

## Executive Summary

In Spring 2021, NDUS engaged a consultant to review academic operations. Following their report, groups were formed to address specific recommendations of the Huron Report. We were charged with considering the “high” cost of tuition waivers and developing recommendations to address this cost.

The committee concludes the following:

- Tuition waivers are a vital piece of recruiting and retaining high quality students for NDSU graduate programs. These students support the essential teaching, research, outreach, and service mission of NDSU at a fraction of the cost of full-time staff.
- Recommendations to change policy and procedure with respect to graduate assistantships and tuition waivers should be reflective of NDSU’s teaching, research, outreach, and service mission while also being aware of the impact on students, especially with respect to equity and diversity.
- There are many factors behind the perceived cost of tuition waivers that go beyond the number of students supported by tuition waivers.

In addition, we make the following specific recommendations to enhance graduate education while balancing the cost:

- Provide a reporting structure with clear responsibilities outlined to enhance accountability and transparency with respect to tuition waivers across campus.
- Change the billing for all graduate assistants so that they are charged only in-state tuition, *while continuing to provide them tuition waivers*.
- Address the high cost of graduate education by implementing a floor for graduate stipends for graduate assistantships.
- Pro-rate tuition waivers for students on partial assistantships.

There were other suggestions that we analyzed that could be implemented in addition to these recommendations. These additional options should be considered as an aspect of the increased accountability recommendation. Making those changes without first addressing accountability will not serve the long-term interests of NDSU.

## **Background on Tuition Waivers at NDSU**

Presently, NDSU allows tuition waivers for any graduate student who is receiving an assistantship of at least 10 hours per week. The tuition waivers cover the base tuition for the graduate assistant irrespective of their residency status. The tuition waivers do not cover student fees, nor do they cover differential tuition (except in the College of Engineering which waives differential tuition for graduate assistants).

In a typical year there are approximately 1000 students receiving assistantships totaling at least 10 hours per week. With some exceptions, students are limited to 20 hours per week while receiving an assistantship: this is to allow adequate time in addition to their assistantship duties, to be successful in the classroom and complete their degree requirements. Students receive a tuition waiver independent of their source of assistantship (i.e. appropriated, non-appropriated, grant money, etc.). The students work across campus in a variety of positions: teaching, research, administrative support, extension, etc.

To say that graduate student assistants are a vital piece of NDSU's land-grant research university mission would be an understatement. Significant portions of research, teaching, outreach, and extension would not be possible without the work of graduate assistants.

In addition to the tuition waivers, graduate assistants receive a stipend. The details and size of the stipend varies from program to program, and, even sometimes, within programs. Unlike many of our peers, we do not provide health insurance for graduate assistants.

Stipends for graduate assistants are generally provided by programs and/or advisors subject to whatever constraints, if any, the program places on assistantships. The tuition waivers are processed through the graduate school as part of the assistantship appointment.

There are other sources of tuition waivers that are either historical (some tuition waivers provided through the College of Human Sciences and Education to students who are currently employed in public education in the region) or part of agreements with external entities (for example, we have a cooperative agreement with the country of Pakistan that waives the cost of tuition for students admitted through the cooperative agreement). Due to their limited number, we did not consider these tuition waivers in our analysis.

### **Some information on the work of the committee.**

We looked at several proposed changes to policies, considered the number of students impacted, the financial implications, and the implications for students. We also looked at peer institutions to determine best practices within the peer group. We use the term Graduate Assistant to encompass Teaching, Research, and Service Assistants. We tried to get consistent information, but we cannot warrant that these details are correct in every instance and for every student.

We considered the following regional and national peer institutions: regional peers (Montana State University, South Dakota State University, University of Minnesota, University of Montana, University of North Dakota, and University of South Dakota) and national peers (Iowa State University, University of Arkansas, University of Connecticut, University of Kentucky, University of Nebraska-Lincoln, University of Nevada-Reno, University of Tennessee, University of Vermont, University of Wyoming). Terminology and specific details vary slightly by campus.

In the rest of this report, we will provide information about the proposed changes we considered. We will start with our four recommendations, and then follow-up with information about additional proposed changes that were considered.

Recommendation 1:

**Enhanced accountability and transparency**

We recommend that NDSU make policy and procedural changes to address lack of accountability and transparency with respect to tuition waivers.

Current NDSU policy: Although the NDSU budget office does budget for tuition waivers, accountability is several steps removed from that budgeting process. There is also no method for using tuition waivers strategically to encourage strong or innovative programs. This presents several issues with respect to responsibility for tuition waivers.

