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

New Certificate

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exams. The proposed graduate certificate in Real Estate will provide students with an option for clearing the second hurdle towards appraisal licensure by providing them a ent.

The South Dakota Department of Labor and Regulation (SDDLRL) is in the process of developing the Experience Training Program (ETP) to provide aspiring appraisers a new option for completing the experience hours that are required for an appraisal license. Although the ETP will allow candidates to complete appraisals in a classroom setting,

hurdle. In addition to completing experience hours, candidates also must complete

Appraisal Qualifications Board (AQB) which is a federal entity. If the proposed graduate certificate in Real Estate is approved, the AQB will analyze it to determine if it meets their

requirement at SDSU. Students will benefit by being able to complete both their experience hours through the ETP and their education hours at SDSU.

Students will also benefit by receiving the certificate from SDSU on their transcript. Currently, most aspiring appraisers take qualifying education courses online. The courses are not associated with universities and students do not receive the benefit of a diploma from an accredited university. The proposed certificate in Real Estate provides students the while at the same time receiving recognition from SDSU for the completion of the certificate.

**3. If you do not have a major in this field, explain how the proposed certificate relates to your university mission and strategic plan, and to the current Board of Regents Strategic Plan 2014-2020.**

SDSU offers an undergraduate minor titled Land Valuation and Rural Real Estate. This proposed graduate-level certificate will not duplicate the minor. Instead, it will complement the minor and allow students to enhance their knowledge and understanding of real estate beyond the undergraduate level.

The proposed Real Estate Certificate supports the 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.*

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

*Goal 1 -Student Success*

Increase total graduate degrees awarded.

*Goal 2 -Academic Quality and Performance*

Continue to approve new graduate programs.

Improve the pass rates on licensure and certification exams.

Develop and grow high-quality and distinct academic programs to meet the needs of

diverse students and market demands.

In addition, this graduate certificate aligns with the SDSU's Imagine 2023 strategic plan 1 by offering a student-centered education. Specifically, the courses and certificate will contribute to the attainment of Strategic Goal I -Excellence through Transformative Education. This will be a distinct and high-quality academic program designed to meet the needs of diverse student and market demand. It will increase the number of programs offered which use a diversity of delivery methods, times (or scheduling), and locations. It will promote active and innovative teaching, learning, and advising practices.

The proposed certificate will also contribute to the attainment of Strategic Goal IV Be a

Statewide South Dakota Employment Projections by Occupation 2018-2028<sup>4</sup>

<b>Title</b>	<b>2018 Employment</b>	<b>2028 Employment</b>	<b>Numeric Change</b>	<b>Percent Change</b>
Total, All Occupations	491,588	526,251	34,663	7.1%
Property, Real Estate, and Community Association Managers	1,475	1,606	131	8.9%
Appraisers and Assessors of Real Estate	471	503	32	6.8%
Real Estate Sales Agents	728	784	56	7.7%
Title Examiners, Abstracters, and Searchers	245	261	16	6.5%
Loan Officers	1,703	1,930	227	13.3%
Financial Analysts	469	522	53	11.3%
Credit Analysts	374	415	41	11.0%
Cost Estimators	850	928	78	9.2%

South Dakota, like many other areas of the country, suffers from an observed shortage of appraisers that are willing to supervise appraiser-trainees. As a result, fewer individuals have been able to enter the profession. The low number of people entering the profession combined with the high attrition rate results in a potentially high workforce demand. Anecdotal stories from lenders and borrowers highlight the issues caused by an appraiser shortage. Almost every residential real estate transaction involving a lender will require an appraisal prior to closing. Closings have been delayed by weeks and months due to the inability to find an appraiser for hire.

According to the United States Bureau of Labor and Statistics, employment of property appraisers and assessors is projected to grow four percent from 2020 to 2030, slower than the







below a B. The letter of intent should be roughly 500 to 750 words long.

### Enrollment Projections

As of January 2022, there are forty-seven students enrolled in the Land Valuation and Rural Real Estate minor offered by the Ness School of Management and Economics. If ¼ of those students choose to pursue the proposed graduate certificate in real estate, about twelve students would take courses offered by the certificate in the next four to five years.

