

EMPLOYEE HANDBOOK

OFFICE OF THE EXECUTIVE DIRECTOR, REGENTS INFORMATION
SYSTEMS, AND ENROLLMENT SERVICES CENTER



SOUTH DAKOTA BOARD OF REGENTS
EMPLOYEE HANDBOOK FOR EMPLOYEES OF THE OFFICE OF EXECUTIVE DIRECTOR, REGENTS
INFORMATION SYSTEMS, AND ENROLLMENT SERVICES CENTER

Prepared:

December 2003, Updated May 2013, July 2015, June 2016, June 2020.

For:

South Dakota Board of Regents

Pierre, South Dakota

Contents

| | |
|---|-----------|
| A WELCOME TO OUR NEW EMPLOYEES..... | 5 |
| OFFICE OF THE EXECUTIVE DIRECTOR | 6 |
| REGENTS INFORMATION SYSTEMS | 7 |
| ENROLLMENT SERVICES CENTER | 8 |
| INTRODUCTION | 9 |
| CIVIL SERVICE EMPLOYEES | 9 |
| EQUAL EMPLOYMENT OPPORTUNITY..... | 10 |
| <i>Retaliation</i> | <i>10</i> |
| <i>Sexual harassment.....</i> | <i>10</i> |
| <i>Harassment.....</i> | <i>10</i> |
| <i>Employee Responsibility and Reporting an Incident of Harassment, Discrimination or Retaliation ...</i> | <i>11</i> |
| <i>Responsibilities of the Executive Director and CEO</i> | <i>11</i> |
| <i>Americans with Disabilities Act & Reasonable Accommodation</i> | <i>12</i> |
| EMPLOYEE CONDUCT..... | 12 |
| <i>Workplace Violence</i> | <i>12</i> |
| <i>Drug and Alcohol Policy.....</i> | <i>12</i> |
| <i>Seat Belt Policy.....</i> | <i>13</i> |
| <i>Smoking Policy</i> | <i>13</i> |
| <i>Conflict of Interest/Outside Employment</i> | <i>13</i> |
| <i>Absenteeism and Tardiness</i> | <i>14</i> |
| <i>Intellectual Property</i> | <i>14</i> |
| <i>Political Activity</i> | <i>14</i> |
| <i>Consensual Relationships.....</i> | <i>14</i> |
| EMPLOYEE CLASSIFICATIONS AND STATUS CHANGES | 14 |
| <i>Employee Classifications.....</i> | <i>14</i> |
| <i>Probationary Period.....</i> | <i>14</i> |
| EMPLOYEE PERSONNEL RECORDS | 15 |
| <i>Professional References.....</i> | <i>15</i> |

| | |
|---|----|
| <i>Employee Information Changes</i> | 15 |
| HOURS OF WORK AND COMPENSATION..... | 15 |
| <i>Standard Workweek and Workday</i> | 15 |
| <i>Break Periods</i> | 16 |
| <i>Pay Period, Pay Deductions, and Direct Deposit</i> | 16 |
| <i>Time Sheets</i> | 16 |
| <i>Non-Faculty Exempt Salary Administration</i> | 16 |
| <i>CSA Salary Administration</i> | 17 |
| <i>Longevity Pay</i> | 17 |
| <i>Overtime/Compensatory Time Off</i> | 17 |
| <i>Alternative Work Schedules</i> | 17 |
| <i>Holiday Pay</i> | 19 |
| <i>Expense Reimbursement</i> | 20 |
| <i>Safe Harbor Clause</i> | 20 |
| EMPLOYEE BENEFITS..... | 21 |
| <i>Health and Flexible Benefits Plans</i> | 21 |
| <i>Retirement Benefit</i> | 21 |
| <i>Workers' Compensation</i> | 21 |
| <i>Annual/Vacation Leave</i> | 22 |
| <i>Paid Family Leave</i> | 22 |
| <i>Sick Leave</i> | 23 |
| <i>Family Medical Leave</i> | 24 |
| <i>Jury and Witness Duty</i> | 24 |
| <i>Military Leave</i> | 24 |
| <i>Holidays</i> | 25 |
| <i>Administrative Leave</i> | 25 |
| <i>Advanced & Donated Leave</i> | 25 |
| <i>Educational Assistance Program</i> | 26 |
| PERFORMANCE APPRAISALS..... | 26 |
| DISCIPLINARY ACTION..... | 26 |

SEPARATION FROM SERVICE..... 26

EMPLOYEE HANDBOOK ACKNOWLEDGMENT AND RECEIPT..... 27

APPENDIX A: EDUCATIONAL ASSISTANCE PROGRAM 28

POLICY DETAILS 28

A Welcome to Our New Employees

It is with pleasure that we welcome you to the staff of the South Dakota Board of Regents. Your appointment to your new position with us is one of which you can be proud.

To our customers and others in the community with whom you will have contact as an employee, YOU are the agency. The extent to which the agency is considered friendly, knowledgeable, efficient, reliable, and trustworthy will be measured by how others see these qualities in you. We hope that you will use your talents in a way that stimulates customer relations. If, during the course of your employment, you find ways to improve the operations or services, or to save unnecessary expenses, we welcome your ideas.

The Personnel Policy and Procedures Manual that follows has been prepared to guide you in better understanding our policies, procedures, and practices concerning employment matters. Also, these policies are to ensure fair and consistent administration for the benefit of all employees. You should familiarize yourself with its contents at your earliest opportunity and keep it handy as a periodic reference source. As changes are made to this manual, we will ensure that you get replacement pages via the Internet so that your copy will always remain current.

