

North Dakota Legislative Council testimony

Good morning. I am Dave Miedema, Senior Director of Development for the UND School of Medicine and Health Sciences. This morning I represent the School on behalf of our Vice President for Health Affairs and Dean, Dr. Joshua Wynne, and Associate Dean for Administration and Finance, Mr. Randy Eken, both of whom are meeting with members of the LCME team (Liaison Committee on Medical Education) on the final day of the LCME on-site accreditation visit to our medical school. They both extend their greetings.

I have been asked to comment on fundraising activities currently underway whereby donors may be offered naming opportunities within the new School of Medicine and Health Sciences building soon to be constructed. First, I am very pleased to report the building project is both on budget, and on time. As I speak, pilings are being driven for this 320,000 sq. ft. structure being constructed on the north side of our campus. Formal groundbreaking will be scheduled this summer, with anticipated completion of the building expected during the summer of 2016. With special thanks to the Legislature and the citizens of North Dakota, this magnificent facility is fully paid for, including all fixtures, furniture and equipment - an investment that will provide substantial return on investment for our students, faculty, researchers and most certainly the people of our state and region.

The fundraising efforts we conduct at UND through the UND Foundation, similar to most other schools of higher education, usually focus on four defined areas: 1.) Student scholarships, 2.) Faculty support, 3.) Programming, and 4.) "Brick and Mortar." Again, thanks to the people of the Great State of North Dakota and our thoughtful legislators, number 4 above is "paid in full" relative to the School of Medicine and Health Sciences building. So why offer naming opportunities within a building that is already paid for? Simple. We intend to "amplify" this sound investment made by our Legislature in order to address other areas of need, *particularly* the need for more and larger scholarships for our students.

Why is scholarship availability so important?

First, we must compete against other medical schools for great students, and the competition is keen. Being able to offer meaningful scholarship assistance can mean the difference between attracting a top-notch student to UND, and losing them to another program. The RuralMed Scholarship Program, funded by the Legislature, is a perfect example of meaningful scholarship support that is making a huge difference. For the 19 medical students currently participating, the total cost of their tuition is forgiven in exchange for a commitment to practice in a rural North Dakota setting for a minimum of 5 years.

Second, and perhaps more important, we need to help our medical students mitigate the burgeoning debt load they may otherwise face upon graduation. The average medical school debt of a 2012 UND graduate was about \$167,000! As we work to attract more graduates to a primary care practice especially in rural North Dakota, that degree of debt can be a major barrier. By utilizing funds generated from philanthropy, we can significantly reduce the large debt load, remove a barrier, and encourage rural practice.

The size of the debt load that our students face is even more staggering when one considers the cumulative debt of all of the students in the 2012 graduating medical school class – estimated at a whopping \$13 million! Now consider the impact of a truly amazing gift. Suppose we would be fortunate

enough to receive a \$100 million dollar endowment, enough to garner naming rights for the entire School. But an incredible gift of this size would still only provide about \$4 million in scholarship funding per year, based on a four percent return on investment. This would be just enough to erase the debt of only one-third of the class! It obviously takes significant endowment dollars to produce meaningful scholarships, so providing donors with tangible incentives, such as naming opportunities, helps us immensely in order to achieve our fundraising goals.

In appreciation for a donor's monetary investment in our students, we may offer a naming opportunity in the building. Naming rights will be based on the gift amount and remaining naming availability. Naming opportunities defined within the building went through a process approved by the State Board of Higher Education, the University of North Dakota Naming Committee and the University of North Dakota Alumni Association and Foundation. We can, and will, leverage this magnificent building to raise more and larger scholarships - a top priority for us. Dollars raised will NOT be used to augment the building in any way.

One of the handouts you received this morning shows our list of naming opportunities within the new building. Note this list is in draft form and is subject to change after we make a full review of the building floor plans that were finalized just last week.

The bottom line is that the funds we raise by offering a naming opportunity in the new building will be targeted at reducing student debt, subject to donor concurrence. You in the Legislature have done your part through your strong financial support for the programs and facilities of the UND School of Medicine and Health Sciences. Now it is up to private donors throughout the state to step up to the plate to help ensure that young medical and health science graduates are not saddled with an enormous debt burden fresh out of school. This is a public-private partnership at its best, and will help ensure that North Dakota has the health care providers it needs and deserves.

Naming Opportunities

\$100 million

UND School of Medicine and Health Sciences building

\$40 million

Health Sciences Educational Building

\$15 million

Biomedical research facility

\$1 million-\$10 million

Learning Center \$9 million

Endowed chair, dean of the School

\$5 million

Office of the Dean suite \$4 million

Simulation suite \$3 million

Endowed faculty chair position \$2.5 million

Center for Rural Health suite \$1.5 million

Endowed faculty professorship position

\$1 million

Auditorium \$1 million

\$550,000-\$750,000

Lobby \$750,000

Digital/biohazard lab \$675,000

\$100,000-\$500,000

Anatomy lab \$500,000

Classrooms, extra-large \$450,000

Departmental suites \$375,000

Classrooms, large \$350,000

Public Health Program suite \$350,000

Food vendor and seating \$300,000

Resource Management suite \$300,000

Indians Into Medicine suite \$275,000

Research cores \$250,000

Classrooms, medium (4) \$225,000

Academic and Faculty Affairs suite

\$225,000

Office of Student Affairs and Admissions

\$175,000

Research labs \$150,000

Student lounges \$125,000

Student collaboration spaces \$125,000

Classrooms, small \$125,000

Conference rooms, large \$100,000

\$55,000-\$95,000

Office of Alumni and Community Relations

suite \$60,000

Geriatrics suite \$55,000

\$25,000-\$50,000

Simulation Center debriefing rooms

\$50,000

Faculty lounges/break rooms \$50,000

Conference rooms, small \$35,000

Anatomy imaging area \$35,000

Small group learning spaces \$35,000

