

SUMMARY AND RECOMMENDATION INTERNATIONAL STUDENT RECRUITING AND RETENTION PROGRAM

Summary

North Dakota faces the most significant demographic challenges of any state in the nation over the next two decades. These population issues are particularly problematic in the education arena because it is expected that the number of North Dakota high school graduates will decline by 30 percent or more within the next 15 years. Thus, it is important that the North Dakota University System adopt strategies designed to counteract this student-age population decline. This decline in high school graduates is already having an impact on student enrollments throughout the system. In the Fall of 2005, headcount enrollment declined by one percent within the system, and FTE enrollment declined by three percent. Six of our 11 campuses showed FTE enrollment declines in spite of vigorous efforts to recruit more students.

The System has been engaged in a conversation concerning a statewide collaborative plan to recruit international students to North Dakota more vigorously for more than a year. See attached white papers, "More International Students for NDUS Colleges and Universities?" dated September 1, 2004, and "A Proposed Plan for Using the Collective Assets of the North Dakota University System to Attract More International Students to North Dakota," dated October 14, 2004.

It is clear that regardless of good efforts in international recruiting on several system campuses, the number of international students in North Dakota is significantly less that should be expected for a headcount student population base of over 42,000.

To study in more depth the feasibility and practicality of mounting a statewide international recruiting and retention effort, I convened an International Student Recruiting and Retention Committee consisting of representatives from each campus, appointed by each campus's chief executive officer, to make recommendations to the cabinet and councils. See attached minutes of the July 7, 2005, meeting.

Following the July 7 meeting, a small working group was appointed to address several issues that needed attention before the proposal moved forward. A copy of that group's report dated July 27, 2005, which was later approved by the International Student Recruiting and Retention Committee, on August 4, 2005, is attached. This report was taken to the Chancellor's Cabinet on August 18. The cabinet asked the working group to develop a comprehensive proposal to be brought forward to it again through the system councils. The working group then met and developed a complete proposal, which was approved by a unanimous vote of the International Student Recruiting and Retention Committee on October 25. On October 31, the Academic, Administrative and Student Affairs Councils met and reviewed the proposal and a majority of campuses supported it. See attached report of the October 31, 2005, conference call meeting.

This proposal was then taken to the Chancellor's Cabinet on November 2, 2005. Following extensive discussion, the Chancellor's Cabinet voted 10 for and 1 opposed to recommend to the State Board of Higher Education that the proposal be adopted, and that \$1.5 million of SBHE initiative funding as base funding for the 2005-07 biennium be allocated to support the initiative. See report of the International Student Working Group adopted by the International Student Recruiting and Retention Committee, October 25, 2005.

SBHE 2005-06 Annual Budget Guidelines provide that proposals seeking allocation of SBHE initiative funds should include the following:

- a. Program description, including background and justification of need;
- b. Identification of how the proposal is consistent with the NDUS strategic plan;
- c. Identification of partnerships or other collaboration, either internal and/or external, if any, and the results or benefits of the partnerships;
- d. Identification of additional new revenue streams for the NDUS and State of ND, if any;
- e. Total project cost, specific funding sources and description of funding uses;
- f. Identification of whether the funding request is one-time or permanent, and how the project or program will be sustained; and
- g. Identification of a specific set of measurable outcomes.

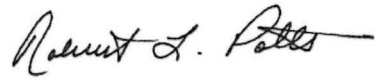
The process this proposal followed substantially complies with the above Annual Budget Guidelines. Further, the Cabinet recommendation is consistent with legislative intent expressed in section 4 of SB 2003, 2005 N.D. S.L. ch. 31, which states "The (SBHE) shall consider using a substantial amount of funding for an international student initiative."

A coordinated, system-wide international student initiative is unique and this approach is not without its risks and challenges. However, given the significant demographic challenges and campus resource limitations in North Dakota, the innovative plan recommended by the Cabinet appears to be the optimal way to recruit and retain more international students for NDUS campuses.

Recommendation

Therefore, I recommend that the State Board of Higher Education adopt the following resolution:

"RESOLVED, that the International Student Recruiting and Retention Initiative be, and the same is hereby approved, and be it further resolved that the SBHE allocate from the board initiative funds as base funding during the 2005-07 biennium to support this initiative, the sum of \$1.5 million (continuing only through the 2007-09 biennium); and be it further resolved that the Chancellor is hereby directed to implement the program and to take such action as necessary to do so with full authority to employ such personnel and delegate such authority to such personnel as necessary to make the project a success within the confines of the budget, SBHE policy, and applicable law.

A handwritten signature in black ink, appearing to read "Robert L. Potts", with a long horizontal flourish extending to the right.

Robert L. Potts, Chancellor

Date of Meeting: November 17, 2005