

Summary of NDUS Student Exchange Programs

Prepared for Interim HE Committee, June 2010

MN/ND Minnesota Reciprocity

- Generally, students pay the higher of the two state's tuition rates—historically the MN rate (MN students attending UND/NDSU pay the MN rate, ND students attending MN campuses pay the MN rate, at the campus attended). Below is an example of what students will pay in tuition and fees in the 2010-11 academic year:

	ND resident	MN resident	Differential in Rate
Attending UND/NDSU	\$6,934/\$6,661	\$7,284/\$7,024	\$350/\$363
Attending NDSCS	\$3,912	\$4,927	\$1,015
Attending U of MN	\$12,288	\$12,288	\$0
Attending MN State-Moorhead	\$7,906	\$7,906	\$0
Northland Community College	\$5,124	\$5,124	
MN State Community and Technical College	\$4,957	\$4,957	

(based on 15 semester hours)

- MN students attending LRSC, WSC, MiSU, and NDSCS (if they live in residence hall and have an on-campus meal plan) pay the ND resident rate under tuition plans approved by SBHE.
- Medicine, law, and pharmacy are exempt under the agreement, permitting each state to set its own tuition rate for these select programs. Since MN and ND physical therapy and occupational therapy programs vary, ND charges the physical therapy and occupational therapy resident rate to MN students.
- The intent of the agreement is to facilitate a one-for-one exchange of students between the two states. In other words, for every student ND sends MN, MN would send ND a student, creating a break-even-exchange. Recognizing the flow of students will never be even, the state receiving the largest number of students makes a cash payment to the receiving state, for the flow above the break-even exchange, to cover the added marginal cost of education. Historically, ND has received more students, thus, the State of MN has made an additional cash payment to the State of ND, in addition to the higher tuition rate paid by MN students. The estimated 09-10 payment is \$3.3 million, and the actual 2008-09 payment was \$3.1 million. This funding is allocated back to the campuses based on the number of MN students enrolled at each campus. (It should be noted that the State of MN has recently expressed some concern about the continued state payment, given their state budget constraints. No specific discussion or action has occurred to date, other than recent changes related to the MN dentistry slots.)

Below is a summary of the flow of students between the two states for the last five years:

ND/MN Student Exchange Under the Reciprocity Agreement

	MN in ND	ND in MN	Difference	Ratio
08-09 actual	8,225	4,887	3,338	.59
07-08 actual	8,435	5,050	3,385	.60
06-07 actual	8,030	5,296	2,734	.66
05-06 actual	8,066	5,435	2,631	.67
04-05 actual	7,338	5,512	1,826	.75

- ND students attending MN campuses collectively saved about \$3.8 million dollars under the reciprocity agreement in 2009-10. This represents that difference between the reciprocity rate and the non-resident rate, based on ND resident enrollments at each MN campus. For this calculation, the 2009-10 MN tuition rates and the 2008-09 MN credits taken by ND students were used.
- Attached is a document that outlines the benefits of the ND/MN reciprocity agreement

Veterinary Medicine, Dentistry and Optometry

The NDUS participates in several programs aimed at providing access to three professional programs not offered in the State of ND—veterinary medicine, dentistry and optometry. These include:

- Under the reciprocity agreement, MN also provides a limited number of guaranteed slots in veterinary medicine and dentistry to ND residents (up to 10 per year in dentistry and up to 5 per year in vet. med.). For veterinary medicine, MN collects 75% of the non-resident rate through combined payments from the State of ND (per slot cash payment funded from the Professional Student Exchange Program-PSEP) and the students (through tuition paid at the resident rate). Due to a recent change in dentistry, beginning in 2010-11, MN will collect 100% of the non-resident rate, instead of 75% of the non-resident rate for all new students admitted to the program beginning in the Fall of 2010.
- The NDUS has negotiated separate agreements with Iowa State University in veterinary medicine and the legislature has mandated participation with Kansas State University in veterinary medicine.
- Students also have access through the WICHE Student Exchange Program, although ND funds fewer of the WICHE slots, due to the cost. The only programmatic option for optometry students is through the WICHE program, but other options exist for veterinary medicine and dentistry.
- Below is a chart that outlines the per slot cost paid by the State of ND for the 2010-11 academic year which is funded from the PSEP appropriation:

	Dentistry	Optometry	Veterinary Medicine
MN reciprocity	\$21,077 est.	n/a	\$10,233 est.
Iowa State	n/a	n/a	\$22,164
Kansas State	n/a	n/a	\$23,848 est.
WICHE	\$22,700	\$15,600	\$29,100

- Students who receive a PSEP-funded slot pay approximately the resident tuition rate, as opposed to the non-resident rate. Without these special agreements in place ND students would have increased difficulty gaining acceptance into these highly-sought after programs and would pay substantially more by paying non-resident tuition rates. For example, students who attend the University of MN in dentistry save an estimated \$21,432 per year and in veterinary medicine they save \$21,546 per year, the difference between the resident and non-resident rate. In veterinary medicine, students attending the University of Iowa students save \$22,164 per year.

