

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 7 – V

DATE: March 28-30, 2017

SUBJECT: Black Hills State University Tuition Proposal

BHSU first presented a proposal to the Board of Regents for a new tuition structure in December 2015. The new one-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 concerns that some students would experience a rate increase. BHSU then submitted an informational item as a reminder in December 2016. This proposal is the same one-rate concept updated to reflect FY18 tuition changes.

The Proposed Rates

BHSU is proposing to charge an estimated rate of \$281 per credit hour for undergraduate residents taking on-campus courses and \$381 per credit hour for undergraduate nonresidents taking on-campus courses. No additional fees will be assessed on these rates with the exception of the professional education major’s fees. All other special discipline fees will be eliminated, becoming part of the one-rate tuition structure for BHSU courses. In the future, increases to the one-rate tuition relative to special disciplines will be reviewed through the Academic Affairs Council fee request process before increases to the overall rate would be approved. A summary of rates for undergraduate students including the GAF, excluding special reduced rates is as follows:

On-Campus Resident (BHSU Spearfish)	\$281.00
On-Campus Nonresident (BHSU Spearfish)	\$381.00
BHRC, Internet, Remedial	\$335.10
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.

On-Campus Tuition

Board of Regents Policy 5:5:1 states “All courses taught on campus will be at the Board approved on-campus tuition rate except for remedial courses.” The assessment of on-campus

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DRAFT MOTION 20170328_7-V: I move to approve BHSU’s tuition proposal for an all-inclusive tuition structure as presented.

tuition and program fees 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, approved in FY16, as more courses now have program fees. As shown below, the cost per credit hour for FY18 at BHSU will vary from \$270.20 to \$298.90 for an undergraduate resident student. The cost for a nonresident ranges from \$367.90 to \$396.55.

FY18 Proposed Tuition & Fee Rates – BHSU Old Structure

	<u>English</u>	<u>Math</u>	<u>Sciences</u>	<u>Business</u>
On-Campus Tuition	\$234.00	\$234.00	\$234.00	\$234.00
General Activity Fee	\$ 36.25	\$ 36.25	\$ 36.25	\$ 36.25
Program Fee	<u>\$ 0.00</u>	<u>\$ 15.00</u>	<u>\$ 20.00</u>	<u>\$ 28.65</u>
Total per Credit Hour	\$270.25	\$285.25	\$290.25	\$298.90
Nonresident Per Cr Hr	\$367.90	\$382.90	\$387.90	\$396.55

The comparison of what an on-campus resident student taking courses in different disciplines would pay under the current model and the proposed model is represented in the following table.

Comparison of Old Structure to Proposed One-Rate Structure

	<u>English</u>	<u>Math</u>	<u>Sciences</u>	<u>Business</u>
Current Cost per Cr Hr	\$270.25	\$285.25	\$290.25	\$298.90
New Proposed Rate	\$281.00	\$281.00	\$281.00	\$281.00
Change in Rate	\$10.75	(\$4.25)	(\$9.25)	(\$17.90)

The new tuition and fee structure would replace the current tuition and fee model for on-campus classes. The new model will assess a single rate per credit hour similar to the off-campus tuition structure. With only the exception for the teacher field experience fee, no additional fees will be added. With a single rate, more stability and transparency is provided. While some students will experience an increase, others will experience a decrease, but overall students will pay about the same for their degree. This all-inclusive rate structure works well for a campus like BHSU that does not have a lot of high cost programs with significant program fees.

The proposed tuition structure is designed to be revenue neutral, based on FY17 credit hours and proposed FY18 tuition and fees, the difference in revenue generated is \$5,867.

	<u>One-rate Tuition Proposal</u>	<u>Current Tuition & Fees Structure</u>	<u>Difference</u>
Revenue Projected	\$12,052,862	\$12,058,730	\$5,867

Attachment I shows how the FY18 tuition rates would be changed under this proposal. All program fees except for the Professional Education Majors Fees will be eliminated.

Black Hills State University
Proposed FY18 One-Rate On-Campus Tuition

Black Hills State University	Current Structure			Proposed
	FY18 Rate	FY18 GAF	Total FY18	One-rate
Undergraduate - Per Credit Hour				
Resident	\$234.00	\$36.25	\$270.25	\$281.00
State Employee, ROTC, Teacher Certification	\$117.00	\$36.25	\$153.25	\$158.65
Over Sixty-Five	\$128.70	\$36.25	\$164.95	\$170.85
Remedial	\$335.00	\$36.25	\$371.25	\$335.00
Western Undergraduate Exchange	\$331.65	\$36.25	\$367.90	\$381.00
Nonresident	\$331.65	\$36.25	\$367.90	\$381.00
Wyoming Student Attending BHSU	\$233.95	\$36.25	\$270.20	\$281.00
Child of Alumni	\$233.95	\$36.25	\$270.20	\$281.00
Minnesota Reciprocity - SU2017 - BHSU	\$268.00	\$36.25	\$304.25	\$304.05
Graduate - Per Credit Hour				
Resident	\$306.10	\$36.25	\$342.35	\$351.00
State Employee, Teacher Certification	\$153.05	\$36.25	\$189.30	\$193.65
Graduate Assistant	\$162.25	\$36.25	\$198.50	\$203.05
Over Sixty-Five	\$168.40	\$36.25	\$204.65	\$209.35
Nonresident	\$578.90	\$36.25	\$615.15	\$631.00
Nonresident Graduate Assistant	\$192.85	\$36.25	\$229.10	\$234.55
Minnesota Reciprocity - SU2017 - BHSU	\$441.05	\$36.25	\$477.30	\$441.05
Western Regional Graduate Program - BHSU, DSU	\$306.10	\$36.25	\$342.35	\$351.00
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