

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES
*BOARD ACTION***

Minnesota-North Dakota Interstate Tuition Reciprocity Agreement

BACKGROUND

The reciprocity agreement between the state of North Dakota and Minnesota has been in effect since 1975 and is reviewed and negotiated by the Minnesota Office of Higher Education and the North Dakota State University System after consultation with the Minnesota State Colleges & Universities and the University of Minnesota. The last time a major renegotiation occurred was in 2005 when most professional programs were removed from the agreement. Minor revisions to the North Dakota/Minnesota tuition reciprocity agreement have recently been negotiated by officials of the two states. In Minnesota, the reciprocity agreement must be approved by the governing boards of the University of Minnesota and the Minnesota State Colleges and Universities.

During Fall 2009, approximately 4,127 full-year equivalent Minnesota students and 2,274 full-year equivalent North Dakota students participated in this program. Under the proposed agreement, there is no change impacting the Minnesota State Colleges and Universities. Only minor modifications were made to adjust years, system names, and language. Most of the minor modifications help clarify what Minnesota students pay while attending North Dakota institutions. The only significant change to this agreement impacts the University of Minnesota Dental School requiring North Dakota students to pay 100% of the non-resident rate.

This agreement is to be effective July 1, 2010 and will continue year to year unless modified at any time upon mutual agreement of both parties. The new agreement was negotiated by representatives of the Minnesota Office of Higher Education and representatives of the North Dakota State University System which are the two agencies responsible for administration of the agreement in the respective states. Details of reciprocity tuition rates and other minor changes to the new agreement will be mutually agreed upon each year and included in an annual administrative memorandum executed between representatives of these two agencies.

REVISED RECOMMENDED MOTION:

The Board of Trustees approves the North Dakota/Minnesota Reciprocity Agreement (Attachment A) in accordance with Minnesota Statutes section, 136A.08, Subd. 6, effective July 1, 2010, subject to approval by the North Dakota State University System and the Minnesota Office of Higher Education.

Date Presented to the Board of Trustees: May 19, 2010

Date of Implementation: July 1, 2010

MINNESOTA-NORTH DAKOTA PUBLIC HIGHER EDUCATION RECIPROCITY AGREEMENT

1. PARTIES

The parties to this Agreement are the Minnesota Office of Higher Education, the North Dakota State Board of Higher Education and the North Dakota Department of Career and Technical Education.

2. PURPOSES OF AGREEMENT

The purposes of this Agreement are to continue to improve the post-secondary education advantages of residents of Minnesota and North Dakota through greater availability and accessibility of post-secondary education opportunities and to achieve improved effectiveness and economy in meeting the post-secondary education needs of those residents through cooperative planning and effort by the two neighboring states.

It is intended that the opportunity to enter a public post-secondary institution in the neighboring state will be dependent upon the availability of space in the particular program to which the student applies, as determined by each campus. A student whose reciprocity application is approved by the appropriate agency in the student's state of residence will be accommodated in a public institution in the neighboring state if the student meets admission requirements applied to residents of the neighboring state and if space is available in the program to which the student applies, except for those specific programs noted in Section 4 of the agreement.

3. TERM

This agreement is to be effective beginning with the ~~2006-07~~2010-11 academic year. The agreement is ongoing and will be reviewed annually and may be modified at any time upon mutual agreement of the parties.

4. SCOPE OF AGREEMENT

(a) Students. A resident for tuition purposes in Minnesota or North Dakota shall be defined by the laws and regulations of the state of legal residency. Residents for tuition purposes in either state are eligible for admission to a public post-secondary institution in the other state on the same basis as residents of that other state. Students enrolled in courses or programs that do not charge a nonresident tuition rate but charge a tuition rate other than the resident rate to all students enrolled in a course or program are not covered by this agreement.

Subject to available space, students from one state shall be admitted to programs in the other state if they meet the admission and performance requirements applied to students in the other state, except for the following academic programs:

- North Dakota State University Doctor of Pharmacy
- University of North Dakota Doctor of Medicine
- University of North Dakota Juris Doctorate
- University of Minnesota Juris Doctorate
- University of Minnesota Doctor of Medicine

University of Minnesota Doctor of Pharmacy

University of Minnesota Doctor of Veterinary Medicine (beyond five guaranteed new freshmen slots per year, up to a total of 20 for four classes, for qualified applicants)

University of Minnesota Doctor of Dentistry (beyond ten guaranteed new freshmen slots per year, up to a total of 40 for four classes, for qualified applicants)

The North Dakota University System retains the right to submit recommendations to the University of Minnesota on the selection of North Dakota applicants for admission to veterinary medicine and dentistry,

All forms of financial aid provided by an institution shall be available to qualified students from either state, except aid programs supported by funds for which eligibility is lawfully restricted.

(b) Institutions and Programs. This Agreement applies to all public post-secondary institutions in Minnesota and North Dakota. An institution in one state may not offer a program in the other state without prior approval of the administering agency or agencies in the other state.

5. TUITION

Reciprocity students generally pay the higher of either the Minnesota or North Dakota resident tuition rates, which varies by type of institution (e.g. doctoral, two-year, etc.). The following rates are consistent with the historical trend and assume that Minnesota's rate continues to be higher than North Dakota's rate; however, these are subject to change should the trend change.

