

**SOUTH DAKOTA BOARD OF REGENTS**

**Budget and Finance**  
**Consent**

**AGENDA ITEM: 2 – Q (1)**  
**DATE: May 14, 2019**

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**SUBJECT**

**BOR Policy 5:5:2 – Tuition and Fees: Off-Campus Tuition (Second Reading)**

**CONTROLLING STATUTE, RULE, OR POLICY**

[SDCL 13-51-1.2](#)

**BACKGROUND / DISCUSSION**

General Counsel for the Board of Regents recommended that BOR Policy 5:18 – Off-Campus State-Funded Programs be deleted in its entirety. That is being done in a separate board item. The policy conflicts with SDCL 13-51-1.2 which provides that all courses offered at off-campus locations will be at the off-campus tuition rates with the exception of SDSU’s and USD’s nursing programs offered at CUC which can be offered at the on-campus tuition rate as authorized by the Board. General Counsel advises that BOR Policy 5:5:2 – Off-Campus Tuition should also be amended to reflect legislative authorization to charge a tuition rate other than the off-campus tuition rate for a distance course. The proposed changes to the two policies will put us in harmony with SDCL 13-51-1.2.

BOR Policy 5:5:2 – Off-Campus Tuition also places into policy the Board’s decision to offer active duty military personnel taking undergraduate off-campus or distance courses a rate not to exceed the federal tuition assistance benefit. Currently that rate is \$250 per credit hour.

**IMPACT AND RECOMMENDATIONS**

By making these changes, the BOR policy will be in compliance with SDCL 13-51-1.2 and will be in the current format.

**ATTACHMENT**

Attachment I – BOR Policy 5:5:2 – Off-Campus Tuition Revisions

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**DRAFT MOTION 20190514\_2-Q(1):**

I move to approve the second reading of BOR Policy 5:5:2 – Off-Campus Tuition with the revisions as shown in Attachment I.

# SOUTH DAKOTA BOARD OF REGENTS

## Policy Manual

**SUBJECT:** Tuition and Fees: Off-Campus Tuition

**NUMBER:** 5:5:2

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### **A. PURPOSE**

To establish the tuition structure for off-campus students; to document approved tuition reduction programs; and to delineate the distribution of tuition components.

### **B. DEFINITIONS**

1. **Active Duty Military Personnel:** A person who is either in the military full time or in the Reserve or National Guard and placed on active duty status as authorized in Title 10, Title 5 and Title 32 of the Department of Defense Instruction 1205.18.
2. **Off-Campus Tuition:** The per credit hour charge that is assessed to students taking courses delivered off campus for the support of instruction and administrative costs.
3. **Remedial Courses:** Courses delivered either on or off campus to students requiring additional assistance in the areas of English, Reading, or Mathematics in an effort to achieve expected competencies in these core academic skill areas.

### **C. POLICY**

#### **1. Off-Campus Tuition**

All courses offered off campus and at the Centers will be at off-campus tuition rates established by the Board unless ~~on-campus rates have been specifically~~ authorized by the Legislature and approved by the Board.

- 1.1. **Standard Off-Campus Tuition Rates:** The Board sets tuition rates each spring that are effective for the following summer, fall and spring terms. This rate is comprised of the off-campus tuition rate plus an eleven and one-half percent (11.5%) Higher Education Facilities Fund (HEFF) component, and a surcharge for the support of the Electronic University Consortium (EUC).
- 1.2. **Per Credit Hour Rates:** The off-campus tuition rates are per credit hour rates for undergraduate and graduate students. There is no distinction between resident and nonresident students as there is with on-campus tuition.
- 1.3. **Remedial On-Campus Courses:** These courses will be assessed an amount equal to the undergraduate off-campus tuition rate. No fees are to be charged in addition to this rate.

#### **2. Tuition Allocations**

- 2.1. All off-campus tuition collected shall be deposited 88.5% into the BOR system tuition fund and 11.5% into the Higher Education Facilities Fund.
- 2.2. General Activity Fee: The campuses are required to allocate the equivalent of the per credit hour General Activity Fee (GAF) to the institution's GAF pool of funds for all off-campus credit hours taken by on-campus students.
- 2.3. Salary Competitiveness: The Board will identify the per credit hour amount that is to be committed to the enhancement of salaries as part of the annual tuition and fee setting process. The campuses are required to allocate the equivalent of the per credit hour amount to enhance faculty and non-faculty exempt salaries. The annual revenue committed to salary enhancement from off-campus tuition applies to all off-campus credit hours taken by on-campus students.
- 2.4. Institutional Maintenance and Repair: The Board will identify the per credit hour amount that is to be committed to maintenance and repair (M&R), as well as the critical deferred maintenance bonds, as part of the annual tuition and fee setting process. The campuses are required to allocate the equivalent of the per credit hour amount to be committed to local M&R. The campus M&R dollars are retained locally in a separate fund and the revenue can only be expended on Board approved projects. The annual revenue committed to M&R from off-campus tuition applies to all off-campus credit hours taken by on-campus students.
- 2.5. Technology Funds: The Board will identify the per credit hour amount that is to be committed to technology investments as part of the annual tuition and fee setting process. The campuses are required to allocate the equivalent of the per credit hour amount to be committed to technology investments. The technology investments include the amounts needed to support Regents Information Systems and the System Technology Fund, as well as campus technology. The annual revenue committed to technology investments from off-campus tuition applies to all off-campus credit hours taken by on-campus students.

### 3. Off-Campus Reduced Tuition Programs

Legislated and Board approved tuition and fee reductions and waivers apply only to on-campus courses and programs except where noted below. (SDCL §13-55-23)

- 3.1. ~~Reduced Tuition Benefit for~~ South Dakota National Guard Members (SDCL §33-6-5): The undergraduate and graduate off-campus tuition rates assessed to members of the South Dakota National guard may be reduced by the tuition benefit provided for on-campus courses, the benefit will equal one-half of the resident on-campus tuition rate. This benefit is applied after the federal tuition benefits and may not exceed 100% of the tuition costs.

3.2 Active Duty Military Personnel: The undergraduate off-campus tuition rate assessed to active duty military personnel may not exceed the federal tuition assistance benefit for active duty military.

- ~~3.32. Reduced Tuition Benefit for~~ Employees of the State of South Dakota: State employees attending a University Center, who meet the eligibility requirements for reduced tuition, will receive the same tuition reduction as that provided for on-

campus courses up to a maximum of six credit hours per semester. The benefit will equal one-half the resident on-campus tuition rate for undergraduate or graduate courses for any face-to-face course at a Center.

- 3.43. ~~Reduced Tuition Benefit for~~ Elementary or Secondary Teacher or Vocational Instructor (SDCL §13-55-24): Certain elementary and secondary school teachers and vocational instructors pursuing any undergraduate or graduate off-campus course, distance education course, or other course not subsidized by the general fund, will receive the same tuition reduction as that provided for on-campus courses. The benefit will equal one-half the resident on-campus tuition rate.

Eligibility is limited to teachers and vocational instructors who:

- are bona fide residents of South Dakota;
- are employed by an accredited school as a teacher as defined in Title 13;
- 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;
- are certified as eligible for this program by the school district or private school by which they are employed; and
- 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 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 fall semester and include all of the following summer.

## FORMS / APPENDICES:

None

## SOURCE:

BOR October 2004; BOR June 2011; BOR April 2013; BOR May 2013; BOR December 2014; BOR May 2016; BOR June 2017; June 2018: 2019.