Peer institutions: There were several models of accountability among peers, although it is difficult to parse some of these differences in publicly available information. One institution has the number of tuition waivers they can offer set by their legislature, which are then parceled out with respect to a priority list. Several institutions provide departments a fixed cost of tuition waivers they can offer for their program, but then, other than general limits, let them make their own decisions. Some institutions have waivers tied to university funded GA positions, but then have a pool of tuition waivers that are controlled by the Graduate School. At least one peer institution only allows tuition waivers for GAs funded by institutional funds.

For the purposes of our recommendation, accountability has two aspects: transparency and responsibility.

Transparency:

We need to first consider the varying types of contracts and articulate that information in consistent ways. Right now, the types of contracts vary across and within departments with little consistency. Some are labeled as Masters level and some are Doctoral level, though no justification nor consequence of that differentiation is apparent. We recommend that contracts be limited in both type (teaching, research, and service) and level (assistantships and fellowships) with consistent data collected to ensure comparability across programs.

In addition, students should have their contracts articulated in a way that allows others to understand their time commitments. Especially for research assistantships it needs to be spelled out what responsibilities are tied to the assistantship and which are tied to their graduate research. Evaluations of assistants consistent with written documentation should be completed annually and communicated to the students.

We should improve reporting to include, at minimum:

- Each unit should be reporting the following, to the graduate school, on an annual basis.
  - The type of contract for each student (noting specifically any changes from the previous year).
  - The assistantship stipend amount and source of funds: appropriated, appropriated extension, non-appropriated NDSU, non-appropriated grant, non-appropriated other. It

is especially important in assessing equitable awarding of assistantships that this data be tabulated and reviewed.

- The amount of tuition waiver and source: general tuition waiver for assistantship, specific program (Graduate Dean tuition waiver, MOU with external agency, grant, other).
- A reasonable estimate of the market value of the work performed (i.e., if a qualified permanent employee was doing the work what would be the cost.)
- The graduate dean should be publicly reporting annually:
  - The total amount spent on assistantship, stipends, and tuition waivers.
  - The mean assistantship stipend amount (by college).
  - The number and value of tuition waivers not tied to NDSU appropriated dollars.
  - The market savings of hiring students on assistantships.

#### Responsibility:

In addition, assistantships that have stipends supported by appropriated dollars should have their tuition waiver approved by the Graduate School who would be the reporting body for those types of tuition waivers. These would be allocated consistent with Graduate School policy.

Each Academic College, The College of Graduate and Interdisciplinary Studies, and the Provost's Office should have a fixed budget amount for tuition waivers associated with assistantships that have stipends coming from non-appropriated funds. Colleges could award these tuition waivers, consistent with policy, in whatever fashion they determine to support their mission: matching grant funds, non-appropriated assistantships, strategic support for specific programs. What they are awarded for should be included in annual reporting to the graduate school.

As an initial matter, allocation of these "non-appropriated" tuition waivers should match the current allocation to units, based on their reporting relationship within colleges or directly to the provost. The total value of tuition waivers should increase annually to match the annual increase in tuition (i.e. if tuition increases 6.2% then the total budget for non-appropriated tuition waivers should also increase 6.2%). At least once every three years the Dean of the College of Graduate and Interdisciplinary Studies should study the use of the non-appropriated tuition waivers and make adjustment to allocations to support the university's strategic plan.

While the fiscal impact would remain neutral, and the impact on students are unclear, increasing reporting and providing accountability for decisions with tuition waivers would help break the disconnect between what tuition waivers actually cost and the perception that these funds are "funny money."

#### Recommendation 2:

##### **Adjust the billing of tuition for Graduate Assistants**

We recommend that NDSU change the residency status (or at least the billed residency status) for graduate assistants to in-state. The students would *still receive tuition waivers* consistent with our first recommendation. We believe that this change would require approval from the State Board.

NDSU and Peer policies: Currently NDSU does not have such a policy. Seven of the fifteen peer programs implement such a policy. When discussing this with UND the graduate dean was receptive to such an idea: it would benefit their programs because of the way they do accounting for tuition waivers.

