 3	\$54,620	\$54,620	\$54,620	\$54,620
<i>Salary & Benefits</i>					
Faculty, Regular		\$750,086	\$750,086	\$750,086	\$750,086
Faculty, Adjunct (rate x number of courses)		\$10,464	\$10,464	\$10,464	\$10,464
Other FTE		\$54,620	\$54,620	\$54,620	\$54,620
S&B Subtotal		\$815,170	\$815,170	\$815,170	\$815,170
<i>Operating Expenses</i>					
Travel		\$20,840	\$20,840	\$20,840	\$20,840
Contractual Services		\$40,428	\$40,428	\$40,428	\$40,428
Supplies & materials		\$10,058	\$10,058	\$10,058	\$10,058
Capital equipment		\$7,449	\$7,449	\$7,449	\$7,449
Indirect Tax @ 30% on Revenue under Decentralized Budget Model		\$372,809	\$377,242	\$385,664	\$401,022
OE Subtotal		\$451,584	\$456,016	\$464,438	\$479,797
Total		\$1,266,754	\$1,271,186	\$1,279,608	\$1,294,967
Off-campus support tuition/hr, net of HEF	UG	\$295.01	\$295.01	\$295.01	\$295.01
	hrs x				
Off-campus tuition revenue	amt	\$0	\$0	\$0	\$0
On-campus support tuition/hr, net of HEFF	UG	\$211.07	\$211.07	\$211.07	\$211.07
	hrs x				
On-campus tuition revenue	amt	\$1,242,698	\$1,257,473	\$1,285,545	\$1,336,740
Program fee, per cr hr (if any)	\$28.65	\$168,680	\$170,686	\$174,496	\$181,445
Delivery fee, per cr hr (if any)	\$0.00	\$0	\$0	\$0	\$0

University redirections	\$0	\$0	\$0	\$0
Community/Employers	\$0	\$0	\$0	\$0
Grants/Donations/Other	\$0	\$0	\$0	\$0

Total Resources	\$1,411,378	\$1,428,158	\$1,460,041	\$1,518,185
	\$144,623	\$156,972	\$180,433	\$223,218

Estimated Salary & Benefits per FTE		Faculty	Other
Estimated salary (average) - explain below		\$100,176	\$40,101
University's variable benefits rate	(see below)	0.1403	0.1403
Variable benefits		\$14,055	\$5,626
Health insurance/FTE, FY19		\$8,893	\$8,893
<i>Average S&B</i>		\$123,124	\$54,620

Explain faculty used to develop the average salary & fiscal year salaries used. Enter amount above.

The FY17 salaries of selected faculty in the department were averaged by CIP.
 Includes CIP averages of:
 45.0601 @ \$103,511
 52.0201 @ \$96,381
 52.0301 @ \$93,487
 52.0801 @ \$129,623
 52.1301 @ \$110,000

Explain adjunct faculty costs used in table:

Average of 12 courses per year of which approximately 25% is attributed to the Business Economics program.

Explain other [for example, CSA or exempt] salary & benefits. Enter amount above.

25% of 4 support staff (2 CSA + 2 NFE) allocated here.

Explain other

Tuition revenues are calculated based on the typical breakdown of crH taken in the major across the 4-year degree as 1st year: 7 crH; 2nd year: 7 crH; 3rd year: 21 crH; 4th year: 27 crH. The first 4 years of the proposed program are weighted accordingly.

Summarize the operating expenses shown in the table:

These are 25% YTD expenses taken from Banner on 6/13/17.

Indirect taxes associated with non-academic services, as per the Decentralized Budget, have been included at 30% of tuition revenues.

Summarize resources available to support the new program (redirection, donations, grants, etc).

As indicated in the text, the Department of Economics generated a surplus of approximately \$500K in tuition revenues that has been strategically returned to the unit's budget to cover the increased salary costs associated with hiring business PhD faculty members. The First Dakota National Bank e-Trading Lab is funded by stakeholders and directly supports all students in the proposed program. Donor funding of Faculty Scholars and start-up by stakeholders have enhanced the ability to attract and hire high quality business faculty. Stakeholder and alumni of the Commercial Economics and Economics: Business Economics specialization have been integrally engaged in supporting business oriented student organizations specifically for the proposed program, the Investment club, the Student Managed Investment Fund (~\$200K); Finance, Insurance and Real Estate club; and the Society for Human Resource Management student club.