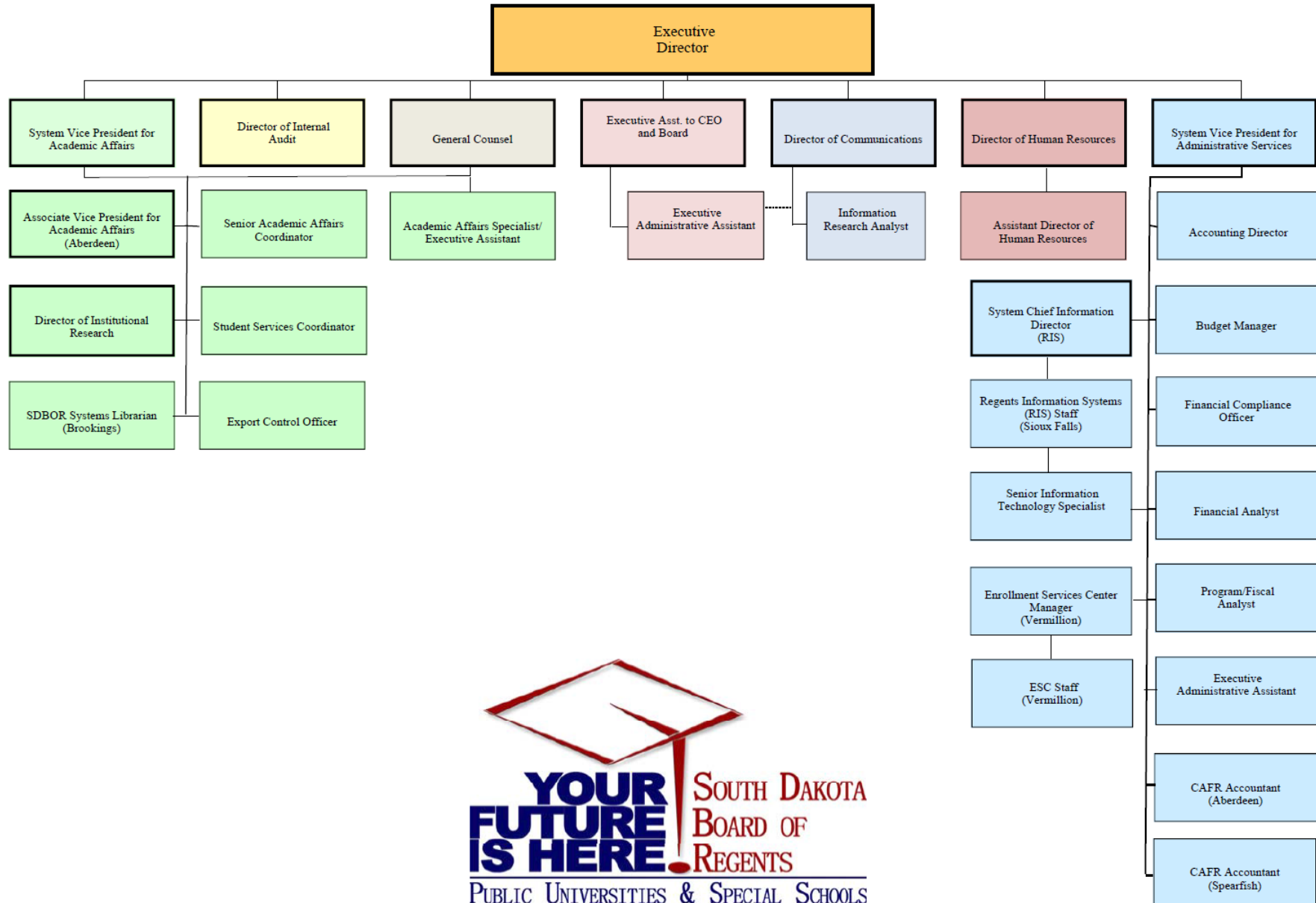
As you start employment with South Dakota Board of Regents, you will find that your associates are ready to assist you. You will receive on-the-job guidance to acquaint you with your new duties and responsibilities.

Again, welcome to our team of hard-working and talented staff, and please accept our wishes for success in your new position.

