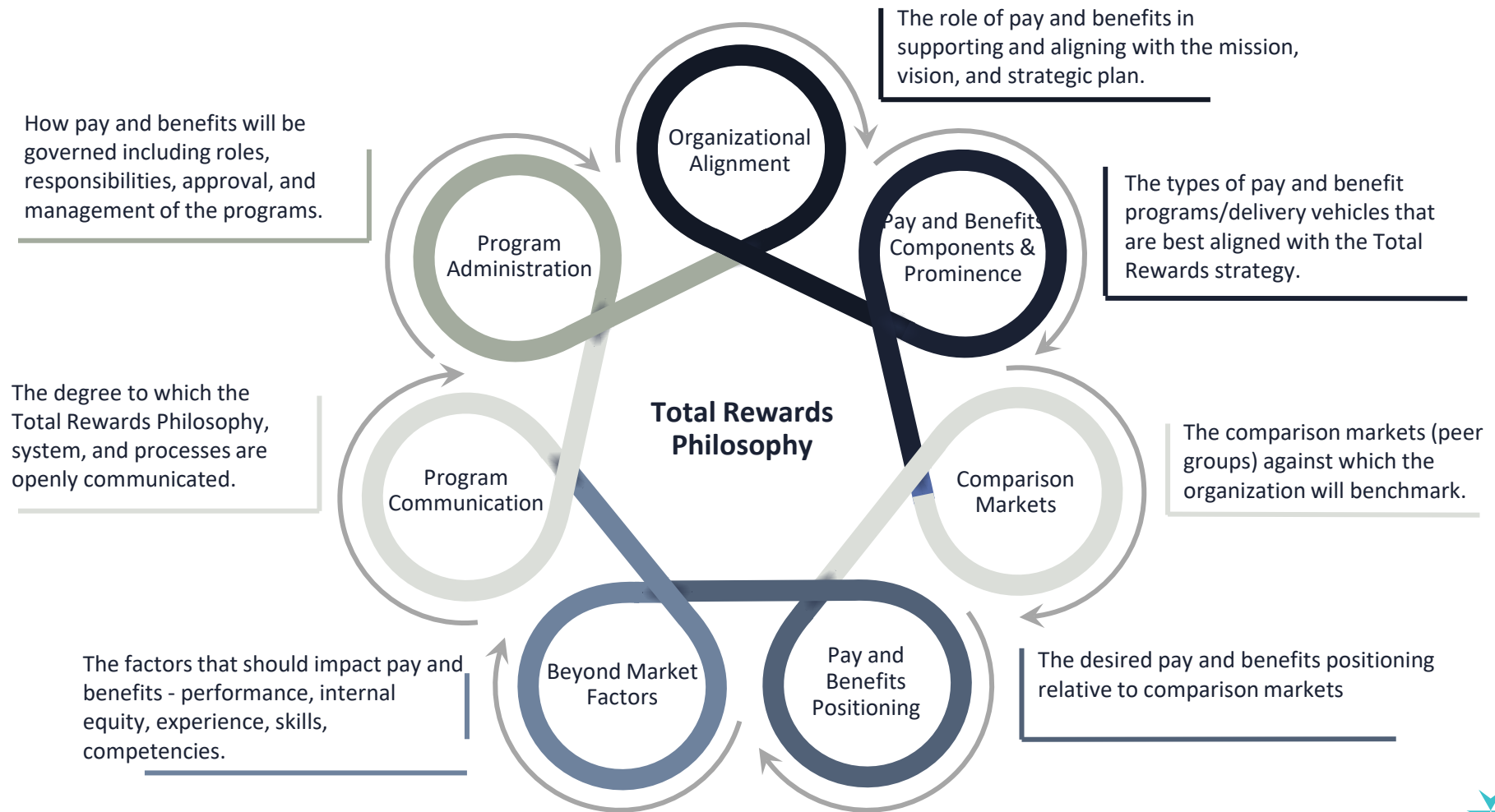


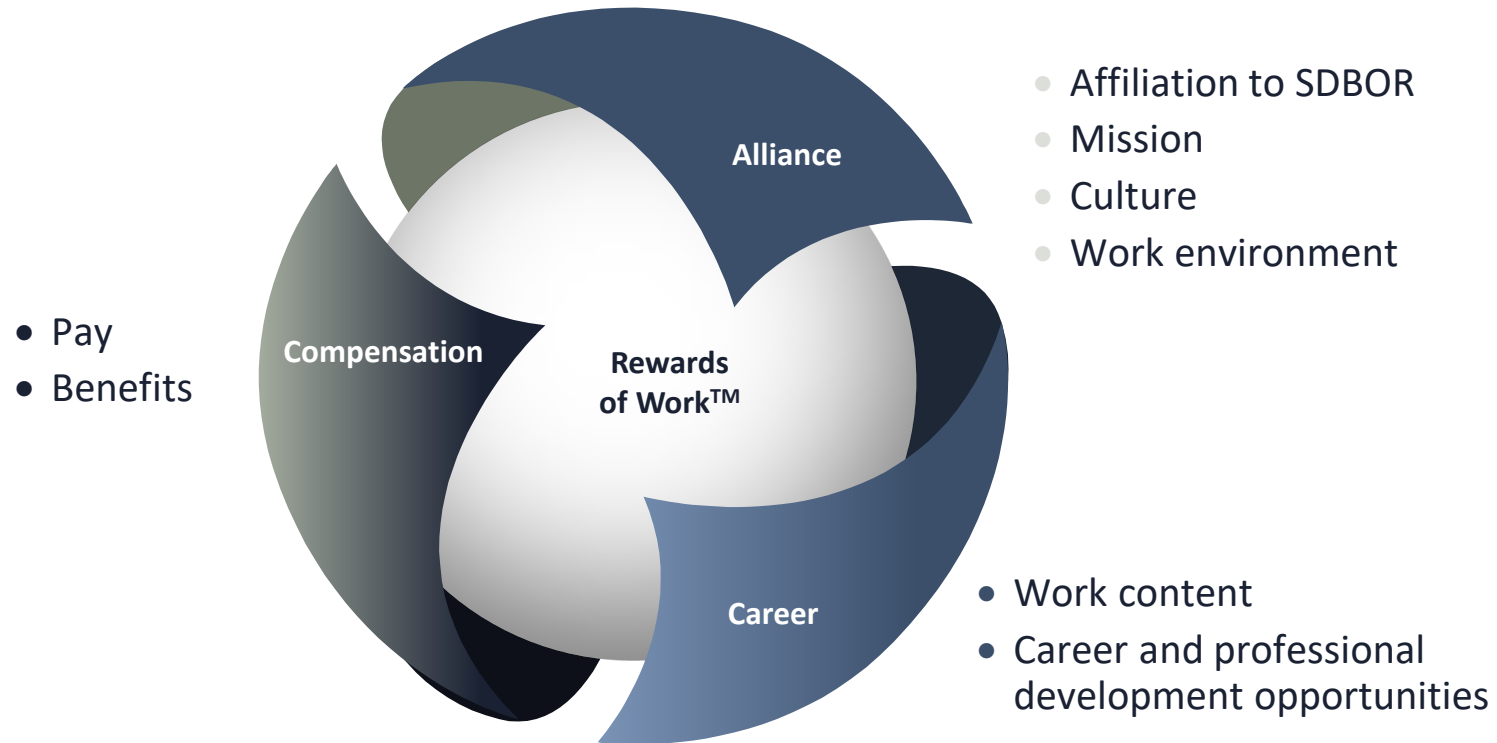


TOTAL REWARDS PHILOSOPHY

TOTAL REWARDS PHILOSOPHY FRAMEWORK



REWARDS OF WORKING AT SDBOR UNIVERSITIES AND SPECIAL SCHOOLS



Compensation is just one element of why employees work at SDBOR.

* The model was developed based upon Segal's proprietary Rewards of Work research conducted over the past 20 years.

