

## NDSU Tuition Increase

### A Campus Community Request from the Students, Faculty and Staff

Dr. Dean L. Bresciani, President  
North Dakota State University  
Interim Higher Education Committee  
August 30, 2011

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## Request for increase

- NDSU responded to a April 28, 2011 email received from Laura Glatt, NDUS in preparation for the SBHE annual budget guidelines:
  - *'If any campus is going to request Chancellor and SBHE consideration of a proposed tuition rate increase beyond 0/2.5%, those requests should be submitted to me by 12 noon on May 2, 2011, as BAFC materials need to be mailed in advance of the May 5<sup>th</sup> meeting.'*

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## A Campus Community Request

For 11 years in a row, NDSU has experienced record admissions demand from students. However, over the same timeframe--based on the historic/current funding mechanism of peer equity:

- NDSU has received a steadily diminishing level of support
  - From 55% to 39% of peers
- Now the lowest of all 11 System campuses
- **Even with this request, will remain the lowest** of all 11 System campuses

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## A Campus Community Request

### 2011-13 BUDGET REQUEST NORTH DAKOTA UNIVERSITY SYSTEM

NDSU HISTORY OF EQUITY AND PERCENT OF GENERAL FUND PEER BENCHMARK

	2009-11		2007-09		2005-07		2003-05		2001-03	
	EQUITY RECEIVED	% OF PEER BENCHMARK	EQUITY RECEIVED	% OF PEER BENCHMARK	EQUITY RECEIVED	% OF PEER BENCHMARK	EQUITY RECEIVED	% OF PEER BENCHMARK	EQUITY RECEIVED	% OF PEER BENCHMARK
BSC	\$ 573,904	51%	\$ 524,585	53%	\$ 359,125	51%		46%	\$ 419,694	50%
LRSC	402,575	48%	244,425	47%	129,140	46%		42%	150,502	48%
WSC	250,000	75%	92,124	63%	52,031	62%		61%	34,433	72%
UND & SMHS	2,607,460	55%	3,922,024	53%	1,531,059	50%		56%	1,319,554	66%
NDSU	4,108,963	39%	4,140,843	41%	1,331,324	41%		49%	1,481,649	55%
NDSCS	250,000	90%	33,694	88%	57,137	87%		77%	-	84%
DSU	594,988	51%	544,871	49%	157,804	47%		58%	114,760	69%
MaSU	250,000	87%	81,020	75%	-	71%		88%	-	93%
MISU	462,110	76%	338,104	67%	149,314	66%		69%	142,371	74%
VCSU	250,000	95%	39,569	86%	-	81%		96%	-	97%
DCB	250,000	79%	38,742	89%	48,851	71%		58%	40,037	67%
<b>TOTAL</b>	<b>\$10,000,000</b>		<b>\$10,000,000</b>		<b>\$ 3,815,785</b>		<b>\$ -</b>		<b>\$ 3,703,000</b>	

#### USE OF 2009-11 EQUITY ALLOCATIONS:

Examples of the use of the 2009-11 equity allocations include: New positions (faculty, administrative and student support and others); additional salary increases in excess of what was legislatively funded; and new or expanded programs to address student retention, marketing, recruiting and other programs. Institutions can expand on the specific use at their campuses, if requested to do so.

#### ISSUES REGARDING EQUITY FUNDING:

1. Changes in enrollment impact position
2. Changes in peer funding levels impact position
3. Long-term solution and funding required
4. Significant amount of funding required to move campus position
5. Importance of campus discretionary funding

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## A Campus Community Request

- The peer equity model, or its calculus, increasingly has become recognized as flawed
- A simple “per-student” model of ND general fund allocation might be another way of looking at NDSU’s current situation
  - We all want taxpayer higher ed support to be well invested