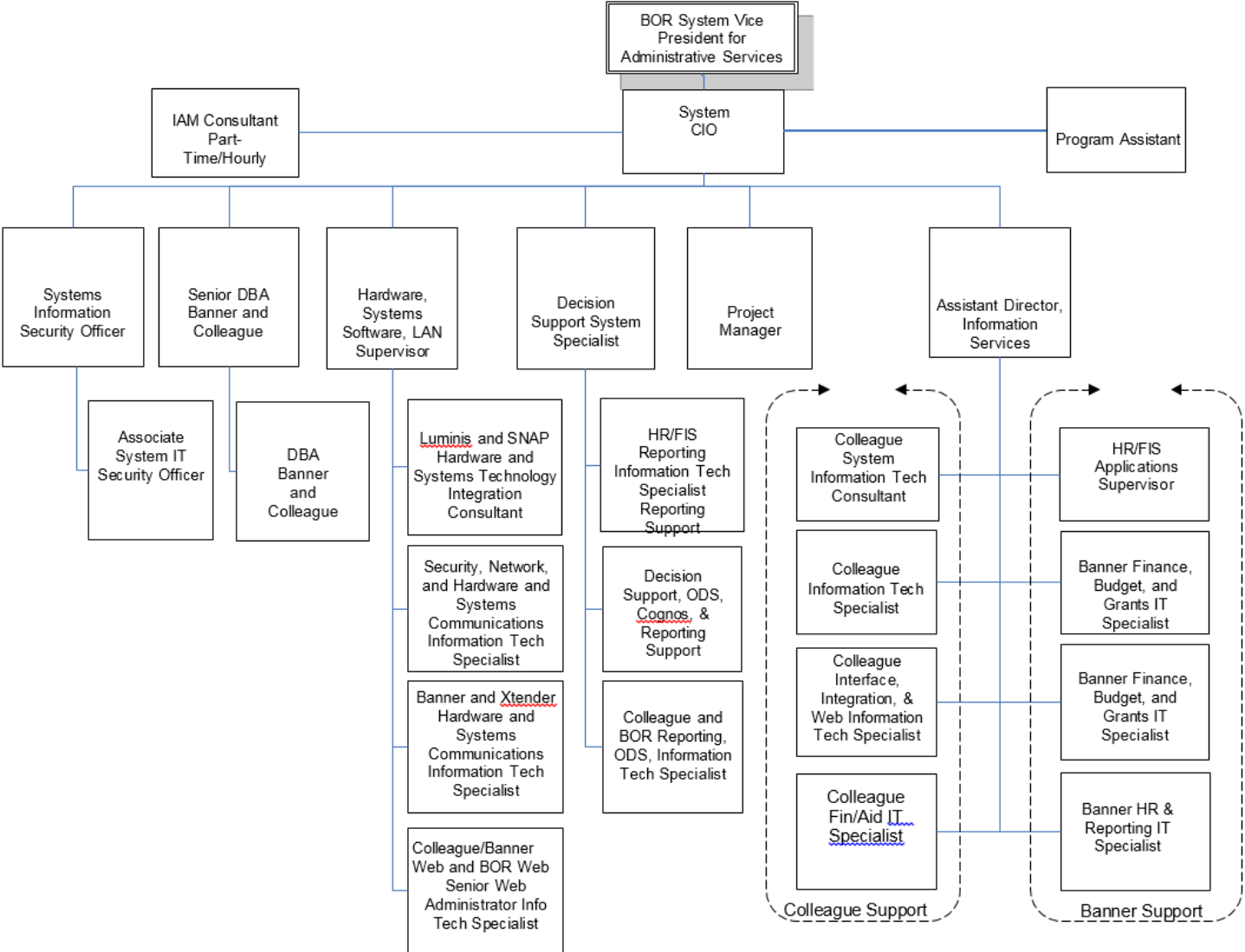
Sincerely,

*Brian Maher
Executive Director & CEO*

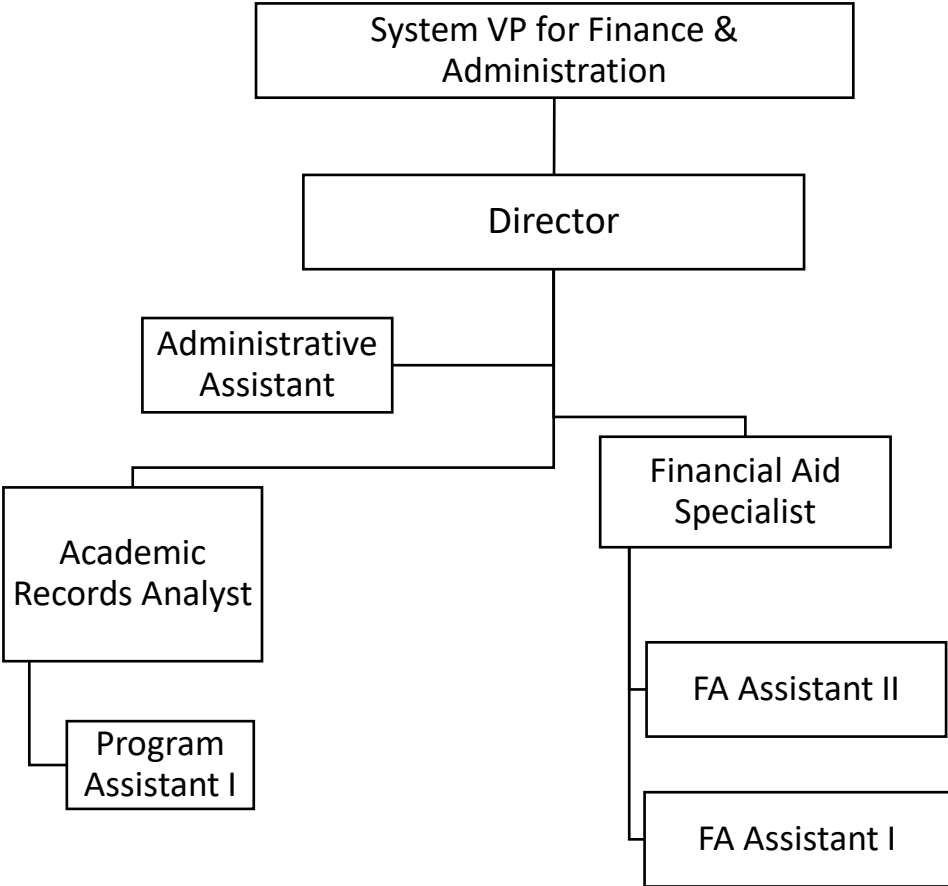
Office of the Executive Director



Regents Information Systems



Enrollment Services Center



Introduction

This Employee Handbook shall apply to all employees of the Office of the Executive Director, Regents Information Systems and the Enrollment Services Center. In the event of a conflict between these policies and state or federal law, the terms and conditions of that law shall prevail. In the event there is conflict between these policies and the System policies as found in the [SDBOR Policy Manual](#), the System policies shall prevail.

The purpose of this Employee Handbook is to provide SDBOR employees with a common reference to the basic information related to an individual's employment with the Board of Regents.

This manual neither implies nor establishes a contract between South Dakota Board of Regents and the employee. The contents of this Employee Handbook summarize current SDBOR and state policies and programs and are intended as guidelines only. South Dakota Board of Regents retains the right to change, modify, suspend, interpret, or cancel as applicable in whole or in part any of the published or unpublished personnel policies or practices, without advance notice, without having to give cause or justification to any employee.

Civil Service Employees

For Civil Service employees, the materials included in this manual include both statewide and local rules and procedures. To the extent statewide rules are referred to herein, the provisions are subject to and governed by the statutes, rules and laws of the State of South Dakota and the policies of the South Dakota Board of Regents.

Any manual provision that purports to diminish or to expand upon customary conditions of employment restrictions, entitlements, or benefits specifically set forth under the statutes, rules, or regulations of the State of South Dakota and the Board of Regents shall be, to that extent, null and void and without effect.

Local rules and procedures are of necessity included in particularity while statewide rules are typically incorporated by reference. Civil service employees have the responsibility to familiarize themselves with the handbook and with those documents that define the rights and responsibilities of individual employees.

Equal Employment Opportunity

The Board of Regents shall offer equal opportunities in employment and for access to and participation in educational, extension and other institutional services to all persons qualified by academic preparation, experience, and ability for the various levels of employment or academic program or other institutional service, without discrimination based on race, color, creed, sex, national origin, ancestry, citizenship, gender, gender identity, transgender, sexual orientation, religion, age, disability, genetic information, veteran status, pregnancy, or any other status that may become protected under law against discrimination. Equal employment opportunity applies to all terms and conditions of employment.

SDBOR expressly prohibits any form of employee harassment or discrimination, and is committed to create a professional work environment in which all individuals are treated with respect and dignity.

Retaliation

SDBOR encourages reporting of all perceived incidents of discrimination or harassment so that a prompt and thorough investigation of such reports can be completed. SDBOR prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports.

Sexual harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, “sexual harassment” is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example: a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment, b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or c) such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile or offensive working environment.

Title VII of the Civil Rights Act of 1964 recognizes two types of sexual harassment: a) quid pro quo and b) hostile work environment. Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendos; verbal abuse of a sexual nature; commentary about an individual’s body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, marital status, citizenship, genetic information, or any other characteristic protected by law, or that of his or her relatives, friends or associates, and that: a) has the purpose or effect of creating an intimidating, hostile or offensive work environment, b) has the purpose or effect of unreasonably interfering with an individual’s work performance, or c) otherwise adversely affects an individual’s employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment by e-mail, phone (including voice messages), text messages, social networking sites or other means.

Employee Responsibility and Reporting an Incident of Harassment, Discrimination or Retaliation

All SDBOR employees are expected to avoid any behavior or conduct that could be interpreted as unlawful harassment. All employees should also understand the importance of informing the individual whenever that individual's behavior is unwelcome, offensive, in poor taste, or inappropriate.

SDBOR must be aware of incidents of harassment to be able to take appropriate corrective measures. If an employee believes that he/she has been subject to harassment/sexual harassment or any unwanted sexual attention, he/she should:

- Make his/her unease and/or disapproval directly and immediately known to the harasser;
- Make a written record of the date, time, and nature of the incident(s) and the names of any witnesses;
- Report the incident to his/her Supervisor, HR Officer, or the Executive Director.

All incidents of harassment/sexual harassment or inappropriate sexual conduct must be reported regardless of their seriousness. Publicizing information about alleged harassment without following the reporting procedures or filing a formal complaint might be considered evidence of a vexatious intent on the part of the accuser.

Supervisors/Management — Supervisors must deal expeditiously and fairly with allegations of harassment/sexual harassment within his/her departments, whether or not there has been a written or formal complaint. Supervisors/Management must:

- Act promptly to investigate harassment/sexual harassment;
- Ensure that harassment or inappropriate sexually-oriented conduct is reported to the EEO Coordinator and/or Executive Director;
- Take corrective action to prevent prohibited conduct from reoccurring.

Supervisors who knowingly allow or tolerate harassment/sexual harassment are in violation of this policy and are subject to discipline.

SDBOR encourages reporting of all perceived incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe that they have been the victim of such conduct should discuss their concerns with their supervisor, and/or the human resources department. The complaint procedure is outlined in [BOR Policy 1:18](#).

Responsibilities of the Executive Director and CEO

The Executive Director & CEO shall be responsible for assuring that the Board's equal opportunity policies are communicated effectively to members of the institutional community and the public at large. Notices should clearly identify persons who are responsible for the implementation of equal opportunity policies and should advise readers or listeners of how they might contact the responsible institutional officials to obtain further information or to express their concerns about implementation of institutional policies.

Americans with Disabilities Act & Reasonable Accommodation

The Americans with Disabilities Act (ADA) provides comprehensive civil rights protections to individuals with disabilities in the area of employment, public accommodations, state and local government services and programs. Title II of the ADA states, in part, that *"no otherwise qualified disabled individual shall, solely by reason of such disability, be excluded from the participation in, be denied the benefits of, or be subject to discrimination in programs or activities sponsored by a public entity."*

To ensure equal employment opportunities to qualified individuals with a disability, SDBOR will make reasonable accommodations for the known disability of an otherwise qualified individual, unless undue hardship on the operation of the business would result

Employees who may require a reasonable accommodation should request the reasonable accommodation with their immediate supervisor. The supervisor, along with the office of human resources, will engage in an interactive process with the employee to determine if reasonable accommodations can be made.

