



TUITION & FEES SETTING PROPOSAL 2026-2027 (FY27)

South Dakota Board of Technical Education
Thursday, March 26, 2026

The technical college system focuses on three strategic priorities – attainment, affordability, and alignment. The setting of state-level tuition and fees advances the system’s priorities and supports the goal of providing access to high-quality, affordable technical education in the state of South Dakota.

Each spring, the South Dakota Board of Technical Education sets the state tuition and fee rates for the following academic year. The approved rates will become effective on July 1, 2026. The state tuition and fees paid by students are combined with revenues generated through local and/or program-specific fees and state appropriations to maintain the overall cost of delivering technical education.

CONSIDERATIONS | 2026-2027 (FY27) Forecast

The following considerations are based on revenue and expenditure projections for fiscal year 2027 (FY27), including FY27 state appropriations established during the 2026 legislative session.

Revenue Impacts

- The Per Student Allocation (PSA) received a 1.4% inflationary rate increase in FY27, bringing to PSA amount per full-time equivalent (FTE) up to \$6,412.57 (an increase of \$88.53/FTE from \$6,324.04 in FY26). The rate increase will generate approximately \$530,000 in additional funding in FY27.
- Based on fall 2025 and spring 2026 enrollment reports, the system anticipates a continued increase in credits collected and FTE in academic year 2025-2026 (FY27). FY26 FTE is 6,017.
- The system will receive \$2,788,837 in Maintenance and Repair (M&R) funding in FY27, an increase of \$986,976 from FY26.
- The system will receive \$4,317,384 in one-time equipment funding in FY27, to be distributed using the existing funding formula.
- The system will receive \$1,831,820 in tuition assistance, to be distributed based on generated credits.

Expenditure Impacts

- Recent and projected inflationary increases impacting a variety of expenses (i.e. health and property insurance premiums, utilities, maintenance, supplies, technology, service contracts, etc.).
- Increased salary expenses totaling approximately \$1,100,000 to achieve an average 2% increase.
- The system has identified more than \$4,500,000 in high priority M&R projects to be completed in FY27.
- The system committed to matching the state’s contribution to equipment funding with \$2,126,472 in local support, which represents 33% of total equipment need in FY27.

PROPOSED STATE TUITION AND FEES RATES | 2026-2027 (FY27)

The proposed state tuition rate, facility fee, and M&R fee for academic year 2026-2027 (FY27) reflect the system’s intent to maintain high quality, continue momentum, prepare for future growth, and balance affordability for students.

Table one on page two provides the breakdown of proposed rates. Table two provides the FY22-FY26 history of rates compared to the FY27 proposed rates.

Table 1 Proposed 2026-2027 (FY27) State Tuition and Fees

Description	Rate to Students	Details
Tuition	\$134/credit	The proposed rate assessed to students would be \$134/credit, with \$10/credit defrayed through the tuition assistance state appropriation. State tuition supports a variety of expenses (i.e. supplies, personnel, equipment, insurance, technology, utilities)
Facility Fee	\$36/credit	Revenue generated through the facility fee maintains the system's annual debt service payment, which was incurred through the construction and/or major renovation of facilities. The system pays 73% of the annual debt service total and the state contributes the remaining 27%. The system must generate enough annual revenue to maintain the 1.03 coverage ratio.
M&R Fee	\$8/credit	Revenue generated through the M&R fee, combined with the annual state appropriation, provides funding to maintain existing facilities and property throughout the system (i.e. parking lots, roofs, drainage, flooring, paint and wall coverings, HVAC). The system is expected to make an annual minimum M&R investment equal to 1.25% of the total replacement value of state-owned facilities.
Total	\$178/credit	

Table 2 Tuition and State Fees History (FY22-FY26) and Current Proposal (FY27)

	FY22	FY23	FY24	FY25	FY26	FY27*
Tuition	\$134	\$134	\$134	\$134	\$140	\$144
Tuition Assistance	(\$10)	(\$10)	(\$10)	(\$10)	(\$10)	(\$10)
Facility Fee	\$36	\$36	\$36	\$36	\$36	\$36
M&R Fee	\$6	\$6	\$6	\$6	\$8	\$8
Total	\$166	\$166	\$166	\$166	\$174	\$178

*FY27 reflects proposed rates to be considered on March 26, 2026.

SUMMARY

The proposal includes a 2.2% increase to state tuition and fees between FY26 and FY27. If the proposed increase was approved, state tuition and fees will have increased by 6.7% between FY22 and FY27.

NON STATE-SUBSIDIZED DUAL-CREDIT RATE

The board should affirm a system-level non state-subsidized dual-credit rate. This rate would be assessed to dual-credits not subsidized through support from the state of South Dakota and should align with the expectations defined in SDCL 13-28-37.1. For academic year 2026-2027, the proposed non state-subsidized dual-credit rate is set at the same per credit rate as the state-subsidized dual-credit rate.