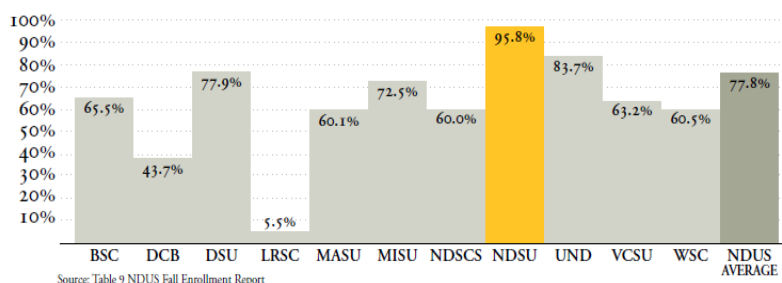
	2009-11 General Fund Base Budget	FTE Students	GF Per FTE Student
VCSU	\$16,368,001	1,790	\$9,144
MaSU	\$11,629,616	1,366	\$8,514
NDSCS	\$31,607,155	4,293	\$7,362
WSC	\$7,696,999	1,143	\$6,734
MiSU	\$34,623,707	5,834	\$5,935
UND	\$125,036,783	21,647	\$5,776
UND SOMS	\$41,115,401	1,677	\$24,517
DCB	\$5,862,372	1,030	\$5,692
DSU	\$21,223,737	4,255	\$4,988
LRSC	\$7,956,210	1,789	\$4,447
<b>NDSU</b>	<b>\$108,367,622</b>	<b>25,285</b>	<b>\$4,286</b>
BSC	\$24,204,005	6,368	\$3,801

Based on 2009-11 adjusted State General Fund Operating Base Appropriation; prepared by Legislative Council staff May 2011

## A Campus Community Request

### FACE-TO-FACE FALL 2010 ON-CAMPUS PERCENTAGES

PERCENTAGE OF DEGREE-SEEKING STUDENTS IN A TRADITIONAL CLASSROOM ENVIRONMENT  
AT NDSU, 13,798 OF 14,407 STUDENTS ARE FACE-TO-FACE  
WITH FACULTY IN TRADITIONAL CLASSROOM SETTINGS.



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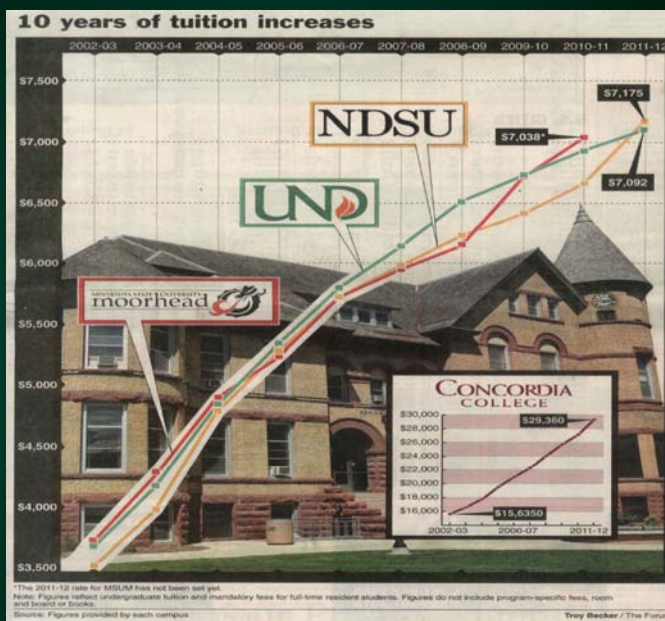
## A Campus Community Request

- Request is **consistent** with NDSU's annual tuition increase average for the past decade

Year	Annual FT Tuition Rate	% Increase
2002	\$2,754	5.80%
2003	\$2,904	5.50%
2004	\$3,374	16.20%
2005	\$3,981	18.00%
2006	\$4,359	9.50%
2007	\$4,773	9.50%
2008	\$5,013	5.00%
2009	\$5,264	5.00%
2010	\$5,448	3.50%
2011	\$5,639	3.50%
10 year avg		8.15%
2012	\$6,135	8.80%

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Fargo Forum  
May 21, 2011



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## A Campus Community Request

Expense reductions have been constant priority for the past two years

- Illustrative measures to control costs/balance budget:
  - 10% reduction for academic departments, in spite of record enrollment growth
  - 19% reduction for all/other administrative areas, in spite of record enrollment growth
  - Have not filled senior administrative leadership, full time positions, and even part time positions
  - Increasing number unfilled department chair positions; on hold for lack of funds
  - President must personally approve filling any position on the NDSU campus
  - Backing out of leased classroom space even though classrooms are in critically short supply
- Auxiliary reserves have been tapped...and depleted
  - Doing so further risks their viability
- Faculty/Staff professional development grant program discontinued
- Reduced to almost non-existent marketing efforts
- **In last fiscal year, in desperation, even reduced already low student scholarships by \$1,000,000**