Number of students impacted:

The following table illustrates the special residency status of students currently receiving assistantships, by college:

College	Residency Type					
	North Dakota	Minnesota	Regional Reciprocity	WICHE Reciprocity	Military	International
ANSFR	52	27	16	5	1	135
AHSS	42	21	5	8	3	25
Bus	9	3	1	0	0	26
Engr	34	29	2	3	2	145
GIS	9	3	3	0	1	10
Health	26	9	3	1	0	34
HSE	16	14	2	7	2	4
SM	55	38	20	6	2	68
Other	24	8	6	0	0	9
Total	267	152	58	30	11	456

Financial Impact:

This change would have a large impact on the tuition waiver budget. The chart below shows the per-credit change in base tuition waiver cost with this policy by each group of students, with the current number of GAs in each category shown in the chart above.

Minnesota Resident	Domestic, no Reciprocity	International
\$109.40/credit	\$202.59/credit	\$303.89/credit

Note that this does not address differential tuition. Presently tuition waivers do not cover differential tuition and students are responsible for the remainder. Charging GAs at the domestic rate will impact differential tuition (for GAs) as described in the following chart. This will impact those programs that have students paying differential tuition.

	Student Status	Engineering	Public Health	Nursing	Architecture	Business
Loss in Differential Tuition per credit	Minnesota Resident	\$10.99	\$118.38	\$20.94	\$36.14	\$56.47
	Other US	\$20.35	\$129.23	\$38.79	\$66.93	\$104.58
	International	\$30.53	\$328.84	\$58.18	\$100.39	\$156.87

Recommendation 3:

**Set minimum stipend levels for Graduate Assistants**

We recommend that the NDSU Graduate School work with programs to set a reasonable minimum stipend policy for Graduate Assistants. The actual stipend minimum would need to be set annually by the graduate school.

NDSU and Peer Policies: NDSU does not currently have such a policy. Twelve of the fifteen peers had a minimum stipend for a 9-month contract that ranged from low (\$8,070 at Montana State) to very high (\$31,145 at University of Minnesota). The median and average were \$14,800 and \$15,863, respectively. Most programs allowed prorating the minimum for partial assistantships, although typically only to 10 hour/week assistantships.

Impact on students: Currently NDSU stipends are low compared to national averages and although the cost of living may be lower in Fargo, support for graduate students is vital to the overall character of NDSU’s graduate programs. More study on this would be required to understand the impact on programs with low stipends and to set an actual minimum value.

Financial Impact: As stipends levels are currently set by departments this wouldn’t change the overall money spent on graduate education. How it impacts individual departments will vary significantly.

**Recommendation 4: Only provide partial tuition waivers for partial assistantships**

We recommend changes to tuition waivers for partial assistantships. The recommended policy is to prorate tuition waivers to match the level of assistantship offered, specifically a half tuition waiver for students working 10-15 hours per week, and a full tuition waiver for students working 16+ hours per week.

NDSU and Peer policies: NDSU currently allows full tuition waivers for part-time students. Most institutions did allow prorated assistantships, although they tended to require a minimum of 10 hours per week to get a half-time assistantship. Only two allowed a full tuition waiver for students working 10 hours per week.

Number of students impacted: Presently 236 Graduate Assistants are working 10 hours per week, 44 work between 11 and 15 hours per week (inclusive), and 701 work between 16 and 20 hours per week. All of these are receiving a waiver of their base tuition.