TOTAL REWARDS PHILOSOPHY VISION STATEMENT

SDBOR MISSION

SDBOR STRATEGIC PLAN

TOTAL REWARDS PHILOSOPHY VISION STATEMENT

The Total Rewards Philosophy, driven by our mission and Strategic Plan, aims to ensure that SDBOR and its affiliated institutions, are desirable places to work, learn, and grow both professionally and personally for our employees. At heart, we are a community dedicated to the enrichment and advancement of educational opportunities within the State of South Dakota and beyond. Our culture is one that values collaboration, community, and openness with a focus on providing our employees with a competitive and balanced Total Rewards package. We strive to have a clear, transparent, understandable program that aligns with our values and principles, and adheres to the System's resources as well as federal, state, and local regulations.

TOTAL REWARDS PHILOSOPHY

Organizational Alignment

- Our Total Rewards Philosophy is driven by our mission, values, the 2022 – 2027 Strategic Plan, and our commitment to our employees. As a higher education system with six universities and two special-focus schools, it is critical that our compensation and benefit programs take into account the various differences in each of our institutions, but also allow for a desired level of consistency in key guiding principles around how we reward employees.
- We strive to have our compensation and benefit programs be:
 - Market competitive and internally equitable
 - Fiscally responsible
 - Sustainable
 - Accessible, easily understood, and clear
- The pay program aligns with defined frameworks around job levels and a holistic system-wide pay structure that contains pay ranges that reflect the external market.

Total Compensation Components & Prominence

- Base pay and benefits are the cornerstone of our compensation. Our varied benefit offerings include health, retirement, wellness, holidays, vacation, sick leave, and paid family leave, short- and long-term disability, educational benefits, and a variety of campus specific perks.
- Our competitive and diverse offerings help to support the attraction, retention, and ongoing engagement of our employees.

Comparison Markets

- Our labor markets for talent include both academic and non-academic employers, that reflect the appropriate industry, geography/location, academic programs, and organization size for the different roles and job levels at SDBOR.
- The defined markets are used for external market comparisons for our pay programs to determine their degree of competitiveness.
- SDBOR HR and Campus HR stakeholders will work with Senior Leaders to periodically review and refine these comparison markets to ensure continued appropriateness and relevance.

Pay and Benefits Positioning

- Our pay structures and ranges take into consideration external competitiveness, market shifts, and internal factors. We assign jobs to the structure based on the job’s market rate with consideration for internal equity, the organizational structure, and reporting relationships.
- SDBOR targets pay and benefits to be at competitive market levels as a system but positioning against the market may vary based on role or employee due to an individual’s skills, qualifications, experience, performance or how the role fits into the overall strategy and needs of the institutions. There may be specific unique positions that have a targeted pay position due to the nature of the role.

TOTAL REWARDS PHILOSOPHY



Beyond Market Factors

- SDBOR strives to provide its employees with professional development and career opportunities to promote continued growth in employee skills, knowledge, and expertise.
- Differences in pay may be due to both external market information as well as individual specific factors. This includes how employees perform against role expectations and the key attributes that they bring to the role, such as their specific skills, knowledge, experience, and willingness to collaborate and work with others, while maintaining professionalism and integrity.
- There may be specific, unique positions that may be paid above market levels due to their criticality and alignment to the mission, values, and strategic objectives of the institution.

Program Communication

- SDBOR is committed to being transparent around its compensation and benefits philosophy, the guiding principles, and policies. We offer resources, tools, and training to promote greater understanding and execution of our programs.
- We encourage employees and supervisors to have ongoing, regular conversations to ensure a shared, mutual understanding of the role expectations and performance objectives.

Pay Governance & Administration

- The Board of Regents, Council of Presidents & Superintendents, and Human Resources are responsible for developing, approving, and endorsing the Total Rewards Philosophy and Strategy.
- Human Resources administers and maintains the total rewards programs, which includes ongoing review, maintenance, and updates to policies, processes, tools, resources, and forms.



THANK YOU