

**Comments to North Dakota House Appropriations – Education & Environment Division
Committee
Rep. Mike Nathe, Chair**

**Submitted by John R. Glover, President/CEO, North Dakota State University Foundation
January 16, 2023**

Chairman Nathe and Members of the Committee,

For the record, my name is John Glover, President/CEO of the North Dakota State University Foundation. Thank you for the opportunity to provide testimony in support of House Bill 1033, the North Dakota Higher Education Challenge Grant Fund. In addition to my written remarks, please see the attached outcomes report, which summarizes four key financial indicators since the program's inception.

On behalf of the more than 400 benefactors who've participated since the program's launch, the 55 employees of the NDSU Foundation who work with our 100,000+ alumni and organizations every day, our students who receive scholarships, faculty who hold named positions and recent alumni who benefited from the financial resources while students, we enthusiastically support Governor Burgum's budget recommendation of \$50 million for the 2023-25 biennium.

We respectfully request an amendment to revise the bill's current appropriation from \$24 million to \$50 million. In addition, we respectfully request an amendment to once again, level the playing field with equitable funding for North Dakota's two research universities in NDSU and UND.

Let's talk about impact ...

Emma (Keller) Lavachek grew up in Velva, North Dakota and chose to pursue a civil engineering degree at NDSU. In 2014, the Volk Family Civil Engineering Scholarship received matching funds from the Challenge Grant. Emma received this scholarship during the 2016-17 year, helping her graduate in December 2017. She returned to western North Dakota after receiving a civil engineering job with a Minot firm. In just five years, Emma has planted deep roots in her home state. She's now married, bought a house in between Minot and Velva, volunteers in her communities, and worked on numerous projects of significance. She said she's most proud of her work on the Mouse River Enhanced Flood Protection Project and two sanitary sewer lift station replacement projects in her hometown. Her employer also asks her to help recruit new engineering talent, returning to NDSU's career fairs each year to find future workforce. She's making a difference in North Dakota.

Emma also said this, "I wish scholarship donors could see how their investment impacts students for years to come after graduation, it is truly a long-term investment in someone that can completely change the path they follow after graduation ... coming out of college with as little debt as possible opens up a whole set of different opportunities for people."

What better example is there to prove the value proposition of the Challenge Grant? It fuels the pipeline for the state's future workforce, bringing the public and private sectors together, and then we see the resulting impact of this state's emerging professional talent making a difference.

The NDSU Foundation's greatest key performance indicator is Support to Campus; dollars expended on campus to support donor intent. Since the Challenge Grant's beginning, more than \$11.5 million has been sent to campus to support scholarships, faculty, educational infrastructure, and programs from funds matched by the program. The infusion of capital dollars adds to the NDSU Foundation's overall endowment, which over time, produces a more aggressive investment allocation strategy, resulting in a stronger investment return and then increased payout to support the university. This increase helps reduce the financial burdens for our students, helping them graduate on time, carry smaller or no debt loads and invest more in our communities, just like Emma.

We love challenges, and our benefactors love partnering with public dollars to leverage impact on students, faculty, and programs, regardless of where they reside. More than 53% of our Challenge Grant donors to date have come from out of state. We have benefactors lined up to sign gift commitments on July 1 once this Legislature authorizes its appropriation. Let's offer up a really big number to challenge them!

And I'll reiterate what I've said to this committee previously ... this is a program where donors call us, not the other way around! We stand ready to take those calls and put your investment to work in helping solve the state's biggest challenges. Investing in the Challenge Grant is an investment in the state's workforce and economic future.

Thank you for the opportunity to testify in support of HB1033 and thank you for your service and support to North Dakota.

Regards,

John R. Glover, President/CEO
NDSU Foundation
Fargo, ND