The SDLR conducted a survey amongst individuals in South Dakota who would be interested in enrolling in the ETP (unpublished survey results are available upon request). The survey targeted individuals who already held the entry level appraisal license but needed to obtain more experience hours. From that survey, the SDLR determined that approximately forty individuals across the state are interested in entering the ETP program. If ½ of the surveyed individuals enter the program and of that another ½ wish to obtain the graduate certificate in real estate, an additional ten students would enter the program in the next four to five years.

Finally, students who are not a part of the ETP will still potentially be interested in obtaining the certificate. As previously indicated, professions in the real estate industry in South Dakota and across the country are growing. Specifically, the urban area surrounding Sioux Falls is experiencing a boom in its growth rate. The certificate stands alone from the ETP and has value as a credential by itself. Because this certificate is offered online, students who are already working professionals will likely see a benefit of obtaining the certificate. Furthermore, no other school in the state of South Dakota offers a graduate certificate in real estate. If the Ness School were to assume that three students who are already working professionals enroll in classes for the certificate, they would reach a total of approximately 25 students who would go through the program in the next 4-5 years.

Enrollment Projections*	Fiscal Years			
	1 <sup>st</sup> FY23	2 <sup>nd</sup> FY24	3 <sup>rd</sup> FY25	4 <sup>th</sup> FY26
Students new to the university- certificate only	1	1	2	2
Students new to the university-M.S. in Economics	1	2	3	4
Students from other university programs- certificate only	0	1	1	1
Students from other university programs-M.S. in Economics	0	1	1	2
Continuing students-certificate only**	1	2	2	2
Continuing students-M.S. in Economics**	1	1	1	2
<b>=Total students in the program (fall)</b>	<b>4</b>	<b>8</b>	<b>10</b>	<b>13</b>

\*This table includes estimates for students who will complete only the certificate as well as students who will take the courses that make up the certificate as part of completing the M.S. in Economics.

\*\* As of January 2022, there are forty-seven students enrolled in the Land Valuation and Rural Real Estate minor offered by the Ness School of Management and Economics. These numbers assume that about ¼ of those students will choose to pursue the proposed graduate certificate in real estate either as a standalone credential or as part of the M.S. in Economics over the next four years.



**Program Revenue**

Estimates	Fiscal Years			
	1 <sup>st</sup> FY23	2 <sup>nd</sup> FY24	3 <sup>rd</sup> FY25	4 <sup>th</sup> FY26
Billable program credit hours*	48	96	120	156
Revenue**	\$22,581.60	\$45,192.00	\$56,454.00	\$73,390.20
Costs ***	(\$15,000.00)	(\$15,000.00)	(\$15,000.00)	(\$15,000.00)
Gross Income	\$7,581.60	\$30,192.00	\$41,454.00	\$58,390.20

\*Numbers are based on enrollment projections table multiplied by the 12 credit hours that make up the certificate

\*\*Online graduate course tuition applied to billable credit hours at the 2022 rate of \$470.45 per credit hour. If tuition rates change, adjustment will need to be applied.

\*\*\* Costs include program delivery. Costs assume an adjunct would be hired to teach three of the classes associated with the certificate (Real Estate Finance, Advanced Real Property Valuation, and the Seminar course) at a rate of \$5,000.00 per course.

NOTE: these numbers assume a 100% completion rate by students who enter the program.









be affected by this course?

This course may be an elective for the following majors - Agricultural Business (B.S.), Business Economics (B.A./B.S.), Economics (B.A./B.S., M.S.), Economics (B.S.) Agricultural Economics Specialization, Entrepreneurship (B.A./B.S.).

4. If this will be a dual listed course, indicate how the distinction between the two levels will be made. Additional assignments/projects at the graduate level.

5. Desired section size 35

6. Provide qualifications of faculty who will teach this course. List name(s), rank(s), and degree(s).

Matthew Elliott, Associate Professor, Ph.D.

Ryan McKnight, Lecturer., M.B.A., State Registered Appraiser

7. Note whether adequate facilities are available and list any special equipment needed for the course.

Facilities are adequate. No.21 602.75816(a)4(c24(c)14(i)8(l)8(i)8(t)\* nQ EMC /P A MCID 12BDC q0.00000