

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



ACCESS. INNOVATION. EXCELLENCE.

National data suggest 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 of 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 of 1,621) of Minnesota residents who graduated from NDUS institutions in 2008.



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.



Expenditures and purchases by nonresident students have a significant impact on our state's economy.

Based on a 2010 report, "Economic Impact of the North Dakota University System," nonresident students spend, on average, \$9,000 per year in North Dakota, primarily on living expenses, in addition to tuition and fees paid to the institutions.

Systemwide, about 21,000 nonresident students were enrolled in the Fall of 2010. Using the per-student expenditure average, this resulted in \$189 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. Reciprocity payments to North Dakota from Minnesota in 2008-09 totaled \$3,078,707.)

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 nonresident students, some current programs may not be available to North Dakota resident students.



Many non-resident 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.



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.

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