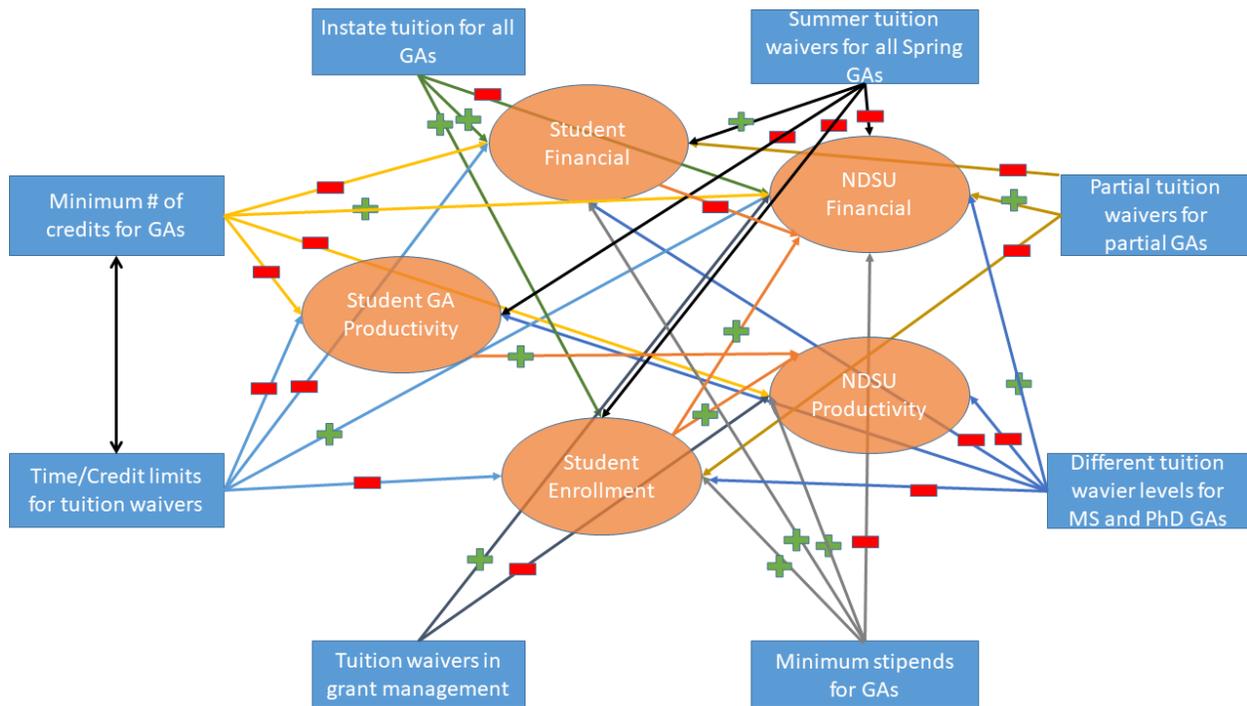
Financial Impact: The chart below shows estimates of the financial impact, in terms of the amount of tuition waiver money saved under our proposed scenarios (we assume students are taking 6 credits per semester and are North Dakota residents so these numbers will likely be underestimates).

	Current tuition waiver cost (idealized)	Cost under proposed waiver rules (idealized)	Savings
Student working 10-15 hours per week receives half tuition waiver, and 16-20 hours per week receives full tuition waiver.	\$4,769,778.96	\$4,089,076.56	\$680,702.40

This is an idealized scenario where students are all taking six credits. In theory this will also mean net revenue because those students would be paying the difference in tuition, so we would see a concomitant increase in revenue. This does not reflect the possibility that some of these students would no longer enroll and so we would see a loss in student tuition dollars, so the likely savings would be limited to the savings in tuition waiver costs.

**Other Proposals:**

The committee also considered some additional recommendations. We include a discussion of each of those options. Because recommendations 1 and 2 above would change the impacts of these proposals we recommend continued study of them in the context of the recommendations above. We include below a chart illustrating the **complex** impacts of the various proposals suggested



**Figure 1.** Overview of the complex interaction of considered tuition waiver modifications (blue) on select student and university outcomes (orange) with predicted positive (+) or negative (-) impact identified for each directed association. Please note that there are direct impacts identified from student outcomes to university outcomes and that an absent line indicates there is no expected impact.

Proposal 1:

**Minimum enrollments for Graduate Assistants**

We considered a proposal to require graduate assistants to be enrolled in either 6 or 9 credits while receiving an assistantship. This proposal would not apply to students not receiving assistantships. Note that international students already have a minimum credit hour load mandated by their visa rules though they are included in the charts below.

NDSU and Peer policies: Currently NDSU does not have such a policy. Eight of the fifteen peer programs required at least 6 credit hours per semester while receiving a stipend. Two of those eight required 9

credits; one program allowed departments to set minimum credit hour loads. The others had no minimum credit requirements.

Number of students impacted: The table below shows the number of students receiving tuition waivers who are registered for 0-8 credits (this is out of a total of 1003 students).

1-2 Credits	3-5 credits	6-8 credits
60	104	364

Setting a minimum enrollment of 6 credits would impact 15% of students currently receiving a tuition waiver, while setting a minimum of 9 credits would impact 50% of students.

Financial Impact: On the positive side, this could increase SCH for graduate courses, which has an impact on the money received via the funding formula. It is unclear, especially in the context of changes to tuition rates for students receiving an assistantship whether the cost of the tuition waivers would offset the money received through the funding formula. In addition, there is a nontrivial cost to students due to student fees and differential tuition which is not covered by a tuition waiver. The chart below indicates the per-credit financial impact on NDSU depending on student status.

