

SOUTH DAKOTA BOARD OF REGENTS

Academic and Student Affairs

AGENDA ITEM: 6 – E (1)
DATE: December 11-12, 2024

SUBJECT

New Program Request – NSU – BS in Agricultural Business

CONTROLLING STATUTE, RULE, OR POLICY

[BOR Policy 2.3.2](#) – New Programs, Program Modifications, and Inactivation/Termination

BACKGROUND / DISCUSSION

Northern State University (NSU) requests authorization to offer a BS in Agricultural Business. The proposed program will apply the fundamentals of business to agriculture and related industries. Students will study management of operations, financial analysis, data analytics, commodity markets, trade, and marketing through the program and apply and advance that knowledge in upper-level courses in agricultural business. The program includes a 3-credit internship in agricultural business where students apply what they learn with one of hundreds of agriculture business employers in the region. NSU will collaborate with South Dakota State University (SDSU), which will offer 12 credits of the program focused on agricultural economics.

The intent to plan has been approved by the Executive Director and was presented to the Board as an informational item at the May 2024 Board meeting.

IMPACT AND RECOMMENDATION

A summary of the program proposal has been included as Attachment I. Additional information on this proposal is available from the Board office by request.

ATTACHMENTS

Attachment I – New Program Request Summary: NSU – BS in Agricultural Business
Attachment II – Industry Letters of Support

DRAFT MOTION 20241211_6-E(1):

I move to authorize NSU to offer a BS in Agricultural Business, as presented.

**Full Proposal – BS Agricultural Business
Northern State University**

BOR Recommendation: The Board of Regents Academic Affairs and the Executive Director support the program request. This program will increase opportunities for students who prefer to attend a regional comprehensive university close to their hometown while supporting key agricultural industries in northeastern South Dakota.

Program Description:

Catalog Description: Northern State University’s Agricultural Business major applies the fundamentals of business to agriculture and related industries. Students study management of operations, financial analysis, data analytics, commodity markets, trade, and marketing through the program and apply and advance that knowledge in upper-level courses in agricultural business. The program includes a 3-credit internship in agricultural business where students apply what they learn with one of the hundreds of agriculture business employers in the region.

Strategic Impact –

NSU Strategic Impact: The mission of Northern State University is to “provide diverse academic, civic, social and cultural opportunities that prepare students through the liberal arts, professional education, and E-learning for their future endeavors, while also enriching the local and regional community.” The NSU strategic plan further emphasizes the university’s aspiration to be recognized regionally for its performance in key academic areas, including Business. The BS in Agricultural Business program is closely aligned with Northern's strategic plan. The program requires an internship in agricultural business, which supports Distinctive Learning, and the program is made possible through and directly connects to major agricultural businesses in the region, integrating with Distinctive Partnerships.

The BS in Agricultural Business program promotes the University’s Strategic Priority #1: "Build a growth strategy to expand student access, success, and educational attainment to increase students’ socioeconomic mobility while serving the public good” and Strategic Priority #3: “Build sustainable collaborative public/private partnerships to advance academic, cultural, health, recreational, and economic opportunities that serve the public good and produce value for NSU, Aberdeen and the region”.

In addition to building on collaborative partnerships with regional agricultural businesses, Northern's BS in Agricultural Business builds on partnerships with the Northern Innovation and Startup Center and South Dakota State University.

Northern students currently take a combination of Northern Business courses and South Dakota State University Agricultural Economics courses to earn the South Dakota State University Agricultural Business Minor. Northern's BS in Agricultural Business amplifies this key partnership with SDSU to ensure Northern students can access a robust curriculum that will prepare them well to contribute to key agricultural business partners upon graduating from Northern State University.

BOR Strategic Impact: Northern State University's BS in Agricultural Business helps achieve the SDBOR's mission to enrich the state's economic life and the vision to educate more individuals to enhance state workforce development.

