January 25, 2010

**Tuition Waivers**
by Dr. Steve Shirley, VCSU President

Last week, presidents of the public four-year universities in North Dakota met with the Legislature's Interim Higher Education Committee in Bismarck. We had a very productive discussion during two days on a variety of issues related to higher education in North Dakota. My thanks to the members of this Legislative Committee for the vibrant dialogue and productive interaction – legislators on the committee asked many good questions, and their interest and concern for the future of higher education in North Dakota is appreciated.

Among the items discussed during the meetings, the issue of tuition waivers (discounts) has received considerable follow-up attention in the media. This article outlines how tuition waivers are used at Valley City State University, and defines what a tuition waiver is and the function it serves.

A tuition waiver is a reduction in the published rate of tuition for a student at VCSU. A few important points: 1) A tuition waiver is not defined as a "free ride." When used for a non-resident, it is generally a PARTIAL waiver/discount on their higher rate of tuition, NOT a full waiver. 2) Tuition waivers are not used exclusively for non-resident or international students; North Dakota students also receive waivers. 3) Waivers are only applied to tuition; recipients still pay full expenses for room, board, books, fees, etc.

There are several categories of waivers used at VCSU (and all ND colleges and universities). Some waivers are mandated by state law, others are mandated by State Board of Higher Education policy, and others are used at the discretion of the individual university. At VCSU, the various categories include waivers for: members of the National Guard; those with POW/MIA/Vets Dependent status; employees/staff; international students; senior citizens; cultural diversity; and institutional waivers.

Here is an example of how a tuition waiver might work. If John Doe from Miami, FL is interested in VCSU, his tuition would be $11,434.80 in 2009-10 (based on 15 credits/semester). If John earned a 23 on his ACT exam, he would be eligible for an institutional waiver of $4,500 through VCSU's Student Talent and Academic Recognition (STARS) program, bringing his tuition to $6,934.80. John might also qualify for a $1,400 cultural diversity waiver, reducing his final tuition to $5,534.80. Tuition at VCSU in 2009-10 for a North Dakota resident taking 15 credits/semester is $4,282.80. Therefore, John from Miami is charged a tuition that is $1,252, or 29%, MORE than the North Dakota resident. Of course, in addition John would also pay the full expenses for the residence halls, meal plan, mandatory fees, etc.

When all waivers and tuition rates are computed at VCSU, 87 non-resident students received some form of waiver in 2008-09, and they paid an average of 11% more than the resident tuition rate. Bear in mind, there
are also resident students receiving various waivers reducing the average rate North Dakotans pay even below the published in-state tuition rate.

Partial tuition waivers have long been used to recruit and retain talented students to VCSU (and have been used strategically at thousands of other colleges and universities throughout the US). In addition to enhancing the overall academic, classroom, and college life experience at VCSU, these non-resident students also live in the residence halls, utilize food services, purchase books at the bookstore, pay other fees, etc. These additional students help generate a critical mass and spread fixed costs over a larger base keeping the costs of some operations lower for ND resident students.

Of course, these students also add much to the economic and cultural environment within Valley City and the state. These are students who may not otherwise attend VCSU without these incentives. They are important to the overall vitality of the VCSU community, they add much to our city, they become our graduates and alumni, they enrich classroom discussions, they join student clubs and organizations, they compete in our athletic programs, they work and shop in our local businesses, and in many cases they stay in North Dakota upon graduation and add to the strength of our state. As we move ahead, VCSU is excited to serve all of our students and strategically recruit the best and brightest from our region and beyond.

###