	Student Status	Engineering	Health Professions	Other Technical	Architecture	Other
Funding Formula Dollars		\$618.10	\$741.72	\$469.76	\$445.03	\$247.24
Cost of Tuition Waiver	North Dakota Resident/Reciprocity	\$405.18	\$405.18	\$405.18	\$405.18	\$405.18
	Minnesota Resident	\$514.68	\$514.68	\$514.68	\$514.68	\$514.68
	Other US	\$607.77	\$607.77	\$607.77	\$607.77	\$607.77
	International	\$709.07	\$709.07	\$709.07	\$709.07	\$709.07

As you can see, only for Health Professions fields will the funding formula dollars outweigh the tuition waiver cost for all categories of students. Engineering students see net income only for domestic students (which is arguably offset by their covering differential tuition for their graduate students). The other technical fields and architecture only see net income for domestic students, and the graduate programs that do not receive a large multiplier in the funding formula will see net loss for each additional credit.

In addition, there are costs for the students. The next table represents the cost to students of this proposed change, by credit.

	Student Status	Engineering	Public Health	Nursing	Architecture	Business
Mandatory Student Fees Applies to all Students		\$60.42	\$60.42	\$60.42	\$60.42	\$60.42
Differential	North Dakota Resident/WRGP	\$40.71	\$438.47	\$77.58	\$133.87	\$209.17

Tuition Cost	Minnesota Resident	\$51.70	\$556.85	\$98.52	\$170.01	\$265.64
	Other US	\$61.06	\$657.70	\$116.37	\$200.80	\$313.75
	International	\$71.24	\$767.31	\$135.76	\$234.26	\$366.04

Based on these, we might expect significant impacts on enrollment if we mandated increased credit hours in some of these programs.

Exceptions: It would likely be necessary to have exceptions to this policy. Two possible exceptions to consider include:

- Does not apply if the student has fewer than 6 credits left to take to complete their program.
- Does not apply during summer session (but see below concerning summer tuition waivers).

Proposal 2:

**Summer tuition waivers for Graduate Assistants not receiving summer support**

We considered a proposal to not allow summer tuition waivers to GAs who are not working for NDSU in the summer. This would not include students who are actively working as GAs in the summer. Rather than implementing this change, these tuition waivers could be included in the non-appropriated tuition waivers given by colleges.

NDSU and peer policies: Currently NDSU policy allows this by request of the department. Of the peers, three had automatic summer tuition waivers for students who had an assistantship the previous term, one school allowed it after application from the department. The other peers do not allow this.

Number of students impacted: The table below provides information, by college, of the number of students who received summer tuition waivers who were not on assistantship during the summer.

College	2021	2020	2019	2018	2017
Agriculture, Food Systems & Natural Resources	7	7	22	20	5
Arts, Humanities, & Social Sciences	45	33	54	50	55
Business	9	15	7	4	4
Engineering	38	26	56	22	51
Graduate School	3	8	8	2	5
Health Professions	7	18	21	11	12
Human Science & Education	13	25	22	21	24
Science & Math	10	35	19	16	30
Non-Academic Departments	6	14	12	12	13
<b>Total</b>	<b>138</b>	<b>181</b>	<b>221</b>	<b>158</b>	<b>199</b>

Financial Impact:

The cost per credit-hour of a summer tuition waiver ranges, depending on the residency status of the student. For North Dakota residents the cost is \$405.18 per credit. If we assume for the sake of

argument that these students are North Dakota residents and took 3 credits, then this fiscal impact in 2021 was \$167,744. A more likely estimate would be higher.

Student Impact: It is likely that if a GA did not receive a tuition waiver during the Summer, they would elect to wait to take the course until either the Spring or Fall when they would have a GA position. This could lead to a reduction in productivity for both the student and the instructor of the course (if the same for both semesters). In addition, international students have different requirements for enrollments and should be considered in changing this policy, if needed.

#### Proposal 3:

##### **Limit assistantships outside program study**

The policy proposal is to only provide assistantships to students for work in the program that they are enrolled in. While NDSU graduate assistants should be supported in a way that helps them build their professional background and prepare them for work after graduation, we must also balance program needs with opportunities. Changing this policy without a re-examination of graduate assistantships in general could have unintended consequences.

NDSU and peer policies: Currently NDSU allows this. Five national peers generally discourage this while all the others did not have a policy address this issue. At least one institution that did not allow this did allow students employed outside their program to be eligible for employee tuition discounts rather than GA tuition waivers.