Northern State University's BS in Agricultural Business directly addresses Goal 4 of the SDBOR Strategic Plan by providing workforce skills, meeting workforce demands, and fostering strategic partnerships between Northern State University and agricultural businesses in northeastern South Dakota. Northern's BS in Agricultural Business also addresses Goal 1 of the SDBOR Strategic Plan by collaborating with South Dakota State University to deliver four courses in the program.

The BS in Agricultural Business directly addresses Goal 5 of the SDBOR Strategic Plan "Financial Health/Competitiveness" by addressing demand for an academic program and attracting new students to Northern State University. The university's financial health is improved by offering a new academic program with specific coursework offered from another BOR institution - SDSU - while capitalizing on existing excellence in the NSU School of Business. This efficient approach creates a robust curriculum in agricultural business for Northern students. Northern's Agricultural Business major will attract and retain non-resident students who are agriculturally oriented from North Dakota and Minnesota. It will also reduce the loss of South Dakota residents from the northeastern and central parts of the state to universities that offer Agricultural Business in North Dakota and Minnesota.

Program Summary:

The classification of this program will be 01.0101 [Agricultural Business and Management, General]. This program is proposed to be offered beginning Fall 2025 on campus at NSU as well as online utilizing Hy-Flex teaching methods. SDSU will teach four of the required courses in the program. NSU will develop one new course, BADM 481/581 Agribusiness Entrepreneurship in Practice, in partnership with the Northern Innovation and Startup Center. NSU will pursue program accreditation through ACBSP.

Duplication and Competition:

SDSU offers a BS in Agricultural Business and USD offers a BBA in Agribusiness Leadership.

The Integrated Postsecondary Education Data System (IPEDS) for 2022-2023 reporting shows that South Dakota produced a total of 32 undergraduate completers in related fields.

Regental Universities¹:

University	Bachelor's Degrees Conferred in Related Fields	Total Number of Bachelor's Degrees Conferred at Each Institution
SDSU – Agricultural Business, BS	32	1824
USD – Agribusiness Leadership, BBA	New Fall 2024	NA

¹ Integrated Postsecondary Education Data System (IPEDS) for 2022-2023

Private SD Universities²:

University	Bachelor's Degrees Conferred in Related Fields	Total Number of Bachelor's Degrees Conferred At Each Institution
None	NA	NA

Total Sum of SD Findings:

University	Total Bachelor's Degrees in Related Fields Conferred in SD	Total Number of Bachelor's Degrees Conferred (All SD Universities Listed Above)
Total	32	1824

The number of conferred bachelor's degrees in fields related to Agricultural Business, as reported by IPEDs, was 32 for all of South Dakota though the number of graduates will increase as students work through USD's Agricultural Leadership program.

Regarding duplication, NSU notes its BS in Agricultural Business will provide students in northeastern South Dakota the opportunity to work in the largest industry in their region. As a regional comprehensive university, Northern serves the region of northeastern South Dakota. The second greatest number of agricultural jobs in the state are in Brown County. By offering a BS in Agricultural Business, Northern State University will better serve producers and industries in Brown County in northeastern South Dakota. Northern State University will educate a workforce prepared to contribute to the agriculture business industry in the region.

Competitor University Peers³:

University	Total Bachelor's Degrees in Related Fields Conferred	Total Number of Bachelor's Degrees Conferred at Each Institution
Fort Hays State University, BS in Agricultural Business	39	3001
Northwest Missouri State University, BS in Agricultural Business	46	1074
Truman State University, BS in Business Administration with Agricultural Business Specialization	23	800

² Integrated Postsecondary Education Data System (IPEDS) for 2022-2023

³ IPEDS, 2022-2023

Workforce Outlook/State Need:

Purdue University reports an average of 2,750 new job openings in agriculture every 4 weeks, with an average salary in the Midwest of \$50,801. Purdue University's analysis of agriculture job postings reveals more than 80.6% of the job postings list lending and finance, 35.2% of the postings list economics, and 48.5% of the postings list sales.

