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## NEWS RELEASE

For Immediate Release:

For More Information, Contact:

Billie Jo Lorius, Communications Director

Phone: 701.328.4107

E-mail: [billiejo.lorius@ndus.edu](mailto:billiejo.lorius@ndus.edu)

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### **New study estimates university system economic impact at \$5.3 billion for Fiscal Year 2017**

BISMARCK, N.D. - The economic impact of the North Dakota University System (NDUS) and its students on the state has risen to an estimated \$5.3 billion for Fiscal Year 2017, according to a recent report by North Dakota State University's Department of Agribusiness and Applied Economics. The economic impacts include both direct and secondary expenditures.

“As the report illustrates, higher education is vital to North Dakota’s economy,” said NDUS Chancellor Mark Hagerott. “Higher education invests in knowledge and promoting the overall growth of knowledge for young people and adult learners. Higher education directly influences these learners as well as the workplaces that hire these workers. We work toward the betterment of the entire state.”

Titled [\*Economic Impact of the North Dakota University System\*](#), the FY 2017 report is similar to studies conducted in reports ranging back to Fiscal Year 1999. Report authors Dean A. Bangsund, research scientist, Department of Agribusiness and Applied Economic; and Nancy Hodur, director, Center for Social Research at North Dakota State University, use the North Dakota Input-Output Model to estimate economic impact. At the end of the report is an abbreviated economic impact analysis for each of the 11 campuses in the state and the NDUS office.

“Essentially, the state’s 11 University System colleges, universities, and supporting centers and facilities act as centers for local and regional economic development,” the authors concluded. “They help provide the state with an educated workforce ready to meet the challenges of an ever-changing work environment. They provide outreach and continuing education programs for the state’s residents and businesses. In addition to providing education, the state’s universities and colleges create and support jobs and employment opportunities through research, extension, and teaching activities. All these important services and products provide economic benefits, which enhance local and state economies.”

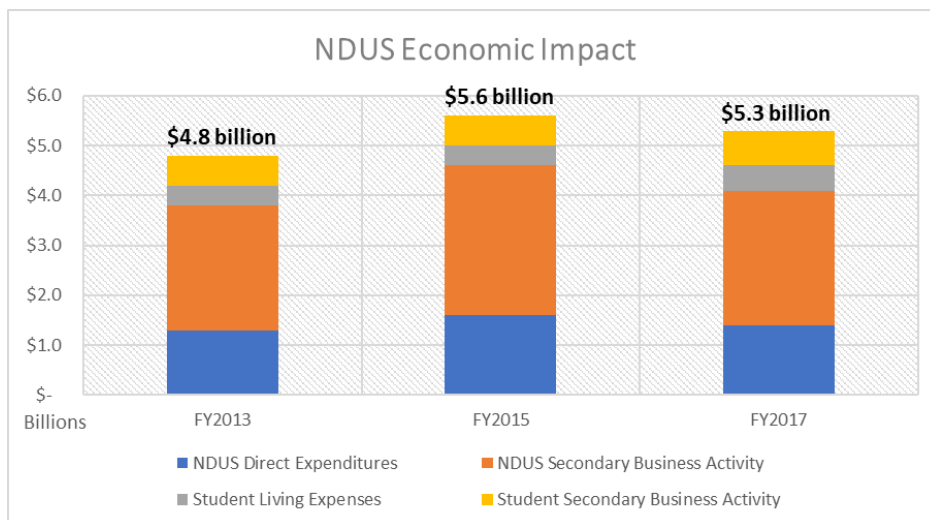
Key measures of the economic impact of the North Dakota University System in FY 2017 include:

- Direct economic impacts (expenditures) by the NDUS have grown from \$533 million in FY1999 to **\$1.4 billion in FY2017, an increase of 163 percent**

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- Direct economic impacts have increased by \$421 million from FY2009 to FY2017 (43 percent), and decreased by \$210 million from FY2015 to FY2017 (13 percent)
- Non-general fund revenues are an important source of funding for the NDUS, providing about 70 percent of the total until recently, when the ratio dropped to 66 percent in FY2015 and 67 percent in FY2017
- Total NDUS economic impacts (direct and secondary) were \$1.6 billion in FY1999, \$2.9 billion in FY2009, and \$4.1 billion in FY2017
- Direct expenditures created total business activity of \$4.1 billion including \$1 billion in retail trade activity, and \$1.6 billion in economy-wide personal income
- University system in-state expenditures and subsequent secondary business activity was estimated to generate \$132 million in state tax collections. Of that total, \$83 million would be from sales and use taxes and about \$38 million were for individual and corporate income taxes.
- Direct employment by the NDUS was 10,741 FTE jobs on FY2017
- Enrollment at the NDUS's 11 colleges and universities was 37,397 FTE students for Fall Semester 2017
- NDUS student living expenses were estimated to be \$455 million for FY2017
- Economic impact of student living expenses resulted in \$1.1 billion in total business activity, highlighted by \$511 million in additional retail trade activity and \$275 million in economy-wide personal income
- Combined NDUS and student spending was nearly \$1.9 billion in FY2017, creating a total economic impact of \$5.3 billion



## About NDUS

*The North Dakota University System is a unified system of higher education governed by the State Board of Higher Education. Organized in 1990, the system includes two research universities, four regional universities and five community colleges.*

*The mission of the State Board of Higher Education and the Chancellor of the North Dakota*

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*University System is to unleash the potential of higher education in the state to enhance the quality of life, and the social and economic vitality of all served by its public colleges and universities.*