

**SOUTH DAKOTA BOARD OF REGENTS**

**Budget and Finance**

**AGENDA ITEM: 7 – G**

**DATE: December 6-8, 2016**

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**SUBJECT: Black Hills State University Tuition Proposal**

BHSU presented a proposal to the Board of Regents for a new tuition structure in December 2015. The new rate structure was requested to be effective for the summer 2016 session as a three-year pilot program; however, when the tuition freeze was approved, the proposal was put on hold due to concern that students would experience a rate increase.

BHSU is requesting the new structure move forward for FY18 even if another tuition freeze is implemented. The new tuition and fee structure would replace the current state-support tuition and fee model for on-campus classes. The new model will assess a single rate per credit hour similar to the self-support tuition structure. With few exceptions, no additional fees will be added. With a single rate, more stability and transparency is provided.

The Proposed Rates

BHSU is proposing to charge an estimated rate of \$280 per credit hour for undergraduate residents taking on-campus courses and \$370 per credit hour for undergraduate non-residents taking on-campus courses. No additional fees will be assessed on these rates with the exception of the teacher education field experience fees. All special discipline fees will be eliminated for BHSU courses. Additional resources needed for higher cost areas will be handled as increases to the overall tuition rate in the future. A summary of rates for undergraduate students, excluding special reduced rates is as follows:

On-Campus Resident (BHSU Spearfish)	\$280.00
On-Campus Non-Resident (BHSU Spearfish)	\$370.00
BHRC, Internet, Remedial	\$333.35
Military at BHSU-RC	\$250.00

The general activity fee rate will still be listed as a separate fee on the Board approved tuition and fees schedule. For billing purposes, the GAF will be rolled into the tuition to accomplish the single rates for on-campus students.

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**INFORMATIONAL ITEM**

State-support Tuition

Board of Regents Policy 5:5:1 states “All courses taught on campus will be at the Board approved state-support tuition rate except for remedial courses.” The assessment of state-support tuition rates varies by the course taken, making it difficult for a student to predict what they will pay. This issue was compounded by the new program fee structure as more courses now have program fees. As shown below, the cost per credit hour at BHSU varies from \$266.80 to \$295.45 for an undergraduate resident student. The cost for a non-resident ranges from \$352.85 to \$381.50.

	<u>English</u>	<u>Math</u>	<u>Sciences</u>	<u>Business</u>
State-Support Tuition	\$232.80	\$232.80	\$232.80	\$232.80
General Activity Fee	\$34.00	\$34.00	\$34.00	\$34.00
Program Fee	<u>\$0.00</u>	<u>\$15.00</u>	<u>\$20.00</u>	<u>\$28.65</u>
Total per Credit Hour	\$266.80	\$281.80	\$286.80	\$295.45
Non-Resident Per Cr Hr	\$352.85	\$367.85	\$372.85	\$381.50

The comparison of what a resident student on-campus taking courses in different disciplines with varying program fees pays for a credit hour under the current model and the proposed model is represented below:

	<u>English</u>	<u>Math</u>	<u>Sciences</u>	<u>Business</u>
Current Cost per Cr Hr	\$266.80	\$281.80	\$286.80	\$295.45
New Proposed Rate	\$280.00	\$280.00	\$280.00	\$280.00
Change in Rate	\$13.20	(\$1.80)	(\$6.80)	(\$15.45)

Comparison to Other Universities

The following table provides an overview of program costs per credit hour under the new model, and the current structure at the other public universities based on program cost information available on their websites. This information shows how the proposed rate varies from the current tuition and fees assessed at BHSU and how the rate is competitive when compared to other public universities.

	BHSU New	BHSU with Program Fees	DSU with Program Fees	USD with Program Fees
Accounting	\$280	\$288	\$294	\$303
Elementary Education	\$280	\$277	\$283	\$292
Exercise Science	\$280	\$276	\$279	\$284
Chemistry/Physical Science	\$280	\$279	\$284	\$303
English	\$280	\$255	\$277	\$286

Source: <https://www.sdbor.edu/student-information/Pages/Program-Costs-by-Campus.aspx>

