

**SOUTH DAKOTA BOARD OF REGENTS**

**Budget and Finance**

**AGENDA ITEM: 7 – D (3)**

**DATE: March 30-April 1, 2016**

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**SUBJECT: BOR Policy 5:5:1 – Tuition and Fees: State-Support Tuition  
(Recommended Emergency Implementation)**

Legislation approved in the 2016 session will complete the proposed rolling of USF into tuition. This will require some changes to BOR policy. The biggest change is the percentage that graduate assistants will pay moving forward. They will no longer pay 1/3 of the graduate tuition rate, plus USF and GAF; instead residents will pay 53% and nonresidents will pay 63% of the combined tuition and USF plus GAF. The dollar value of the discount they receive will change slightly.

In addition, the passage of HB1163 removed the time limits that a veteran can pursue an undergraduate degree without payment of charges for tuition based on qualified service. The benefit is no less than one or more than four academic years of free tuition. Finally, HB1203 changed the 50% reduced tuition benefit for National Guard such that all federal tuition benefits must be applied first. National Guard members will be required to apply for their federal benefits to qualify for the state benefit.

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**RECOMMENDED ACTION OF THE EXECUTIVE DIRECTOR**

I move to approve the emergency implementation of the changes to BOR policy 5:5:1 keeping the policy in-line with the emergency approval provided in the legislation.

# SOUTH DAKOTA BOARD OF REGENTS

## Policy Manual

**SUBJECT:** Tuition and Fees: State-Support Tuition

**NUMBER:** 5:5:1

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### 1. State-Support Tuition

The six universities receive state appropriated dollars that are used to support the on-campus operations. All courses taught on campus will be at the Board approved state-support tuition rate except for remedial courses.

A. **Standard State-Supported Tuition Rates:** The Board sets tuition rates each spring that are effective for the following summer, fall and spring terms. The state- support tuition rates are per credit hour rates for the following classifications of students:

- 1) Undergraduate resident
- 2) Undergraduate non-resident
- 3) Graduate resident
- 4) Graduate non-resident

The state- support tuition rates are per semester rates for the following classifications of students:

- 1) Law school resident
- 2) Law school non-resident
- 3) Pharmacy resident
- 4) Pharmacy non-resident

The state- support tuition rates are per annual rates for the following classifications of students:

- 1) Medical school resident
- 2) Medical school non-resident

### 2. Tuition Allocations

A. All state-support tuition collected shall be deposited 88.5% into the BOR system tuition fund and 11.5% into the higher education facilities fund with the exception of the first \$875,000 of Medical School tuition which shall be deposited 100% into the system tuition fund (SDCL 13-53-15).

- B. Salary Competitiveness: Salary competitiveness is a component of tuition. The proceeds shall be used to enhance faculty and non-faculty exempt salaries. The Board will identify the per credit hour rate annually that is committed to the enhancement of salaries as part of the annual tuition and fee setting process.
- C. Institutional Maintenance and Repair: The campuses are required to allocate a portion of each state-support credit hour to maintenance and repair. The campus M&R dollars are retained locally in a separate fund and the revenue can only be expended on Board approved projects. The Board will identify the per credit hour rate that is to be committed to maintenance and repair as part of the annual tuition and fee setting process.
- D. Critical Maintenance and Repair: The critical deferred maintenance bonds are supported by revenue from each state-supported tuition credit. The critical deferred maintenance funds are deposited centrally. The Board will identify the per credit hour rate that is to be committed to maintenance and repair as part of the annual tuition and fee setting process.
- E. Technology Funds: The Board has identified a portion of each state-support credit hour that is to be dedicated to technology investments. The technology investments include the amounts needed to support Regents Information Systems and the System Technology Fund. The Board will identify the per credit hour rate that is to be committed to these technology investments.

### 2.3. Board Approved Reduced Tuition Programs

- A. **Persons 65 Years of Age or Older:** The tuition for resident students sixty-five (65) years of age or older during the calendar year enrolled shall be 55% ~~one-fourth (1/4)~~ of the cost of resident tuition.
- B. **Graduate Fellows and Assistants:**  
Resident ~~The~~ graduate assistants and graduate student fellows shall be assessed 53% ~~one-third (1/3)~~ of the resident graduate tuition rate for all state-support courses, nonresidents shall be assessed 63%. (Policy 5:17).
- C. **Reserve Officer Training Corps Cadets** ~~(BOR, May 1989, pp. 531 and 533):~~ South Dakota residents who are junior and senior students and who are contracted senior Reserve Officer Training Corps (ROTC) cadets shall be charged 50 percent of the undergraduate resident tuition rate established by the Board of Regents for not more than four semesters. (BOR, May 1989, pp. 531 and 533)
- 1) A senior cadet is eligible for the special tuition rate as long as he or she:
  - 2) remains a resident of South Dakota throughout each semester he or she has applied for benefits;
  - 3) has met all the contract eligibility requirements for Senior ROTC and has signed

- the contract for the programs;
- 4) maintains satisfactory academic progress as defined by the United States Army or Air Force Cadet Command;
- 5) is not receiving a ROTC scholarship and is not a member of the simultaneous membership program.