Among the postings, Purdue University analyzed the skills listed. Through this analysis, the researchers found that "experience has always been the most common requirement." Looking across all postings, more than 79.3% point to education requirements; 95.6% require experience, 86.7% require leadership, 68.1% require communication, and 47.3% require quantitative skills. By requiring an internship in agricultural business, Northern's BS in Agricultural Business will provide students with the number one skill listed in all agricultural business job postings - experience.

The Emsi study found a significant gap between the number of graduates from general agricultural programs and the number of positions available. The Emsi report shows 191 posts available, while SDSU graduated 55 students in the same year, creating a gap of 136 positions. The Emsi report was not able to accurately gauge demand or supply in the agricultural sector because so many positions in agricultural business are self-employed. The Bureau of Labor Statistics reports that 74.54% of employees in the "farmers, ranchers, and agriculture manager" sector are self-employed. Nationally, AgCareers lists over 5,000 jobs open in crop and livestock management, equipment sales, agricultural banking and finance, food production management, and agronomy.

Northern State University will benefit employers in Aberdeen and across northeastern South Dakota by offering a BS in agricultural business. Agtegra, the #1 ag retailer in North and South Dakota, is headquartered in Aberdeen. Agtegra employs 340 people in Aberdeen and 406 who report to work within a 30-mile radius.

Dacotah Bank, the 15th largest ag lender in the United States, is headquartered in Aberdeen. More than 33% of Dacotah Bank's loans are concentrated in agriculture. Graduates of Agricultural Business programs are needed in the 8 banks headquartered in the state that make the American Banker Association's top 100 Agricultural Banks by Dollar Volume, including Wells Fargo (#2), Dacotah Bank (#15), First Dakota National Bank (#39), Bankwest (#49), First National Bank in Sioux Falls (#55), First Bank & Trust (#57), American Bank & Trust (#62), and Citibank (#74). [14]

[1] Purdue University. Agricultural Job Market Report. February 2024.

https://ag.purdue.edu/commercialag/home/wp-content/uploads/2024/03/202402_agjobsreport.pdf

[2] Emsi. South Dakota Board of Regents. Program Demand Gap Analysis: Economic Overview and Review of Academic Programs, p. 38. Emsi. See footnotes, page 6.

[3] MyFuture. <https://myfuture.com/career/farmers-ranchers-and-other-agricultural-managers>

[4] Ag Careers. <https://www.agcareers.com/aberdeen-south-dakota-jobs.cfm#gsc.tab=0>

[5] Croplife 100: Top 5 Ag Retailers Based in the Dakotas.

<https://www.croplife.com/croplife-top-100/croplife-100-top-5-ag-retailers-based-in-the-dakotas/>

[6] Agtegra Human Resources, digital communication, November 2023.

[7] American Bankers Association. Top 100 Agricultural Banks by Dollar Volume. Updated 13 October 2023. <https://www.aba.com/news-research/analysis-guides/top-100-agricultural-banks-by-dollar-volume>

Student Learning Outcomes:

Students will:

1. **Analyze Core Agribusiness Concepts:** Demonstrate an understanding of fundamental agribusiness principles and apply analytical methods to evaluate real-world agribusiness scenarios.
2. **Apply Strategic Problem-Solving:** Utilize agribusiness knowledge and strategic reasoning to assess challenges and opportunities, developing actionable solutions that align with industry needs and strategic goals.
3. **Exhibit Advanced Critical Thinking in Agribusiness Contexts:** Critically evaluate complex agribusiness issues, integrating data and multiple viewpoints to formulate well-supported recommendations.
4. **Integrate Multidimensional Perspectives in Decision-Making:** Synthesize economic, environmental, social, and global factors to make informed and effective agribusiness decisions that address multiple stakeholder needs.
5. **Develop Collaborative and Leadership Skills in Agribusiness Teams:** Engage in team-based analyses of trends, data, and industry dynamics, effectively communicating and collaborating to advise on evidence-based decisions in agribusiness.

