



News Release

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FOR IMMEDIATE RELEASE: Thursday, March 27, 2008

Board Sets Tuition and Mandatory Fees for 2008-09

PIERRE, S.D. – Tuition and mandatory fees will go up an average of 5.9 percent to cover the basic operations of the public university system next year, the South Dakota Board of Regents decided Thursday.

An additional 2 percent increase in fees will be assessed to cover the students' share of new investments to upgrade science and laboratory facilities on all public university campuses. The rates set this week are effective for the 2008-09 academic year that begins this summer.

“Inflationary costs and salary policies are primary drivers of our tuition and fee rates each year,” Regents President Harvey C. Jewett explained. “In fact, state general funds appropriated by the legislature cover only about 48 percent of the public university system’s salary costs,” Jewett said. “The regents must raise the remaining 52 percent from other sources.”

The weighted cost of tuition and mandatory fees paid by each South Dakota student is expected to increase by about \$463 next year. That means the average in-state undergraduate student taking 32 credit hours a year will pay \$6,295.33 for tuition and the two mandatory fees paid by all students—the university support fee and the general activity fee.

A regional tuition survey indicates that surrounding states’ costs remain higher than in South Dakota. This year, South Dakota’s average total cost for an undergraduate student taking 32 credits, living on-campus in a double residence hall room, and participating in a full meal plan was \$10,371, ranking it lowest in a seven-state region.

Tuition and fee rates for the coming year are impacted by passage of House Bill 1085. Lawmakers this year approved a \$74.5 million state bond issue to finance construction, renovation, and modernization of 11 higher education science facility and laboratory projects, and agreed to cost-share the projects with students. “Students stood with us in making this request to upgrade our science facilities so that we can support the state’s research initiative, and provide the kind of quality space for teaching and research that students and faculty have a right to expect,” Jewett said. “We sincerely appreciate the students’ strong support of this initiative and their willingness to invest in these facilities for future generations of students.”

Regents’ officials identified other important cost drivers impacting tuition and fees in South Dakota as:

- **Salary policy and benefits package**—The Legislature this year approved a 3 percent salary hike and a \$250 health insurance premium increase for each employee. 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 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 from other sources.
- **Inflationary increase**—The annual rate of inflation last fiscal year, as calculated by the state’s budget office, was 2.6 percent.
- **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 this year will provide a total salary pool of 4 percent for faculty and non-faculty exempt employees. “Surrounding states continue to increase faculty salaries at an average of 4 percent,” Jewett noted. “This adjustment helps us stay competitive in the recruitment of new faculty members and rewarding those who perform well.”