- D. **North Dakota Residents Attending Northern State University:** First-time freshmen and new transfer students from North Dakota enrolled beginning with the summer 2004 term at Northern State University shall be assessed the resident tuition rate. This reduced rate is available only at the undergraduate level.
- E. **Military Science Courses:** Military Science Courses offered to military science students shall be offered without payment of tuition. All other required fees shall apply.
- F. **Western Regional Graduate Program (WRG):** The Master's and Ph.D. degree programs in materials engineering and science, paleontology and atmospheric sciences or Master's in robotics and intelligent autonomous system offered by South Dakota School of Mines and Technology, integrative genomics from Black Hills State University or Master's in health informatics from Dakota State University are part of the Western Regional Graduate Program which allows students from WICHE compact states to attend the program at the resident tuition rate.
- G. **Non-Resident Tuition Rates for Enrollment Management:** A university may request that the Board approve the use of reduced non-resident tuition rates to manage enrollment. ~~when a university meets all of the following criteria:~~
- ~~1) non-resident enrollments are below 15 percent of the total enrollment;~~
  - ~~2) excess program capacity exists; and~~
  - ~~3) tuition and fee revenue levels are maintained.~~
- A university may also request that the Board set differential tuition rates if necessary to maintain or increase the enrollment of selected types of students.
- H. **Wyoming Residents Attending Black Hills State University:** First-time freshmen and new transfer students from Wyoming enrolled beginning with the summer 2013 term at Black Hills State University shall be assessed the resident tuition rate. This reduced rate is available only at the undergraduate level.
- I. Iowa Residents Attending Dakota State University, Northern State University, South Dakota State University, and the University of South Dakota: First-time freshmen and new transfer students from Iowa enrolled at DSU, NSU, SDSU or USD beginning with the summer 2016 term shall be assessed the resident tuition rate. This reduced rate is available only at the undergraduate level.

### 3.4. **Tuition and Fee Reductions and Waivers Established by the Legislature**

The Legislature has established several tuition and fee reductions and waivers for the benefit of specific groups of South Dakota residents. The information in this policy on the legislated reductions and waivers contains only excerpts from the South Dakota Codified laws and is not intended to provide the necessary detail to administer the programs. Normal fees should be assessed unless specifically waived. SDCL must be referenced for specific guidelines and eligibility criteria. Current information about eligibility requirements is provided in SDCL and shall be available from the Executive Director's office.

- A. Employees of the State of South Dakota (SDCL ch. 3-20):** Employees of the state who meet the following requirements and who are admitted to the university may be eligible for a 50 percent tuition reduction for state support undergraduate and graduate courses up to a maximum of six credit hours per semester. An employee of the state is eligible for tuition reduction as long as he or she:
- 1) is continuously employed by the state for a period of one year in a benefit eligible position;
  - 2) is a bona fide resident of the state;
  - 3) maintains an academic grade of 2.0 or better;
  - 4) maintains an academic rating of competent or better in the most recent merit appraisal or is otherwise certified as competent by the immediate supervisor; and
  - 5) is a benefit-eligible employee.

Registration in any course at the reduced tuition rate shall be limited to space available, as determined by the President or designee; after all of the full-time or full tuition paying students have registered.

The Board of Regents shall maintain an annual record of the number of participants and the tuition dollar value of such participation.

- B. Members of the South Dakota National Guard (SDCL § 33-6-5):** Any member of the South Dakota National Guard who is a resident of the state of South Dakota and who has met admission requirements is entitled to receive up to a 50 percent tuition reduction for undergraduate courses if the eligibility requirements in SDCL § 33-6-7 are met. The state benefit is applied after applying any federal tuition benefits.

In order to receive benefits a person must apply to the Department of Military and Veteran's Affairs according to SDCL § 33-6-8.

- C. Veterans and Others Who Performed War Service (SDCL § 13-55-2):** Veterans and others who performed active war service may pursue any undergraduate course or courses without payment of charges for tuition for each month of qualified service or major fraction thereof a month in academic time. No eligible person shall be entitled to less than one or more than four academic years of free tuition.

Residence at the time of entry into military service or active war service shall not

affect eligibility for this entitlement. Eligibility is limited to persons who reside in this state and who:

- 1) are veterans or others as defined in SDCL § 33-17-2;
- 2) are qualified for resident tuition;
- 3) comply with all the requirements for admission;
- 4) are not entitled to have such tuition paid by the United States or are entitled to receive in part from the United States for education and training allowance and in part the expenses of his or her subsistence, tuition, fees, supplies, books and equipment per SDCL § 13-15-4.

