

Written Testimony in Support of the North Dakota Challenge Grant

Presented to the ND Senate Appropriations – Education and Environment Division

Submitted by: David R. Clouston, Trustee and Member of the Executive Governing Board, North Dakota State University Foundation; Member of the College of Arts & Sciences Advisory Committee, North Dakota State University; Graduate of North Dakota State University (1990)

January 20, 2025

Dear Chairman Sorvaag and Members of the Committee,

For the record, my name is David R. Clouston, and I am a Trustee and Member of the Executive Governing Board of the NDSU Foundation, a Member of the Advisory Committee of the NDSU College of Arts & Sciences, and a proud NDSU graduate. Based on the incredible education I received at NDSU, I was able to attend Baylor Law School and successfully practice law for the past 30 years. But for the financial help and scholarship support I received at NDSU, as well as the support of the administration and faculty, none of this would have been possible.

Thank you for the opportunity to provide testimony in support of the North Dakota Higher Education Challenge Grant Fund.

Governor Kelly Armstrong is proposing \$50 million be invested in the next biennium for the program, and as a stakeholder in North Dakota State University and the future of North Dakota, I could not be a stronger supporter of this request.

1. As I mentioned above, my ability to attend law school and succeed as a lawyer is directly tied to the education and support I received while at NDSU—there is nothing I believe more. Not only did I need the financial support of scholarships and grants, but I also needed the guidance and support of the NDSU Administration and Faculty/Advisors. Not only did I come from a family where I was the first to attend college, but I didn't even know a lawyer growing up. I simply didn't even know, what I didn't know.
2. As part of our giving, my wife and I have endowed a scholarship fund, we have a faculty fellowship, and we annually fund the NDSU Pre-Law Society.

We provide a scholarship trip to introduce students to the court system, judges, and practicing lawyers—a law immersion trip. This year we are adding a trip to the ND Legislature. We believe it is important to provide these opportunities to students to expose them to how the profession works. I have had the honor of being able to interact with students and I see our younger selves in many of them—bright, hard-working young people who need support and guidance to reach success. They just want a chance. I was also told by an individual with the ND Supreme Court that individuals taking the ND Bar exam is declining and reaching all-time lows. The workforce crisis is real and crosses all industries and professions.

3. NDSU has impacted and will continue to impact North Dakota’s well-being (workforce, economy, community), but fulfilling this mission requires increased and consistent investment in the North Dakota University System. Simply put, the money is needed to support these students—as I and many others were supported in the past. I believe it is even more important today than ever before. For a healthy workforce development cycle to exist in North Dakota, we need a strong and well-funded university system.
4. A \$50 million investment from the state will produce up to a \$150 million investment in ND higher education over the next two years. This investment would be used to keep ND’s greatest asset in the state—its hardworking young people. It will encourage students (from ND and elsewhere) to enroll in the ND Higher Education System. Once that happens, that workforce will stay in ND.
5. These funds would be life changing to these students—as it was for me and others when we were students. **A dollar spent here is truly the greatest investment you could ever make!!!** This investment isn’t only in scholarships but also educational programs, research, infrastructure, technology, endowed chairs, etc.
6. **I agree with Governor Armstrong that this program is a “proven tool” that ensures the ND students stay in ND schools—this is a competitive industry now, and we need to arm our institutions with the tools to compete with our neighbors and others.**
7. With Challenge Grant funding, we can make North Dakota higher education more attainable and competitive in recruiting and retaining talent against our neighboring states, opening a pathway to encourage these graduates to live and work in the state.

8. The Challenge Grant is a private-public partnership, and as a donor, we love to partner with public dollars to maximize impact on campus. We have donors already lining up when the funds are accessible on July 1.
9. The evidence is in the numbers—Since the Challenge Grant began in 2013, more than 625 individuals and corporate donors have taken advantage of the matching funds, investing over \$50 million.
10. However, continuing the Challenge Grant program how it has traditionally been funded will not lead to the benefits or return on investment North Dakota is seeking from its higher education institutions. IT IS TIME TO STEP UP AND EMBRACE THE CHALLENGE OF RAISING THE STAKES!!!

I urge this committee to fund the Challenge Grant at an unprecedented level and challenge the private sector to respond. I'm confident they will. This investment is not an expenditure; it is a commitment to North Dakota and our future workforce.

Thank you for considering this opportunity and for your continued service to North Dakota.

NDSU stands ready to put your investment to work.

Regards,

David R. Clouston

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Trustee, Member of the Executive Governing Board, NDSU Foundation

Member of the Advisory Committee, NDSU College of Arts & Sciences

NDSU Graduate--1990