

CURRENT ISSUES IN HIGHER EDUCATION

A State Policy Perspective from the North Dakota University System

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Benefits of Nonresident Students to the State of North Dakota and the North Dakota University System

- National data suggests that students are more likely to remain in the state in which they complete postsecondary degrees. Here in North Dakota, 42.2 percent (1,136/2,689) of nonresident 2008 NDUS graduates remained in the state one year after graduation, either re-enrolled as students and/or employed in the workforce. This includes 44.7 percent (724/1,621) of Minnesota residents who graduated from NDUS institutions in 2008.
- These out-of-state students who graduate from NDUS institutions and remain in the state are an important part of our educated workforce. They enable employers to fill positions in high demand and highly skilled areas without spending considerable resources to recruit workers from other states.
- Nonresident students bring diversity and contribute to a richer academic environment at NDUS institutions. This broadened range of experiences expands the horizons of North Dakota students and helps them be more competitive in a global economy.
- Nonresident student expenditures have a significant economic impact on our state's economy.
 - According to a 2008 report, nonresident students spend, on average, \$8,681 per year in North Dakota, primarily on living expenses, in addition to tuition and fees paid to the institutions.
 - Systemwide, 19,392 nonresident students were enrolled in the Fall of 2009. Using the per-student expenditure average, this resulted in \$168 million in nonresident student spending, in addition to tuition and fees.
 - Nonresident students pay sales and other taxes (including property taxes paid indirectly through rent). Many nonresident students are employed in North Dakota while attending college and pay state income taxes.
- Nonresident students, including Minnesota students, pay higher tuition rates than do North Dakota residents. (Note: In addition, the state of Minnesota pays North Dakota for the difference in the number of Minnesota students who attend North Dakota institutions compared to North Dakota students who attend Minnesota institutions. 2008–09 reciprocity payments to North Dakota from Minnesota totaled \$3,303,657.)
- Many University System programs have available space, and recruiting nonresident students to fill these spaces makes sense because additional revenues are generated without significant added cost. The added enrollment helps spread fixed costs over a larger student base, thereby helping control cost increases for North Dakota students. If it wasn't for nonresident students, some current programs may not be available to North Dakota resident students.
- Many nonresident students live on campus, helping to fill residence halls, contributing to food service operations and, in general, helping to keep costs of these operations lower for North Dakota resident students.
- NDUS research efforts would be severely limited without the contributions of highly educated nonresident students, particularly graduate students, who contribute to our growing global economy. These nonresident graduate students also serve a critical role as teaching and research assistants. In the absence of their services, the campuses would have to hire additional faculty and staff, resulting in higher overall costs.
- Recruitment of out-of-state students is supported by the private sector, as stated by private sector members of the Roundtable on Higher Education.
- Just as private sector businesses recruit out-of-state employees, the NDUS attracts talent by recruiting out-of-state faculty, staff and students.