

Comments to the North Dakota House Appropriations – Education and Environment Division

Rep. David Monson, Chair

Submitted by DeAnna Carlson Zink

CEO of the University of North Dakota Alumni Association and Foundation

March 15, 2021

Chairman Monson and members of the Committee, thank you for allowing me to submit testimony regarding Senate Bill 2030, the North Dakota Higher Education Challenge Grant program.

Because of how successful this program has been, I am strongly in support of SB 2030, although I do have concerns about the two amendments that have been added and I'd like to speak to whether you can bring the School of Medicine and Health Sciences back into the grant program.

I want to thank each member of the North Dakota Legislature for supporting this initiative in the past. The benefits have been far-reaching—every college and university has been able to directly impact students earning degrees that set them up for lifelong success.

Because many of the gifts are put into endowments, this public/private partnership is not only benefiting current students but will continue to shape North Dakota public higher education into the future.

Since the inception of the challenge fund in 2013, we at the UND Alumni Association and Foundation have utilized our entire \$19 million allocation from the state with \$38 million in gifts and commitments. Two out of every three gifts to the program came from donors outside the state who wanted to invest in higher education in the great state of North Dakota.

Since the North Dakota Challenge Fund began, 467 gifts to UND have funded 230 total projects including 183 endowed scholarship funds.

We have multiple examples of donors who have given thanks to this program and, in some cases, have given more than they originally intended once they learned of this public/private partnership.

I would encourage you to consider allowing us to once again use the grant program in support of UND School of Medicine and Health Sciences students. Under section 15-10-48, "projects" at the School are not eligible for grants. Section 15-10-53 defines projects quite broadly.

Not only are the medical doctoral students excluded from support due to this provision, but hundreds of undergraduates in other programs under the School of Medicine and Health Sciences umbrella are also not able to benefit from these philanthropic scholarships.

During the first two rounds of the challenge grant when SMHS projects received funding, we brought in \$5 million dollars in gifts that qualified for the match with 80 percent of the dollars coming from out of state. We would like the opportunity to again support School of Medicine and Health Sciences students with this program and I strongly urge you to eliminate their exclusion.

I would also ask that you consider the implications of adding private colleges to the grant program. While extra money has been included this biennium, their addition to this program

could dilute the pool in future years and end up reducing funding for students who attend publicly-funded colleges. North Dakota students attending private colleges in the state do have access to state dollars through the Academic or Career and Technical Education Scholarship program. There is also the open question of whether the state has the authority to provide oversight of private colleges as it does for public institutions.

Finally, I'd like to mention the other amendment as well. Although I am not aware of any programs or relationships at the University of North Dakota that would affect UND's participation in the Challenge Grant program, UND has relationships with many health care providers. It is possible under this amendment language that UND could become excluded from the opportunity to benefit students through the Challenge Grant program if one or more of those partners makes a change in their organization that seems to create a conflict with the language – even though that change might not directly connect to UND.

I share the concern of others who have testified regarding the broad language in the bill and the potential for unintended consequences – not only at UND, but at other institutions as well. Those consequences would fall directly on NDUS students.

This year I have been promoting the idea that our students are standing on the shoulders of giants to see their bright futures with a UND degree in hand. Those giants include people like Thomas Clifford and Werner and Colleen Nistler.

I would add that you, as North Dakota lawmakers, are also giants in the eyes of students across the state for your support of this vital program. With approval this biennium, students will have benefited from a decade of Challenge Fund impact. I thank you on their behalf for your vision.