~~Pursuant to SDCL § 13-55-3, the tuition waiver must be used within twenty years after the date proclaimed for the cessation of hostilities or within six years from and after the date of his or her discharge from the military service, whichever is later.~~

**D. Children and Spouses of National Guardsmen Disabled or Deceased in Line of Duty (SDCL § 13-55-10):** South Dakota residents under the age of 25 years whose father, mother, or spouse died or sustained a total permanent disability resulting from duty as a member of the South Dakota National Guard, while on state active duty or any authorized training duty, shall be entitled to tuition without cost and be entitled to attend any course or courses of study.

**E. Visually Impaired Persons (SDCL §§ 13-55-11 through 13-55-13):** Residents of South Dakota who are visually impaired and who are eligible for admission may pursue any course of study without payment of tuition and fees that other students are required to pay directly to the university until they have received two hundred twenty-five (225) semester hours of credit or its equivalent.

A person shall be deemed to be visually impaired if he or she cannot, with use of correcting glasses, see sufficiently to perform ordinary activities for which eyesight is essential. The impairment shall be certified according to SDCL § 13-55-11.1.

**F. Children of Residents Who Died During Service in Armed Forces (SDCL §§ 13-55-6 through 13-55-9):** Certain children of residents who died while in the service of the armed forces of the United States are entitled to free tuition and to any course or courses of study without the payment of any charges or costs therefore.

- 1) Eligibility is limited to South Dakota residents under the age of twenty-five years.
- 2) The deceased parent, mother or father, must have been a veteran as defined in SDCL § 33-17-1, must have been a bona fide resident of South Dakota for at least six months immediately prior to entry into active service, and must have died from any cause while in the service of the armed forces of the United States.

**G. Dependents of Prisoners or Missing in Action (SDCL § 13-55-9):** Dependents of prisoners of war or persons missing in action, upon being admitted to a university, shall be entitled to eight semesters or twelve quarters, free of tuition and mandatory

fees, other than subsistence expenses, for either full- or part-time study, for so long as he or she is eligible.

- H. Certain Elementary and Secondary Teachers and Vocational Instructors (SDCL ch. 13-55-24):** Certain elementary and secondary school teachers and vocational instructors may pursue any undergraduate or graduate course upon payment of 50 percent of tuition and 100 percent of required fees.

Eligibility is limited to teachers and vocational instructors who:

- 1) are bona fide residents of South Dakota;
- 2) are employed by an accredited school as a teacher as defined in Title 13;
- 3) are required by state law, administrative rules or an employment contract to attend college as a condition of employment or to maintain a certificate to teach;
- 4) are certified as eligible for this program by the school district or private school by which they are employed; and
- 5) maintain an average academic grade of 3.0 or better.

The right of any teacher or vocational instructor to participate in this tuition reduction is limited to the space available, as determined by the ~~p~~President or designee; in any course after all of the full-time or full tuition paying students have registered.

An eligible teacher or vocational instructor may receive the tuition reduction for a maximum of six credit hours per academic year. For the purposes of this section, the academic year shall begin with the ~~f~~Fall semester and include all of the following summer.

- I. Survivors of Certain Fire Fighters, Certified Law Enforcement Officers and Emergency Medical Technicians (SDCL § 13-55-22):** If a firefighter or certified law enforcement officer or an emergency medical technician dies as a direct result of injuries received in performance of official duties, the survivor, upon being duly accepted for enrollment into any state-supported university of higher education or state-supported technical or vocational school, shall be allowed to obtain a bachelor's degree or vocational degree for so long as the survivor is eligible, free of any tuition. However, the bachelor's degree or vocational degree shall be earned within a thirty-six month or eight semester period or its equivalent.
- J. Reciprocity Tuition Rate for Minnesota Residents (SDCL ch 13-53B):** Minnesota residents shall be charged the rate established in the tuition reciprocity agreement between the South Dakota Board of Regents and the Minnesota Higher Education Coordinating Board. (See Policy 1:16, Interstate Tuition Agreements.)
- K. Resident Tuition for Rehabilitation Services Clients:** All non-residents who are receiving tuition support from the South Dakota Division of Rehabilitation Services are entitled to pay tuition at resident rates.

- L. Non-Resident South Dakota National Guard Members (SDCL 33-6):** Non-resident members of the South Dakota National Guard shall be appropriately classified as non-residents but shall receive a reduced tuition benefit equal to residents of the South Dakota National Guard paid after applying the federal tuition benefit. The non-resident rate assessed will be reduced by the value of the benefit received by South Dakota residents of the National Guard, the adjustment being one-half of the resident state-support tuition rate.

**SOURCE: BOR, October 2004, August 2006, June 2011, April 2013, March-April 2016.**