



News Release

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Regents Set Tuition and Fees for 2005-06

RAPID CITY, S.D. – An average undergraduate student carrying a full load at one of South Dakota’s public universities will pay about 5 percent more in tuition and fees next fall. The South Dakota Board of Regents set the rates Thursday for the 2005-06 academic year.

“We believe this is a manageable tuition rate for our students,” said Regents President Harvey C. Jewett. “It is not unusual for other states to impose widely fluctuating tuition increases from year to year. In South Dakota, our goal has been to modestly adjust tuition and fees annually to secure the resources needed to deliver quality higher education.”

The weighted cost of tuition and mandatory fees paid by each South Dakota student is expected to increase by about \$244 next year. That means the average in-state undergraduate student taking 32 credit hours a year will pay \$5,078.05 for tuition and the two mandatory fees paid by all students—the university support fee and the general activity fee.

“In arriving at a tuition rate, the board has three overriding priorities,” Jewett said. “We must meet the state salary policy adopted by the Legislature, we must continue our efforts to make faculty salaries more competitive in the region, and we must cover our costs, such as technology, which continue to rise,” Jewett said.

Here are the most important cost drivers impacting tuition and fee rates in South Dakota:

- **Salary policy and benefits package** –The Legislature this year approved a 2.25 percent salary hike. The regents only receive funding for state general-funded positions and must raise tuition, fees, and room and board to cover employees paid from those sources. The Legislature also approved a 2.5 percent adjustment to “job worth” for Career Service employees who fall below the mid-point of their salary range. But this particular salary increase does not cover any faculty or non-faculty exempt employees of the university system, so the regents must fund adjustments for those employees elsewhere. The health care benefit cost did not increase for the coming budget year.
- **Inflationary increase**—The annual rate of inflation last fiscal year, as calculated by the state’s budget office, was 2.2 percent. Most of the tuition and fees increase next year pays the salaries of regents’ employees who positions are funded by fees, with the balance

covering general inflationary costs to operate the campuses.

- **Salary Competitiveness Fee**—Since 1999, the Board of Regents has applied a special Salary Competitiveness Fee to help boost average salaries for its public university faculty relative to surrounding states. The additional 1 percent added for salary competitiveness will provide a total salary pool of 3.25 percent for faculty and non-faculty exempt employees in South Dakota. “Without this enhancement, our salaries today would trail the market by about 25 percent. Instead, we’ve narrowed the gap between our salaries and others in the region to 7.72 percent on average,” Jewett said. “Salary competitiveness has been a real plus for us in recruiting new faculty members and rewarding those who perform well.”

In a separate action, the regents agreed to student-led requests to approve certain fees at both Northern State University and The University of South Dakota.

- At NSU, an additional \$1 per credit hour increase in the general activity fee was requested to fund new programs, including an Office of Student Activities staffed by a director. NSU officials plan to focus on initiatives that will positively impact student recruitment and retention. The additional resources will provide more support to the Campus Activities Board, intramural and club sports, the Student Center, and a new outing center that capitalizes on the region’s recreational resources. Even with the fee adjustments, Northern’s general activity fee remains the lowest in the system, at \$18.39 per credit hour.
- At USD, the Student Government Association successfully pitched a request to raise fees to help finance a new student union project on campus. The board agreed to the students’ request to increase the general activity fee by \$4.95 per credit hour and implement a new facility fee of \$68.75 per semester on food service rates. Both revenue sources would be used to pay off bonds on the construction project. The two new fees will increase a typical student’s cost by \$295.90 per year.