Western Interstate Commission on Higher Education (WICHE)

Member states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming

As a member of WICHE, the State of ND voluntarily participates in the WICHE undergraduate and graduate student exchange programs, with some limited exceptions. Accordingly, ND students can attend out-of-state programs available under WICHE and pay no more than 150% of the resident rate. Likewise, out-of-state students can attend ND campuses (with some limited programmatic exceptions) at no more than 150% of the resident rate.

- Under this program, ND is traditionally a net importer of undergraduate students as is outlined in the chart below. In 2009-10, for every ND student that goes out-of-state under this program, ND receives 4 students.

WICHE-Undergraduate Exchange (WUE)

	ND receives	ND sends	Net Difference	Ratio
2009-10	1,466	361	1,105	.25
2008-09	1,437	357	1,080	.25
2007-08	1,408	402	1,006	.29
2006-07	1,386	462	924	.33
2005-06	1,735	440	1,295	.25
2004-05	1,797	483	1,314	.27

- ND received 22 students and sent 8 students in graduate programs and sent 31 students (in veterinary medicine, dentistry and optometry) and received 13 students (in physical therapy and medicine) in 2009-10 under the WICHE student exchange program.

Midwest Higher Education Compact (MHEC)

As a member of MHEC, a 12 state consortium, ND has the option of participating in the Midwest Student Exchange Program (MSEP) with the other member states (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin). Students

are charged no more than 150% of the resident rate at public institutions and private campuses offer a 10% reduction of their tuition rates.

In 2008-09, ND received 524 students and sent 40 students under the student exchange program (MSEP). For every ND student that goes out-of-state, ND receives 13 students. MHEC estimates the cost savings for each ND student to be \$5,007 or a total of \$251,700 statewide.

Border States and Canadian Province (S. Dakota, Montana, Manitoba and Saskatchewan)

North Dakota sets unique unilateral rates for border states and Canadian Provinces of 125% of the resident rate at all campuses, except for UND and NDSU and others noted below. UND and NDSU charge 150% of the resident rate.

Other non-residents, not covered under a separate rate or agreement pay the non-resident rate for on-campus instruction which is 2.67 times the resident rate, less any applicable waiver.

Unique Rates

The SBHE has approved to date, unique tuition rate structures and rates at some NDUS campuses for on-campus delivered courses and programs as follows:

LRSC: charge all non-residents, except international students the resident rate

WSC: charge all non-residents the resident rate

MiSU: charge all non-residents the resident rate

NDSCS: charge all non-residents who live in the residence hall and have a meal plan, the resident rate; other non-residents pay the appropriate non-resident rate (e.g. MN, contiguous, non-resident).

DCB: charge students from Manitoba and Saskatchewan the resident rate

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

- Nonresident student expenditures have a significant economic impact on our state's economy.
 - Nonresident students spend, on average, \$8,700 per year in North Dakota, primarily on living expenses, in addition to tuition and fees paid to the institutions.
 - Systemwide, 17,552 nonresident students were enrolled in the Fall of 2008, which resulted in up to \$152 million in nonresident student spending, in addition to tuition and fees.
 - Non-resident 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 bring diversity and a broader range of experiences. They contribute to a richer academic experience at NDUS institutions and expand the horizons of North Dakota students.
- Non-resident 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. 2007-08 reciprocity payments to North Dakota from Minnesota totaled \$3,114,302.)
 - Contractual student exchange programs, such as the North Dakota/Minnesota reciprocity program, facilitate the flow of students between states and provide additional opportunities for North Dakota residents to attend college out-of-state at a reduced cost.
- 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 non-resident students, some current programs may not be available to 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.
- Recruitment of out-of-state students is supported by the private sector, as stated by private sector members of the Roundtable on Higher Education.
- The number of nonresident students who stay in the state after graduation is increasing, thus growing our population and our workforce. According to the most recent statistics, 28.3 percent of nonresident students remain in North Dakota after completion of their programs; some are re-enrolled, but most are employed.
- 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.
- Just as private sector businesses recruit out-of-state employees, the NDUS attracts talent by recruiting out-of-state faculty, staff and students.