North Dakota residents attending Minnesota campuses will pay the following tuition rates:

- * North Dakota residents attending the University of Minnesota campuses will pay the University of Minnesota resident rate at the campus attended based on the program of instruction, except for ~~veterinary medicine and dentistry~~ pharmacy, law, medicine, veterinary medicine and dentistry. Students will pay the rate established by Minnesota for pharmacy, law and medicine. For up to five slots per year in veterinary medicine, ~~and 10 slots per year in dentistry,~~ the state of North Dakota and/or the student will pay 75% of the professional program non-resident tuition rate and for up to 10 slots per year in dentistry the state of North Dakota and/or the student will pay 100% of the professional program non-resident student rate.
- *North Dakota residents attending Minnesota State University System campuses will pay the higher of the Minnesota State University System resident rate or the average the University of North Dakota/North Dakota State University resident rate based on the program of instruction.
- *North Dakota students attending Minnesota's two-year campuses will pay the higher of the Minnesota Community College or Minnesota Technical College resident rate at the campus attended or the North Dakota two-year resident rate.

Minnesota residents attending North Dakota campuses will pay the following tuition rates:

- * Minnesota ~~residents~~ students attending University of North Dakota and North Dakota State University will pay the higher of the average Minnesota State University System resident rate or the resident rate at the University of North Dakota and North Dakota State University for undergraduate and graduate programs, except Minnesota students attending the University of North Dakota Occupational or Physical Therapy programs will pay the North Dakota resident rate. Colleges and Universities four-year campus resident rate based on the program of instruction.
- * Minnesota residents attending Dickinson, Mayville, Valley City and Minot State Universities will pay the ND-North Dakota resident rate based on the program of instruction at the institution attended plus a percentage equal to the percent that the Minnesota State University System resident undergraduate tuition rate exceeds the University of North Dakota/North Dakota State University undergraduate resident tuition rate. If the student is enrolled in a graduate program, the student will pay the average Minnesota State Colleges and Universities four-year campus graduate resident rate for graduate programs. The reciprocity rate for Minnesota students attending Minot State shall not exceed the tuition charged to non-residents from other states.
- * Minnesota ~~residents~~ students attending North Dakota's two year campuses will pay the higher average of the following two rates: the average of the Minnesota Community College and Minnesota Technical College resident rate or the North Dakota two-year resident rate. Minnesota State Colleges and Universities two-year campus resident tuition rate. At Lake Region State College, Williston State College, and North Dakota State College of Science, the reciprocity rate shall not exceed the tuition charged to non-residents from other states.
- * Minnesota students attending the University of North Dakota Physical Therapy and Occupational Therapy programs will pay the University of North Dakota resident rate.
- * Minnesota students attending the University of North Dakota in medicine will pay the rate set by the University of North Dakota.
- * Minnesota students attending the University of North Dakota in law will pay the rate set by the University of North Dakota.
- * Minnesota students attending North Dakota State University in pharmacy will pay the rate set by North Dakota State University.

6. TUITION RECIPROCITY REIMBURSEMENT

The state receiving the lesser number of students shall pay the state receiving the greater number of students from the other state a tuition reciprocity reimbursement. The payment shall be based on a marginal expenditure calculation as follows:

$$\begin{aligned} & \text{Operational Expenditure per FTE} \times \underline{1} \\ & \times \text{Marginal Expenditure Rate} \\ & = \text{Marginal Expenditure per FTE} \\ & \quad - \underline{\text{Resident Tuition Rate}} \\ & = \text{Remaining Marginal Expenditures per FTE} \\ & \times \underline{\text{GAP FTE (Difference in state flow of students)}} \\ & = \text{Gross State Obligation} \\ & \quad - \underline{\text{Student Payment (Total Tuition Payment in Excess of Resident Tuition)}} \end{aligned}$$

= Net State Obligation

*1Excludes costs of programs exempted under the agreement and others noted in the annual memo of understanding

7. ADMINISTRATION

The chief executive officers of the parties to this Agreement shall prepare and execute an Administrative Memorandum of Understanding concurrent with this Agreement. The Memorandum shall include provision relating to actual base reciprocity tuition rates during ~~2006-07~~2010-11 and thereafter, marginal expenditure rates, payment schedules and other provisions designed to effectuate the purpose of this Agreement. The Memorandum shall be reviewed at least annually and modified as necessary.

8. ADMISSION, PROMOTION AND RECRUITMENT

The parties expect that the institutions governed by this Agreement will follow the Statement of Principles of Good Practice, adopted by the National Association of Secondary Schools and College Admissions Officers, and the recommended guidelines for institutions adopted by the Minnesota Office of Higher Education, as appropriate codes of conduct for representatives of public institutions involved in admissions, promotion, and students recruitment in a neighboring state.

MINNESOTA OFFICE OF HIGHER EDUCATION:

Date: _____

~~Susan Heegaard~~David Metzen, Director

NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION:

Date: _____

~~Robert L. Potts~~William Goetz, Chancellor

NORTH DAKOTA DEPARTMENT OF CAREER AND TECHNICAL EDUCATION:

Date: _____

Wayne Kutzer, Director