Employee Conduct

Workplace Violence

SDBOR is committed to providing a safe environment for the employee to conduct business and fulfill its mission. Specifically, this policy relates to all employees, customers, vendors, significant others and any other individual having contact with SDBOR. For the purposes of this policy, violence and threats of violence include, but are not limited to:

- A. Any act which is physically assaulting;
- B. Any substantial threat to harm or to endanger the safety of others;
- C. Behaviors or actions interpreted by a reasonable person as carrying the potential for violence and/or acts of aggression;
- D. Any substantial threat to destroy property;
- E. Possession on worksite of any weapon or dangerous instrument (e.g., any type of firearms, certain knives, brass or metal knuckles, etc.), unless required by position duties (e.g., Security Guard).

Threatening behaviors, acts of aggression and violence will result in appropriate action by the SDBOR, up to and including dismissal and contacting of public law enforcement. Civil and criminal penalties will be pursued as deemed appropriate. It is the responsibility of every employee of the agency to take any threat or violent act seriously, to consult with appropriate personnel, and to take action as recommended by these resources and guidelines.

Please notify the Executive Director regarding any actual or perceived violence occurring. In the case of an emergency, it may be appropriate to call 911.

Drug and Alcohol Policy

SDBOR is committed to maintaining a workplace that is free from the effects of illegal drugs and alcohol to protect the safety and well-being of our employees and those we serve. The full policy regarding a drug free environment can be found in [BOR Policy 4:27](#).

Seat Belt Policy

SDBOR is committed to doing everything possible to prevent injury to employees, prevent damage to property and to protect the employees and the public from the results of accidents. SDBOR realizes that safety belts are an important and efficient means to accomplish this goal. Therefore, it is the policy that all employees and passengers shall be required to follow state law when driving any state owned or leased vehicle, or while driving a personal vehicle on official SDBOR business. Failure to comply with this policy may result in disciplinary action.

Smoking Policy

SDBOR is dedicated to providing a healthy, comfortable and productive environment for employees and visitors. The use of all tobacco products are prohibited in any buildings owned, leased or occupied by SDBOR. All employees are encouraged to communicate this policy with courtesy, respect and diplomacy. Incidents of smoking or tobacco use by employees will be documented for supervisor follow-up.

Conflict of Interest/Outside Employment

Conflict of interest laws apply to SDBOR employees who recommend approval, approve, award or administer contracts or supervise someone who approve, award or administer contracts and would derive a direct benefit from a contract.

Deriving a direct benefit means the employee or officer or others with whom the person lives and commingles or has combined assets cannot:

1. Receive a benefit from a contract that is within that person's scope of duties while in office;
2. Derive contract benefit for a year after leaving office;
3. Enter into a contract with any state agency, except an employment contract, for a year after leaving office.

All employees who fall under the conflict of interest law shall complete an annual conflict of interest disclosure form, however, the responsibility to disclose conflicts is continuing. Each employee must disclose any conflicts within one month of the time that the employee, or immediate family has a conflict. If you have questions related to conflict of interest please discuss with your supervisor, or the office of human resources.

Outside Employment

Employees should avoid entering into outside employment that may be reasonably through to influence decisions they make in their capacity as a SDBOR employee. You may have outside employment provided that, in the opinion of your supervisor, there is not a conflict with your working hours, your work efficiency or with the interests of SDBOR. You must check with your supervisor before accepting other employment.

Use of Technology

Employees may not use SDBOR technology to engage in outside business interests, inappropriate, offensive or illegal activities. Employees should not expect privacy or confidentiality when using State resources.

Absenteeism and Tardiness

Employees are expected to be on the job, on time, every day that they are scheduled to work. An employee absent from work due to illness or disability shall notify his/her immediate Supervisor before he/she is scheduled to work, or as soon as possible. If an emergency situation exists, the employee should notify their supervisor as soon as practical and indicate the nature of the situation and the expected length of absence. Any employee found to have abused his/her attendance and/or benefit privileges may be subject to disciplinary action.

Intellectual Property

Unless there is a permitted exception, the Board of Regents will own employee created intellectual property developed in the course of performing employment duties or as a direct result of activities supported by funds controlled or administered by the Board, or that occurs in facilities or using resources controlled or administered by the Board. When offered employment all employees will sign this policy prior to the onset of his/her employment.

Political Activity

Employees should not use their official authority or influence to coerce the political action of a person or group. Employees are not allowed to participate in campaign or politically related activities during work hours, and cannot utilize SDBOR information or communication technology, Board services or Board property for such purposes. BOR employees are statutorily prohibited from holding an elected office in the state legislature.

[BOR Policy 4:21](#) addresses all provisions pertaining to political activities for employees.

Consensual Relationships

No supervisor may engage in a consensual relationship with any employee they supervise. [BOR Policy 1-23](#) provides further guidance on this topic.

Employee Classifications and Status Changes

SDBOR offers regular full-time and regular part-time employment and may offer temporary employment opportunities to meet a variety of staffing requirements and accommodate employee needs and preferences. All employees, whether regular full-time, regular part-time, or temporary, are classified as exempt or nonexempt for overtime and minimum wage requirements.

Employee Classifications

Non-faculty Exempt (NFE) Employee - The title “non-faculty exempt” means this group of employees are not faculty but are exempt from the State Civil Service System. These are employees who perform administrative and professional support functions.

Civil Service Act (CSA) Employee- Employees whose positions are covered by the provisions of the Civil Service Act that became law in 1973. They include professional, technical, clerical, labor and trade positions. The positions are classified and the salaries are set in accordance with the State of South Dakota’s classification system.

Probationary Period

Civil Service Act employees will complete a six month probationary period prior to achieving civil service status. During the probationary period, you do not accumulate vacation and sick leave. You may use your

accumulated leave as needed, and approved by your supervisor. You are not eligible for payment of unused vacation leave if you leave employment before completing six months of service.

During the probationary period, you are an at will employee who can be dismissed for any reason, at any time. Your only right to appeal a termination during the probationary period is on the basis of a prohibited form of discrimination. Following successful completion of your probationary period, you achieve civil service status.

If an employee transfers from one agency to another after the completion of his/her first six-months of employment, that employee would not have a training period.

Employee Personnel Records

Unless required for grievance or litigated matters, all exempt personnel records of the Board of Regents and its institutions pertaining to applications for employment, to personnel investigations, performance appraisals and other personnel-related materials shall be held confidential. An employee's name, title, salary, institution and department number may be released upon request. Additional information may only be released upon written permission signed by the employee or if traditionally released or required by management needs.

Professional References

Additional information may also be released to a party outside the institution requesting a professional reference, so long as there is reasonable basis to believe that a person making the request has the authority to obtain a reference on behalf of the employer or entity that is seeking a reference.

Employee Information Changes

To ensure that the SDBOR's personnel files are up-to-date and contain accurate, complete information, employees are required to notify his/her supervisor of any changes that need to be made in the following categories: name, telephone number, home address, marital status, number of dependents, beneficiary designations, scholastic achievements or individual to notify in case of an emergency.

Hours of Work and Compensation

It is the intent of the Executive Director to create a standard workweek within which an employee is expected to perform agency services. The Executive Director also realizes that emergency and extenuating circumstances may arise in which an employee is required to work variable hours. Nothing within this policy is meant as a guarantee to the number of hours, either daily or weekly, that an employee may be required to work. However, it is the Executive Director's intent that every employee be treated equally and fairly when expected to work odd or extended hours.

Standard Workweek and Workday

Overtime for employees will be calculated for hours worked over 40 in one week. The standard workweek shall be Sunday through Saturday.