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## A Campus Community Request: Summary

**STUDENTS**, with the shared concern and support of faculty and staff:

- **Were at the time NOT** asking for an additional state or legislative allocation
- **Were at the time NOT** asking for changed or additional SBHE allocation
- **Were at the time ONLY** asking to increase their own tuition, as a bridging measure, to protect the educational experience they appreciate as one of the best and most affordable in the country
  - from the annual average of 8.15% to 8.8%
  - so that NDSU can simply “break even”

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## ONE SLIDE PAST END

Everything below only potential spoken narrative

## A Campus Community Request

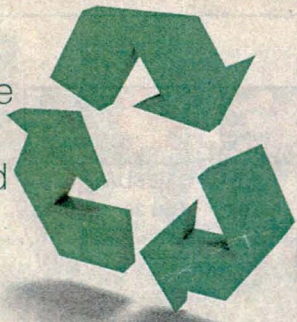
**Illustratively, that means of the general fund appropriated departments at NDSU:**

As "Average" department:

- Salaries-Faculty            \$1,200,000.00    81.91%
- Salaries-Staff             \$125,000.00     8.53%
- Salaries-other/grad       \$100,000.00     6.83%
- Operating                  \$40,000.00       2.73%
  
- TOTAL: \$1,465,000.00 annually for a SINGLE "average" department

Couple builds greenhouse made of repurposed materials

**LIFE B1**



**BISON SOFTBALL GETS BLANKED SPORTS, D1**

# The Forum

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## ON PAR WITH PAST

### NDSU says tuition hike in line with its competition

**By Amy Dalrymple**  
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FARGO – North Dakota State University's 8.8 percent tuition increase prompted criticism from legislators, but the rise is in line with what NDSU has done historically.

NDSU's average yearly tuition increase over the past decade was 8.15 percent.

President Dean Bresciani said the only reason the 8.8 percent increase – or about \$500 – drew attention this year was because other campuses had a 2.5 percent cap.

"It sounds sexy until you realize that it's really on the same trajectory that we've been on for the last decade," Bresciani said. "We certainly haven't seen enrollment declines because of our tuition rates for the last decade. I wouldn't anticipate any change in that now."

The cost to attend NDSU last year was lower than it was at other institutions considered to be NDSU's "peers."

With the budget challenges faced by many states, universities NDSU competes with are likely looking at more