Number of students impacted: In 2021, 158 students were employed as GAs outside their enrolled program. This is approximately 15% of GA positions.

Fiscal Impact: For the sake of argument, disallowing this would decrease the number of stipends offered to students, by 158, and would also impact number of tuition waivers. With an estimate of \$10,000 per fiscal year for a GA position this would have an impact of \$1,580,000 for direct payment to students, and the tuition waiver savings is \$670,978 (assuming ND residency and 6 credit hours for each student). It is not clear what the actual impact on enrollment, nor number of GA positions offered, would be.

Other impacts: This change would have a significant impact on units that rely on graduate assistants for non-traditional uses.

#### Proposal 4:

##### **Setting different tuition waiver levels for Masters vs Doctoral**

Two variants of this policy were considered: only using tuition waivers for doctoral programs, or only providing partial tuition waivers to Masters students.

NDSU and Peer Policy: NDSU does not currently do this. Only three institutions had such a policy and of those one allowed it but left it up to departments to set waiver levels.

Number of students impacted: Currently, there are 498 GAs who are master's students, and 501 GAs who are doctoral students.

Fiscal Impact: We would assume that some students who are currently Masters students would switch to Doctoral programs, and that there would be significant attrition of Masters students in programs without Doctoral degrees. However, if we assume these numbers stay the same and assume that

students are ND residents and take six credits per semester the following chart estimates the costs savings for the two scenarios.

Only Doctoral students would be eligible for tuition waivers	\$1,345,137.84
Master's students receive half tuition waivers	\$672,568.92

The impact on graduate programs would be significant enough to make this proposal difficult to recommend without significant further study.

**Proposal 5: Time/Credit limits for tuition waivers**

A proposal to limit the length of time during which a student could be a GA was considered. The impact would not be uniformly felt across NDSU because time to degree varies significantly based on program. To implement this would require either having different tiers based on programs or being prepared to cut off programs that have historically longer times to degree. Exceptions would also need to be built into the system.

NDSU and Peer Policies: NDSU has no policy on this. Six peer programs had such limits: with typically 3 years for a master's degree, and 5-8 for doctoral degrees (depending on if the student started with a master's degree or not), although some were phrased as number of credit limits. The other programs had no limits, although there were institutional limits on graduate study more generally, as NDSU has.

Number of students impacted: Currently 34 Master's students are GAs and have been here more than three years. Similarly, 67 Doctoral students are GAs and have been here more than five years.

Fiscal impact: It is likely that implementing this policy would not change the number of graduate students receiving GAs, since any open positions would be filled with new GAs, so there is no fiscal impact calculated. There would likely be a direct impact on graduation rates.

**Proposal 6: Tuition waivers in grant management**

Some people have proposed requiring faculty seeking graduate student support to include tuition as a direct cost in their grant applications.

NDSU and Peer Policies: NDSU does not have specific policy on this. One institution had a rule requiring grant applications to request the cost of tuition for funded students. One institution did not allow tuition waivers for grant funded students. One institution allowed tuition waivers for grant funded students but had a limited number of assistantships available for this type of assistantship. No institution barred students from receiving tuition waivers as part of a grant request. Most did not have a clear policy one way or the other.

Impact on Students: In 2021, 577 students received outside funding and received a tuition waiver, the majority of which were in the College of Agriculture, Food Systems, and Natural Resources. That represents nearly half of all GAs.

Fiscal Impact: Since each external program sets their own policy on allowing tuition as a direct cost it is nearly impossible to calculate the fiscal impact on changing our policy. Changing the policy as described would only require PIs to seek such funds; it is not guaranteed that granting agencies would approve such expenditures.

Whenever possible, grantees should be encouraged to request tuition support for students if it does not significantly affect project progress or outcomes. Further study on this should focus on whether tuition is being treated as an indirect cost or a direct cost. If a direct cost, there is an argument that PIs should seek funds to cover it; if it is an indirect cost, then there is an argument that some cost recovery should come from indirect dollars. Neither option garnered significant support from the committee.

Benton Duncan, Committee Chair

Jerika Cleveland, Student (Electrical and Computer Engineering)

Kendra Greenlee, College of Science and Mathematics

Joel Hektner, College of Human Sciences and Education

Fariz Huseynov, College of Business

Simone Ludwig, College of Engineering

Thomas Peters, College of Agriculture, Food Systems, and Natural Resources

Amy Stichman, College of Arts, Humanities, and Social Sciences

Rick Jansen, College of Health Professions