Program accreditation is available through the Accreditation Council for Business Schools and Programs (ACBSP).

The Northern School of Business faculty engaged with both its Business Advisory Board and its Banking and Financial Services Advisory Board to develop the curriculum. Faculty, chairs, and the Dean serve on both boards, where they discussed and received guidance on the curriculum for Northern's BS in Agricultural Business in advisory board meetings. Feedback included the desire for a required internship so Northern students graduate with workforce skills and exposure to the multitude of employment opportunities in agricultural business in the region. Northern also engaged with leaders of major agricultural businesses in northeastern South Dakota to garner feedback on the curriculum and support for the program. The School of Business Dean met with agricultural business leaders at Agtegra, AGP, and Glacial Lakes Energy.

Projected Enrollment:

ESTIMATES	FISCAL YEARS*					
	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Students new to the university	4	4	8	8	10	11
Students from other university programs	3	2	1	1	2	2
Students off-campus or distance continuing students	1	2	2	2	3	3
		5	11	18	21	23
Total students in the program (fall)	8	13	22	29	36	39
Program credit hours (major Courses)**	128	208	352	464	576	624
Graduates			2	4	6	8
<i>*Do not include current fiscal year.</i>						
<i>**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.</i>						

The NSU Office of Admissions counted the number of inquiries they received from first-time, full-time students who listed an interest in agribusiness or agriculture between 2021-24. Of the 557 students interested in agribusiness or agriculture who inquired, only 32 applied to Northern State University. Among this pool of inquiries and applicants, the vast majority (71.5%) were from North Dakota, Minnesota, northeastern South Dakota, and central-northwestern South Dakota. Using the National Student Clearinghouse, Northern found that 40% of the 557 students who inquired about agricultural business or agriculture at Northern did NOT enroll in any college. Among the 334 who went on to enroll in a college, 73 enrolled in college in North Dakota. Northern's BS in Agricultural Business will specifically recruit the hundreds of students who are choosing not to attend college at all as well as the students who inquire at Northern and choose to enroll in North Dakota or Minnesota.

Projected Revenue/Expenses:

FINANCIAL HEALTH SUMMARY						
	1st	2nd	3rd	4th	5th	6th
	FY26	FY27	FY28	FY29	FY30	FY31
TUITION & FEE REVENUES	31,748	50,874	83,005	108,633	129,671	142,294
PROGRAM EXPENSES	16,718	16,718	16,718	17,168	17,618	18,068
NET (T&F REVENUES LESS PROGRAM EXPENSES)	15,031	34,156	66,287	91,465	112,054	124,226
OTHER SUPPORTING REVENUES	-	-	-	-	-	-
NET AFTER OTHER SUPPORTING REVENUES	15,031	34,156	66,287	91,465	112,054	124,226

Due to NSU's collaboration with SDSU, no new faculty resources are needed to support this program. Students enrolled in NSU's existing Business programs currently pay a fee of \$30.35 per business credit. NSU is requesting that this fee be assigned to credits for this program as well.

January 22, 2024

Dear Members of the Board of Regents and Executive Director Lukkes,

As CEO of Ag Processing Inc (AGP), I write in support of Northern State University offering a BS in Agricultural Business degree.

Headquartered in Omaha, we employ more than 60 people in northeastern South Dakota at our Aberdeen, SD facility. We are experiencing workforce shortages across our company, and one need we have is for employees with degrees in agricultural business.