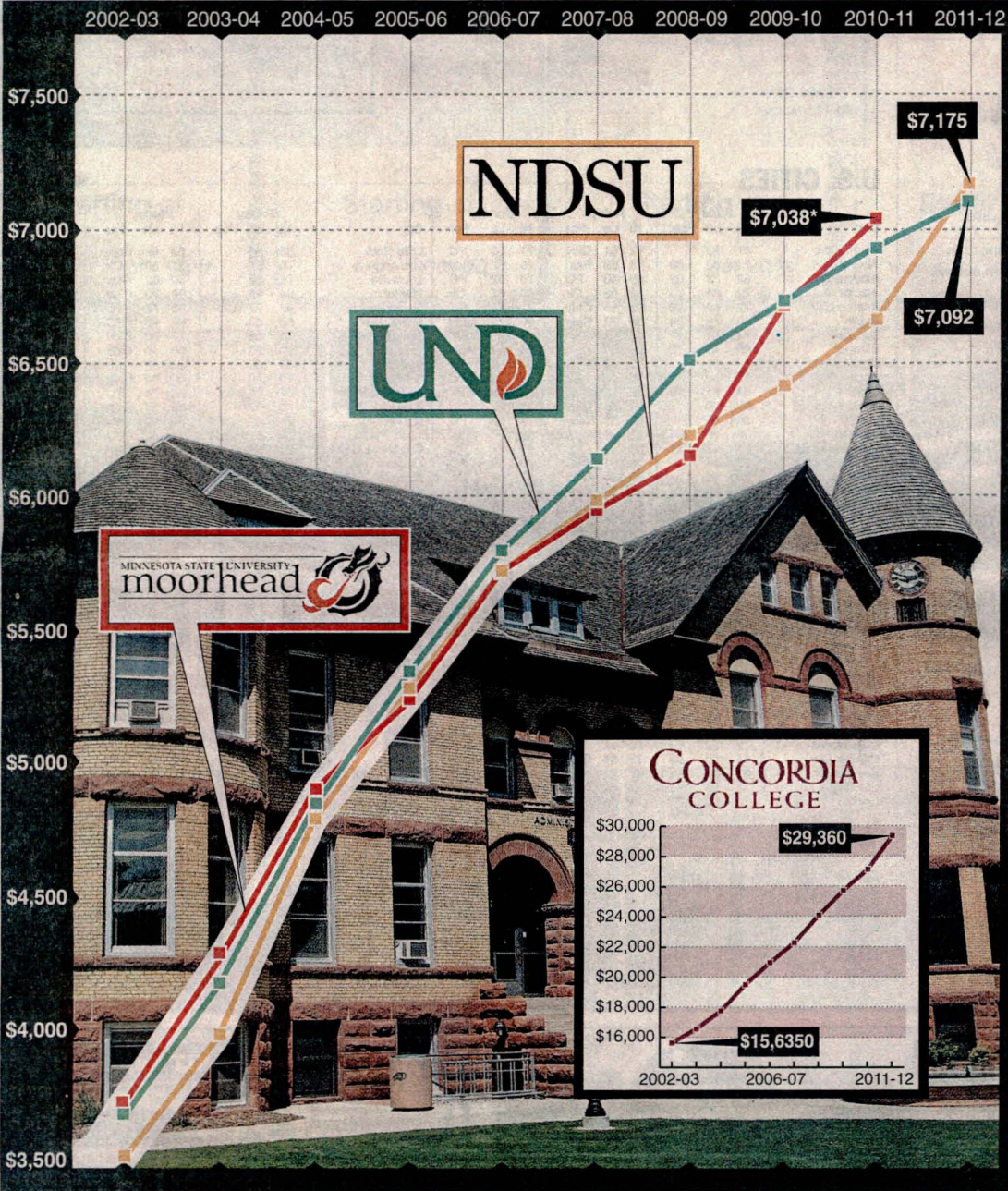
significant tuition increases, Bresciani said.

"If anything, the gap between us and our peer institutions is going to widen, not narrow," he said.

The peer list was chosen by the state Board of Higher Education with the help of a consultant. Bresciani said it is a bit conservative now that NDSU has advanced in some of the categories used to establish the list, such as the Carnegie classification and research expenditures.

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### 10 years of tuition increases



\*The 2011-12 rate for MSUM has not been set yet.  
Note: Figures reflect undergraduate tuition and mandatory fees for full-time resident students. Figures do not include program-specific fees, room and board or books.  
Source: Figures provided by each campus

## Concordia tuition increases 8%

### 2011 FARGO MARATHON



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Visit [Inforum.com](http://Inforum.com) today to follow a live Fargo Marathon chat, streaming photos from the course and live video from the front of the race via a "leader cam." Also look for the Fargo Marathon 2011 special souvenir edition in Sunday's Forum.

## Cass County's Johnson set for retirement

### Administrator ready to end 34-year run

**By Heidi Shaffer**  
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FARGO – Retirement will give Bonnie Johnson more time to pursue her two passions in life: baseball and rock 'n' roll.

The first-ever Cass County administrator will leave her post at the end of the month after 34 years with the county.

Johnson always planned to get out of the workforce at a young age and planned her retirement to coincide with the high school graduation of her son, Kyle, who finishes his last week of school at Fargo North next week.

"I thought that if I worked hard enough when I was young that I would be able to enjoy retirement life when I was older," the 57-year old said.

**JOHNSON: Back Page**



**Retiring Cass County Administrator Bonnie Johnson**, center, visits with Bob and Phyllis Litherland on Friday during a reception in her honor at the Cass County Courthouse. Johnson worked for the couple at the Moorhead Dairy Queen when she was in college and credits them with learning how to be a good boss.

## Former Minn. governor to run for president

### Pawlenty plays upon humble upbringing