

March 19, 2025

Written Testimony in Support of SB 2003 (North Dakota Higher Education Challenge Grant Fund)

Chairman Nathe and members of the Committee,

Thank you for allowing me to submit testimony regarding the **North Dakota Higher Education Challenge Grant Fund**. I want to express my sincere gratitude to each member of the North Dakota Legislature for your continued support of this vital program. The benefits have been far-reaching and transformative.

Over the past 12 years, **\$94 million in state dollars** have inspired **\$188 million in donor gifts**, creating a **\$282 million impact** across North Dakota's colleges and universities. Countless students have been helped by the generosity shown by our donors and you, our state legislators. Through this public-private partnership, our donors are collaborating with the state to drive transformative change. By channeling many contributions into endowments, the Challenge Fund not only supports current students but also ensures a lasting impact on public higher education in the state for generations to come.

At the University of North Dakota alone, **250 scholarship endowments** have been created thanks to this program.

The impact of these scholarships is not just a statistic; it's a real, tangible difference in the lives of our students. Take, for example, the experience of Ally Kujath, a senior at the University of North Dakota majoring in Political Science and Business Economics.

"When I was deciding where to attend college, the scholarship opportunities at UND, and specifically within the Nistler College of Business & Public Administration, were a deciding factor," said Ally, a Minnesota native.

Ally believes her scholarships have significantly impacted her college experience by reducing her financial burden and allowing her to focus on her studies and extracurricular activities.

Ally said, "Instead of spending countless hours in a part-time job to cover tuition costs, I have been able to dedicate my time to meaningful experiences such as studying abroad in France, participating in student organizations, and engaging in research projects. The financial support has also allowed me to volunteer in the Grand Forks community with the Girl Scouts and Bio Girls. These opportunities have enriched my education and broadened my horizons in ways I never imagined."

Ally is a recipient of the **Pancratz Dean's Emerging Leaders Scholarship**. It was funded by Linda Pancratz and received a matching grant from the Challenge Fund in 2016. "Having the state of North Dakota be a partner in that philanthropy shows me that the entire state is invested in my success," Ally said.

This is a testament to the power of the Challenge Fund in opening doors for students like Ally.

We are also seeing that this program generates interest from donors across the country. **Sixty percent of gifts to UND through the program have come from donors outside the state** who want to invest in higher education in the great state of North Dakota. Other foundations report similar engagement from out-of-state donors. Donors want to team with the state to maximize the impact of their gifts. We have seen over and over how the Challenge Grant program has compelled a donor to give or to give more than they may have originally intended.

As an example, we have a family foundation that has said it wants to commit at least another \$100-thousand into its scholarship endowment in 2025 as long as the Challenge Fund program is in place.

Success stories can be found across the state: The UND Alumni Association & Foundation set another **fundraising record** this past fiscal year. Scholarship support at Bismarck State College **rose 69%** in just one year. NDSU successfully completed a **capital campaign** and Minot State has reached its **campaign fundraising goal of \$50 million**. At the North Dakota State College of Science, more than half of the **\$17.5 million raised** and matched has gone to **Career and Technical Education and Allied Health scholarships and programs**. The Dickinson State University Heritage Foundation hit a milestone this fall when it surpassed **\$60 million in donations** since it began rebuilding in 2016. Ty Orton has said the challenge grant has been a major factor in their fundraising success.

This is the legacy you have established through the North Dakota Challenge Grant program. Now, you have the opportunity to expand that legacy. By funding another round of Challenge grants, you will fuel an amazing period of growth and prosperity for North Dakota's colleges and the students they serve. I encourage you to consider Governor Armstrong's \$50 million request for this program to maximize the impact.

Private giving is more crucial than ever for higher education institutions across the state. Initiatives like this are essential for supporting academic programs, funding endowed faculty positions, and providing scholarships that ensure our colleges and universities remain accessible to students from all backgrounds. As partners – our donors and you as state leaders – will ensure that we produce graduates that meet the evolving needs of the 21st-century workforce.

Sincerely,

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