Operating hours for SDBOR are from 8:00 AM to 5:00 PM Monday through Friday. These hours are to accommodate the institutions, employees and any other patron. As employees are hired to perform the duties of a position, the standard workday may differ due to timelines, legislative session and institutional needs.

Break Periods

Employees receive a one (1) hour non-paid break for noon and a paid fifteen (15) minute break period in both the morning and afternoon. Break periods may not be accumulated for time off and are not guaranteed to the employee. They shall be at the discretion of the immediate supervisor. Breaks should be taken and arranged according to projects and timelines of those projects.

It is the policy that at least one support person shall be available to answer phones during any break period. Therefore, employees are expected to work together on a schedule that will accommodate the office to ensure that there is enough staffing over the noon and break periods.

The employee's direct supervisor must approve any deviation in this policy. In the event this policy is violated, employees will be subject to disciplinary action.

Pay Period, Pay Deductions, and Direct Deposit

Pay periods begin on the 22nd of the month and go through the 21st of the following month. Employees are paid monthly, on the last working day of the month. Employees are also required to establish direct deposit per BOR Policy.

Time Sheets

Each hourly employee is required to complete a daily time sheet to keep a record of all hours worked, vacation, sick leave, personal leave, etc., for the purpose of calculating and issuing pay checks. When an employee requests time off, the appropriate leave will be requested through the SDBOR Leave Request System. Every employee and his/her supervisor must sign the time sheet to verify that all entries are accurate. Intentional falsification of time sheets may result in disciplinary action.

Exempt employees are required to complete a monthly exception time report documenting full day absences.

Non-Faculty Exempt Salary Administration

Salary increases are governed by legislative authorization and policy of the Board of Regents. No individual is guaranteed an increase on an annual basis. All adjustments to an employee's salary are subject to approval of the Executive Director.

NFE Compensation Guidelines

SDBOR employs persons in non-faculty exempt positions at a salary that incorporates market considerations, departmental and institutional equity, performance and budget constraints. All work performed by the incumbent that is incorporated in the job description's duties and responsibilities is compensated for by the salary of the position.

ANNUAL SALARY ADJUSTMENTS

When awarded, annual salary adjustments are effective on June 22, the first day of the first pay period in the fiscal year. Annual adjustments are recommended by the immediate supervisor as part of the regular fiscal year budget process and must be approved by the Executive Director. Upon approval by the Executive Director, in special circumstances these can also require Board approval.

CSA Salary Administration

Salary policy is set by the state legislature and the Bureau of Human Resources. The Bureau of Human Resources sets the compensation program for all CSA employees each fiscal year. This program is based on a grade and step system. Employees will be placed into a grade and step upon employment with the SDBOR.

Salary Increases That May Be Approved Outside of Salary Policy

Salary provisions outside of the annual salary policy adjustments are outlined in SD Administrative Rules. Please refer to [Section 55:10:11](#) of the SD Administrative Rules.

Longevity Pay

All regular part-time and full-time employees, with the exception of faculty, are eligible to receive longevity payments once they have seven years of service to the Board of Regents or State of SD. It is the responsibility of the employee to notify BOR of the length of previous service for longevity.

Employees will receive their longevity payment in the pay-period in which their anniversary date falls, it will not be issued as a separate payment from their normal, monthly paycheck. Each eligible employee will receive one longevity payment per fiscal year.

Employees who are on termination vacation leave at the time of their longevity payment date are eligible for payment even though they are no longer actually working for the state. Employees may not be placed on leave without pay for all or a portion of the time needed to reach their longevity payment date.

Employees who retire, are laid off, or die prior to their fiscal year longevity payment date are eligible for a prorated payment. The proration is based on the number of full calendar months since the last longevity check was received.

[Longevity Pay Chart](#)

Overtime/Compensatory Time Off

When required due to the needs of the business, you may be required to work overtime. Overtime is actual hours worked in excess of 40 in a single workweek. Paid leave time and holidays are not considered hours worked. All overtime work must be approved in advance by your supervisor. Supervisors and employees are also expected to adjust the workweek whenever possible to avoid overtime liability.

Overtime pay will be paid in a combination of pay and compensatory time. For each hour of overtime worked, the employee will be paid for one additional hour of pay and will accrue .5 hours of compensatory time. Overtime will accrue at the rate of time and one-half based on a forty (40) hour workweek. Board of Regents reserves the right to pay cash, at any time, to the employee for any or all accrued compensatory hours.

Alternative Work Schedules

It is the goal of the state of South Dakota and the Board of Regents to provide employees with a work environment that allows them to balance work and life activities. As an employer, the SDBOR recognizes the need for flexibility in scheduling to provide employees the opportunity to participate in family and community activities. To achieve this goal, employees and supervisors are encouraged to use alternative work schedules.

Alternative work schedules will enable managers to meet their program goals and provide better customer service while, at the same time, allowing employees to be more flexible in scheduling their personal activities.

Alternative Work Schedules Available

1. **Flexible work schedule**—With supervisory approval, employees may request alternative starting and stopping times during the workweek. The starting and stopping times and the lunch period are fixed for the duration of the flexible schedule unless the supervisor discontinues or temporarily suspends the flexible work schedule. Salaried employees on a flexible work schedule may be required to work additional hours or adjust their schedule to meet the requirements of their position.
2. **Flextime**—With supervisory approval, employees may occasionally modify their daily work schedule. Adjustments may be made at any time to allow employees flexibility in their schedule during the week. Hourly employees must make up hours flexed at a different time during the work period. Hourly employees who are unable to make up hours flexed during the work period must take either paid or unpaid leave. Salaried employees may not flex an entire day.
3. **Work Adjust**—Work adjust is adjusting hours for work performed outside the normal work schedule to meet the requirements of the agency. Work adjust is intended for short-term changes to an employee's schedule to meet workload requirements. Work adjust applies to hourly employees and is not appropriate for salaried employees.

Eligibility for Alternative Work Schedules

Alternative work schedules are at the discretion of the supervisor. Supervisors will work with employees and attempt to accommodate their scheduling requests. Alternative work schedules, however, may not be available to every employee at any time because of customer service and workload requirements. If alternate work schedules are not possible, the supervisor should explain why the request for an alternative work schedule cannot be honored.

Alternative Work Schedule Guidelines

Offices will be open during the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, including the noon hour. Service to both internal and external customers must be maintained during those hours. Rest periods are a normal part of the work schedule and cannot be accumulated or be included as a basis for a flexible work schedule. A lunch break of at least 30 minutes of uninterrupted time is recommended.

Responsibilities

Teamwork among employees and management is an important factor in implementing alternative work schedules and achieving positive benefits associated with alternative work schedules. Meaningful work must be available for the employee during the entire alternate work schedule. Supervisors and employees are mutually responsible for ensuring successful alternative work scheduling programs.

Supervisors shall:

1. Ensure adequate, not minimal, staff is available to serve the needs of the public. Both internal and external "customer" needs will be considered to determine adequate staffing.
2. Ensure that alternative work schedules are administered consistently and equitably.

3. Ensure alternative work schedules do not cause or contribute to the need for additional staff or overtime work.
4. Ensure work that requires regular supervision or essential interaction with other staff is scheduled when supervisors and interacting staff are available.
5. Ensure the work site has adequate supervisory and management coverage at all times.