Northern State University's BS in Agricultural Business will apply the fundamentals of business to agriculture and related industries. Students will study management of operations, financial analysis, data analytics, commodity markets, trade, and marketing through the program and apply and advance that knowledge in upper-level courses in agricultural business. Northern's proposed program requires a 3-credit internship in agricultural business where students apply what they learn with one of hundreds of agriculture business employers in the region. AGP would actively recruit Northern State University students majoring in agricultural business to our internship program. Northern State University's BS in Agricultural Business will provide students in northeastern South Dakota the opportunity to work in the largest industry in the region.

Agriculture is a vital part of the economy of Brown County. Brown County has the second highest number of jobs within agriculture, forestry, and related industries. Brown County also ranks second in economic output from agriculture, forestry, and related industries – at more than \$2.77 billion.

By offering a BS in Agricultural Business, Northern State University will better serve industries in northeastern South Dakota by educating a workforce prepared to contribute to the agriculture business industry in the region.

If you have any questions or concerns, don't hesitate to contact me at 402-498-5559.

Sincerely,



Chris Schaffer – Chief Executive Officer (CEO) AGP



Dear Members of the Board of Regents and Executive Director Lukkes,

As Director of HR at Glacial Lakes Energy, LLC I write in support of Northern State University offering a BS in Agricultural Business degree.

Headquartered in Watertown and with locations in Mina, Aberdeen, and Huron we employ more than 200 employees in northeastern South Dakota.

We have experienced workforce shortages across our company, and one need we have is for employees with degrees in agricultural business.

Northern State University's BS in Agricultural Business will apply the fundamentals of business to agriculture and related industries. Students will study management of operations, financial analysis, data analytics, commodity markets, trade, and marketing through the program and apply and advance that knowledge in upper-level courses in agricultural business.

Northern's proposed program requires a 3-credit internship in agricultural business where students apply what they learn with one of hundreds of agriculture business employers in the region. Glacial Lakes Energy, LLC would actively recruit Northern State University students majoring in agricultural business to our internship program.

Northern State University's BS in Agricultural Business will provide students in northeastern South Dakota the opportunity to work in the largest industry in the region. Agriculture is a vital part of the economy of Brown County. Brown County has the second highest number of jobs within agriculture, forestry, and related industries. Brown County also ranks second in economic output from agriculture, forestry, and related industries – at more than \$2.77 billion. By offering a BS in Agricultural Business, Northern State University will better serve industries in northeastern South Dakota by educating a workforce prepared to contribute to the agriculture business industry in the region.

Sincerely,

Tara Crowder
Director of HR



March 18, 2024

Dear Members of the Board of Regents and Executive Director Lukkes,

As CEO of Agtegra, I write in support of Northern State University offering a BS in Agricultural Business degree.

Headquartered in Aberdeen, we employ more than 900 employees in South Dakota and North Dakota. Like many employers, we are experiencing workforce shortages across our company and at various levels and roles, and we have a need for employees with degrees in agricultural business.

It is my understanding is that Northern State University's BS in Agricultural Business will apply the fundamentals of business to agriculture and related industries. Students will study management of operations, financial analysis, data analytics, commodity markets, trade, and marketing and advance that knowledge in upper-level courses in agricultural business.

NSU's proposed program requires a 3-credit internship in agricultural business where students apply what they learn with agriculture business employers in the region.

Agtegra would actively recruit Northern State University students majoring in agricultural business to apply to our internship program. Agtegra would also like the opportunity to engage with students in a variety of ways throughout the Agricultural program. This may include classroom presentations or visits by company subject matter experts; company location tours and on-site education/information sessions; continued participation in career fairs; and other events that may be mutually beneficial for the agriculture business students and Agtegra.

Northern State University's BS in Agricultural Business will provide students the opportunity to work in the largest industry in the region. Agriculture is a vital part of the economy of Brown County and surrounding counties. By offering a BS in Agricultural Business, NSU will better serve industries in northeastern South Dakota and neighboring counties and states by educating a workforce that is prepared to contribute to the agriculture business industry for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Klootwyk", is written over the typed name.

Jason Klootwyk, CEO