Employees shall:

1. Plan and organize their time to meet the job requirements established by the supervisor.
2. Participate in the resolution of conflicts between the job and the alternative work schedule and inform the supervisor when coverage is not adequate.
3. Be able to meet workload requirements and be available for scheduled conferences and meetings. The requirements of the job always take precedence over the alternative work schedule.
4. Not engage in excessive socializing prior to the beginning of their workday when employees are already engaged in their work schedule. This can be disruptive to the work patterns of employees with earlier starting times.
5. Nonexempt employees shall record actual hours worked for each day on the time form.

Procedures for Requesting an Alternative Work Schedule

A Request for an Alternative Work Schedule (AWS) form must be completed by the employee and submitted to the supervisor for approval if the employee wants to participate in a flexible work schedule. A copy of this form should be sent to your Human Resource Director to be placed in the employee's personnel file. A form is not required to participate in occasional flextime.

Changes to Work Schedules

Alternative schedules do not alter the responsibility and authority of supervisors to establish and change work schedules without prior notice. Supervisors may discontinue or temporarily suspend alternative work schedules when necessary. Alternative work schedules may also be altered if work needs change or if service is impaired.

To ensure an opportunity for all employees to request an alternative work schedule and to ensure the schedule remains workable for the employee and the SDBOR, requests for flexible work schedules will be submitted and reevaluated at least every three months.

Holiday Pay

Holidays, as defined in Policy 8, are considered leave and, therefore, holiday hours will not count as hours worked for purposes of computing overtime. All overtime-eligible employees who work at least one shift or are on paid leave during the calendar week in which the holiday falls are eligible for holiday pay. For payroll purposes, a holiday is no more than eight hours. An employee who is on leave without pay for the entire week when a holiday occurs will not receive holiday benefits. Employees who are newly hired into the system and who begin work the day after the holiday will not receive the holiday pay hours.

As provided by South Dakota law, an employee must be compensated with time off or cash reimbursement for holiday hours. An employee who is required to work on a holiday may be compensated in one of two

ways, (1) Take off an equal number of hours at a later date, or (2) receive straight time paid in cash for an equal number of hours.

Part-time employees will receive prorated holiday pay depending upon the average number of hours they have worked in the previous three months of their appointment.

Expense Reimbursement

SDBOR shall reimburse employee for all necessary expenses incurred by employee while traveling pursuant to employer's discretion.

Board Meeting Travel

All staff members are strongly encouraged to coordinate travel and to reduce the number of vehicles taken to meetings. Managing and controlling costs in the office budget should be of concern to all. Employees are encouraged to schedule workload and other campus meetings by coordinating meeting and departure times with other staff members.

Personal vehicle use

If there are no state vehicles available, an employee may take his/her own vehicle and be reimbursed at the high mileage rate. If an employee chooses to take his/her own vehicle and there are state vehicles available, employees will be reimbursed at the low mileage rate. The mileage reimbursement will be based upon direct routes to and from the destination.

The [State Board of Finance](#) sets the reimbursement rates for mileage and per diem for both in, and out-of-state, travel.

Employees must have supervisory and executive director authorization, and fill out the out-of-state travel request form prior to scheduling travel outside of South Dakota.

Safe Harbor Clause

It is the policy of the SDBOR to abide by all federal and state wage and hour laws. SDBOR prohibits improper pay practices and improper deductions. Employees with concerns about possible violations of wage and hour laws should contact the SDBOR Human Resources Office. Every effort will be made to investigate the concern and promptly rectify any inadvertent errors.

Note the SDBOR specifically reserves the right to repeal, modify or amend any of these policies with or without notice. In addition, as some of these policies reflect the State of South Dakota Statutes, they are subject to change by the State of South Dakota. Any manual provision that purports to diminish or to expand upon customary conditions of employment restrictions, entitlements, or benefits specifically set forth under the statutes, rules, or regulations of the State of South Dakota and the Board of Regents shall be, to that extent, null and void and without effect.

Employee Benefits

Health and Flexible Benefits Plans

The State of South Dakota offers Health Plan options that provide comprehensive medical coverage for the eligible employees, covered spouse, and/or dependents. Regular full-time and regular part-time employees are eligible for health benefits under the state health insurance plan on the 31st day of employment with SDBOR. Covered spouse and/or dependents are also eligible for coverage at the employee's expense.

Employees may choose to opt out of health coverage provided by SDBOR. Employees who opt out of SDBOR health coverage will not be reimbursed monetarily for his/her portion of the health coverage premium. SDBOR assumes no liability or responsibility for the adequacy or inadequacy of the insurance coverage or other medical bills or expenses not otherwise covered by this plan.

In addition, there are flexible benefits options available to employees that are also administered to the [Bureau of Human Resources](#).

Retirement Benefit

The South Dakota Retirement System (SDRS) is the provided retirement system for all state employees. This is a mandatory benefit for all employees. Both the employee and the employer share the cost of the employee's retirement benefits by contributing a percentage of the employee's salary to the system. The amount that the employee will contribute and the amount the employer will match will be dependent on the classification of the employee. The SDRS offers a supplemental retirement benefit in which the employee has the option to participate. Please notify the Director of Human Resources should any information be requested.

Workers' Compensation

Report of Injury Required

South Dakota Worker's Compensation Law requires that an employee report all work-related injuries or illnesses to the SDBOR within three (3) days after its occurrence.

Any employee involved in an on-duty accident shall immediately report the accident and any physical injury sustained to his/her supervisor. When required, the employee shall complete an accident report on the Bureau of Human Resources benefits website and shall supply all available names and addresses of witnesses to accident.

The employee shall receive a copy of the accident report that is submitted to the employer. Failure to comply with this policy may be grounds for disciplinary action by SDBOR. All employees shall also immediately report all safety hazards to his/her supervisor.

Time Reporting

Supervisors with an employee absent from work because of an on-the-job accident will be required to record all hours worked for non-exempt employees and days worked for exempt employees, as well as regularly scheduled hours not worked or days not worked, on the time sheet while the employee is absent from work and shall submit the time sheet to the Director of Human Resources for SDBOR records.

Compensation and Benefits

In cases where workers' compensation reimbursement is paid and in accordance with SDCL 62-4-3, if an injured state employee's workers' compensation benefits are not equal to his salary, he/she may, notwithstanding any provision in § 3-6C-10, use sick pay or vacation pay in an amount necessary to make up the difference between his salary and the workers' compensation benefits. SDCL 3-6C-7.1 prohibits accrual of sick leave while receiving workers' compensation. Employee will be required to provide sufficient certification or signed medical release to return to work.

Annual/Vacation Leave

Regular full-time and part-time employees are entitled to annual/vacation leave (annual leave) in accordance with Chapter 3-6C of SD Codified Law.

Annual Leave Accrual

Accrual of annual leave begins on the first day of employment and can be used as accrued. Annual leave shall be earned and credited to regular full-time employees at the rate of 10.00 hours per month. If employed fifteen (15) years or more, vacation will be accrued at the rate of 13.33 hours per month, provided all other necessary provisions of this article have been met. Regular part-time employee will accrue his/her vacation on a prorated basis based on the number of hours the employee works. The accrual date for vacation is based on the employee's anniversary.

Annual leave may be carried over from one calendar year to the next. In accordance to SDCL 3-6C-4, vacation may be earned in a period of time not exceeding two years of regular and continuous state employment. Therefore, employees with 15 years or less years of service can accrue up to 240 hours and employees with more than 15 years can accrue up to 320 hours.

Requesting Annual/Vacation Leave

Annual leave must be scheduled with the employee's supervisor at the earliest possible time prior to the use of such leave. SDBOR reserves the right, within reason, to disapprove requested time for annual leave for the purposes of maintaining the workforce during heavily scheduled work periods. However, the agency will make every effort to accommodate employees' requests for time off.

Annual Leave upon Termination of Employment

In accordance with SDCL 3-6C-6, any employee who retires or voluntarily resigns may terminate his employment at the end of his accrued vacation period or receive a lump-sum payment for the unused vacation time which has accrued as of his/her final day on the payroll. Employees who have not completed six months of continuous service will not receive pay for unused vacation time. However, if the employee dies, payment for the accumulated leave of absence for vacation time shall be paid according to SDCL 3-8-8 to 3-8-11, inclusive.

Paid Family Leave

Employees who are benefit eligible and have been employed for at least six months can use paid leave at 60% of their pay for up to eight weeks following the birth or adoption of a child. Employees can supplement paid family leave with other leave types including annual leave or sick leave to receive 100% compensation during the leave period.

Sick Leave

Regular full-time and part-time employees are entitled to sick leave in accordance with Chapter 3-6C of SD Codified Law.

Accrual of Sick Leave

Regular full-time employees shall accrue sick leave at a rate of 9.334 hours per pay period or 112 hours annually. Regular part-time employees will accrue sick leave on a prorated basis which will be dependent upon the number of hours the employee works. Sick leave benefits not used during the calendar year in which they were earned may be carried over and used during the succeeding calendar years.

Using Sick Leave

Sick leave may be granted for personal illness, temporary care of immediate family member, bereavement, pregnancy and related disabilities, exposure to contagious diseases that would endanger the health of fellow employees, required eye and dental care, required medical examination, or inpatient or outpatient treatment in approved centers for alcohol, drug abuse, psychiatric, counseling care, volunteer police or rescue work or a call to state active duty of military reserve or National Guard members.

Notifying Supervisor of Sick Leave

An employee absent from work due to illness or disability shall notify his/her immediate supervisor before he/she is scheduled to work, or as soon as possible. If an emergency situation exists, indicate the nature of the situation and the expected length of absence. If an employee is absent two (2) consecutive days without proper notification, he/she will be considered to have voluntarily resigned his/her position.

In accordance with SDCL 3-6C-7, upon request from the office of human resources, all absences for sickness shall be supported by a medical certificate. Any employee found to have abused his/her sick leave privileges may be subject to disciplinary action.

Bereavement Leave

Sick leave may be granted for up to five days per loss of an immediate family member.

Immediate family

Immediate family is defined under ARSD as the employee's spouse, children, mother, father, mother-in-law, father-in-law, daughter-in-law, son-in-law, brothers, sisters, grandparents, grandchildren, stepchildren, stepparents and foster children. Employees who are on approved leave, except terminal vacation leave, and become injured or ill may use sick leave.

Sick Leave Upon Termination

In accordance with SDCL 3-6C-12, every state employee, who has been continuously employed in a permanent position by the State of South Dakota or any department or agency thereof for at least seven years prior to the date of his/her retirement, voluntary resignation, layoff, termination for inability to perform job functions due to physical disability or death, shall receive payment for one-fourth of the unused leave of absence for sickness which has accrued as of his/her final day on payroll. Such payment may not exceed the sum of four hundred eighty hours. However, in the case of death of the employee,

payment for such accumulated leave of absence for sickness shall be paid as provided under the provisions of SDCL 3-8-8 to 3-8-11.

Family Medical Leave

The Board of Regents complies with the federal Family and Medical Leave Act (FMLA), which requires employers to grant unpaid leaves of absence to qualified workers for certain medical and family-related reasons.

Please note there are many requirements, qualifications, and exceptions under these laws, and each employee's situation is different. Contact the Human Resources department to discuss options for leave.

[BOR Policy 4:15](#) addresses the provisions related to FMLA.

Jury and Witness Duty

In accordance with 55:09:04:09, if a state employee is subpoenaed to testify in court, the employee shall receive both the employee's regular salary from the state without loss of leave credits and witness fees.

If the employee is subpoenaed by either party to testify in any civil or criminal proceeding because of the employee's official capacity, the employee shall receive the employee's regular salary without loss of leave credits and may receive actual expenses according to state rates, but may not receive witness fees.

If an employee is a party to or witness who has not been subpoenaed for private litigation, the employee must use vacation leave or leave without pay.

If a BOR employee is summoned to serve on a jury, the employee shall receive the employee's regular salary without loss of leave credits and the per diem and mileage provided for by SDCL 16-13-46. A state employee summoned either as a witness or a juror shall notify the employee's employer at once. An employee may be required to return to work upon the completion of jury or witness duty if it ends prior to the completion of the workday.

Military Leave

Any eligible employee who is called for training or active duty in the uniformed services of the United States is eligible for military leave, provided the employee gives notice of his or her military obligations. In carrying out the terms of this policy and in all its dealings with employees regarding military leave issues, SDBOR complies fully with all federal and state laws granting leave and employment rights for employees serving in any branch of the military or other uniformed services of the United States.

Compensation for military leave is outlined in [BOR Policy 4:16](#).

Holidays

State employees are granted the following holidays:

| | |
|-----------------------------------|-----------------------------|
| New Year's Day | January 1 |
| Martin Luther King, Jr. Day | Third Monday in January |
| Presidents' Day | Third Monday in February |
| Memorial Day | Last Monday in May |
| Independence Day..... | July 4 |
| Labor Day | First Monday in September |
| Native Americans Day..... | Second Monday in October |
| Veterans' Day..... | November 11 |
| Thanksgiving Day | Fourth Thursday in November |
| Christmas Day | December 25 |

If July 4, November 11, December 25, or January 1 falls on a Sunday, the Monday following shall be observed as the holiday; if they fall on a Saturday, Friday preceding is observed as the holiday.

Administrative Leave

In accordance with 55:09:04:13, administrative leave shall be granted in the following situations, allowing an employee to receive compensation for the hours that the employee would normally have worked with no loss of leave.

1. An office is administratively closed;
2. An employee is a member of a volunteer fire department or ambulance service and is called to duty during working hours;
3. Pending an investigation of charges made against an employee upon which disciplinary action could be taken; and
4. For any other purpose that has been requested in writing and approved by the commissioner.

The appointing authority shall grant administrative leave hours as straight time off at a later date or as cash payment at the regular hourly rate to employees who are required to work when an office is administratively closed. If an office remains open and an employee is not able to reach the worksite, the employee must use annual leave, compensatory time if applicable or leave without pay. In the event an employee works when an office is closed, time actually worked will be counted toward overtime. Please see [BOR Policy 4:25](#) for more information.

Advanced & Donated Leave

Advanced sick leave and donated leave options are available in specific circumstances where an employee has exhausted all leave balances and meets criteria. If you have questions related to these options, please discuss with the office of human resources.

Educational Assistance Program

The South Dakota Board of Regents encourages employees to take advantage of all opportunities that will assist them in the development of their job-related skills and, in turn, enhance their job proficiency. In order to endorse and facilitate such skills development, SDBOR provides an Educational Assistance Program to eligible employees for enrollment in job-related, or coursework directly related to the organization's professional development or succession plan for the employee.

The Educational Assistance Program provides a tool for managers and employees to support academic activities that directly relate to the organization's identified knowledge, skills, and competencies, and which support the mission, vision, and values of the organization. The educational assistance program is not an employee benefit, right or entitlement; it is a management program for workforce development. Denial of participation in the educational assistance program cannot be grieved, except on grounds of discrimination. The details of this program can be found in Appendix A of this employee handbook.

Performance Appraisals

Performance evaluations are designed to provide the employee with a record of his/her performance, to encourage professional growth and to promote communication between the supervisor and the employee. Performance appraisals will be conducted a minimum of once during the employee's training period (at the conclusion) and annually thereafter.

The performance evaluations are to be structured toward each employee's position. The purpose of the evaluation is to commend strengths, address weaknesses, suggest ways to improve and to discuss employee goals and objectives. Evaluations will be conducted in a private meeting between the employee and his/her supervisor. Employees are required to sign his/her evaluation and will receive a copy. Signing does not imply agreement but that the contents have been made known or discussed with the employee.

Disciplinary Action

The Board expects that employees behave professionally, ethically and abide by policies, rules and laws at all times. Employees are expected to maintain an effective, orderly, safe and efficient work environment. Disciplinary action, up to and including termination, may be taken, upon notice and a right to respond, for conduct within or outside the scope of employment.

Separation from Service

Employees who are leaving his/her job with SDBOR for any reason may be asked to participate in an exit interview. On an employee's last day of employment, he/she is required to return all agency property to his/her supervisor. Final paychecks are directly deposited or directly given to the employee on the next regular payday. SDBOR makes every effort to ensure that all terminations and separations from employment are conducted in accordance with all provisions and requirements of applicable federal and state laws.

EMPLOYEE HANDBOOK ACKNOWLEDGMENT AND RECEIPT

Personnel Policy and Procedures Manual Acknowledgment Form

This will acknowledge my receipt of SDBOR's Personnel Policy and Procedures Manual and my responsibility to become familiar with its contents. I further understand and agree to the following:

1. This handbook represents a brief summary of some of the more important SDBOR policies relative to employment, but is not intended to be all-inclusive of agency policies or practices.
2. SDBOR retains the sole right in its business judgment to modify, suspend, interpret, or cancel, in whole or in part, at any time, and with or without notice, any of the published or unpublished personnel policies or practices.
3. SDBOR does not recognize verbal or implied contracts for employment. Only the Executive Director with the Board of Regents has the authority to enter into any agreement of employment for specified durations. Such employment agreements will only be valid and binding on SDBOR when the agreement is set forth in a written document signed by the employee and Executive Director or his/her designee.
4. The contents of this manual do not constitute an expressed or implied contract of employment.
5. I understand the Nondiscrimination and Harassment Policies and will abide by the agreement.

Employee's Name in Print

Signature of Employee

Date Signed by Employee

Appendix A: Educational Assistance Program

Overview

The South Dakota Board of Regents encourages employees to take advantage of all opportunities that will assist them in the development of their job-related skills and, in turn, enhance their job proficiency. In order to endorse and facilitate such skills development, SDBOR provides an Educational Assistance Program to eligible employees for enrollment in job-related, or coursework directly related to the organization's professional development or succession plan for the employee.

The Educational Assistance Program provides a tool for managers and employees to support academic activities that directly relate to the organization's identified knowledge, skills, and competencies, and which support the mission, vision, and values of the organization. The educational assistance program is not an employee benefit, right or entitlement; it is a management program for workforce development. Denial of participation in the educational assistance program cannot be grieved, except on grounds of discrimination.

Applicability

Permanent, full-time employees who have completed their six month probationary period with satisfactory performance are eligible to participate in the Educational Assistance Program. Employees may begin participation at the beginning of the applicable institutional academic session following the completion of their probationary period.

Exceptions to the probationary period completion may be reviewed for employees transferring within state government or the Regental system.

Policy Details

Programs of Study

All courses taken under the Educational Assistance Program must be for credit and be directly related to the employee's current job or be clearly in the career path of the employee. Courses that meet these criteria in the following programs will qualify for reimbursement:

Degree Specific Programs — for employees studying for associate, undergraduate or graduate degrees.

Non-Degree Specific Courses — for employees taking courses not related to or dependent upon a specific degree.

Eligible Institutions/Universities

Course may be taken at any SDBOR institution. For programs not available at SDBOR institutions, exceptions may be reviewed for approval by the Executive Director.

Reimbursement Amounts

Regular full-time employees are eligible to be reimbursed for 80% of the tuition costs of up to 6 credit hours per academic session at a Regental institution.

Maximum reimbursement amounts will not exceed the tuition/fee rates charged per credit hour at the University's resident rate. For those attending out of system institutions, the rate of reimbursement will not exceed the average tuition/fee rates charged per credit hour in the Regental system.

Eligible employees must receive either grade of "C" or a passing grade in a pass/fail system to receive reimbursement for the tuition costs for undergraduate courses taken. Employees enrolled in graduate or doctoral programs must receive a "B" or better.

The Tuition Reimbursement amount may be subject to a reduction by the amount of other scholarships or assistance.

Non-Reimbursable Expenses: Reimbursement shall NOT be made for application, examination and graduation fees, transportation costs, textbooks and course supplies.

Application Procedures

Eligible employees will complete the SDBOR Educational Assistance Program application through the human resources department.

The application must be completed by the employee, and approved by the employee's supervisor, human resources, and the Executive Director prior to the start of the academic session. Such approval indicates verification that the employee's attendance at classes will not adversely affect departmental services, and that the course(s) are in line with the employee's position and/or professional development plan.

The application will include a professional development plan, and a summary of the course and/or program of study.

Employees who change or drop courses must document such information for **Human Resources** approval no later than 5 business days after the change, or drop is made.

Reimbursement Procedures

No later than 30 days following the completion of the academic term, the employee must submit an application for reimbursement and provide the following to Human Resources:

- Student account history which reflects out-of-pocket tuition expenses.
- Student document which reflects the eligible coursework completed and a grade of "C" or a passing grade in a pass/fail system.

Any falsification or misrepresentation of information will result in the denial of reimbursement and may be grounds for appropriate disciplinary action.

Tuition reimbursement payments will be directly reimbursed on the eligible employee's paycheck.

The employee must be an active employee on the date that the tuition reimbursement is paid. The employee will not be eligible for the reimbursement if he/she terminates employment before the reimbursement is paid

Termination of Eligibility

Eligibility for the Educational Assistance Program shall cease during any period in which the employee is on leave of absence, unless such leave is granted for professional or educational purposes related to the job. However, employees who are already taking a course when the leave of absence begins will be eligible for the reimbursement of tuition costs upon completion of that course.

Eligibility for the Educational Assistance Program shall cease when an employee separates from employment. Employees who are already taking a course(s) at the time of separation will not be eligible for the reimbursement of tuition costs. In addition, those who do not remain employed after a period of six months following payment of the reimbursement for a preceding academic term shall be required to repay SDBOR all tuition reimbursements paid within that six-month period. For example, an employee who obtains reimbursement for a spring semester course on June 1, receives reimbursement for a summer semester course on August 15, and ceases to be an employee on November 1, the employee will be required to repay SDBOR the tuition reimbursement for both the preceding summer semester and spring semester (because both June 1 and August 15 are within 6 months of November 1).

Income Tax Information

The taxability of the Educational Assistance Program is determined by federal regulations and is subject to change. If the benefits are considered taxable during a tax year, they must under federal law be reported by the Board of Regents as taxable income to the employee.

The SDBOR Educational Assistance Program is a qualified tuition reduction plan under Section 117 of the Internal Revenue Code for undergraduate courses. For graduate courses, the program qualifies as an Educational Assistance Program under section 127. Under this program, reduced fees are exempt from federal, state, and social security taxes up to an annual maximum of \$5,250.