



Priorities For Research Universities

The Valley Prosperity Partnership (VPP) is a private sector led initiative focused on developing a shared vision and action plan for high value and sustained economic growth for all Red River Valley residents. Universities and colleges play a vital role as engines of innovation, productivity and economic vitality and diversification. North Dakota's universities and colleges educate students for careers, bring potential workers to the state, train workers, prepare and support people for entrepreneurial pursuits and perform research and development in collaboration with technology and business innovators.

The Valley Prosperity Partnership supports legislation related to higher education in the 2019 session that prioritizes:

- Investment in an **emerging technology fund** for collaborative efforts between universities and businesses to develop and commercialize intellectual property developed at the universities or by businesses in North Dakota.
- **Giving more decision-making independence to the research universities** who meet required benchmarks so that they can better address the workforce and research needs of the private sector.

Invest in an Emerging Technology Fund

There is a proven and strong relationship between an economy's ability to convert its science and technology assets into new or improved products, processes and services and the creation of new economic opportunities and higher-paying jobs. Tornatzky and Rideout's book *Innovation U 2.0: Reinventing University Roles in a Knowledge Economy*, for example, emphasizes that intentionally engaged universities are essential for promoting innovation and technology-based development.

Furthermore, a solid and predictable base of funding is required to ensure that research institutions attract and leverage both basic and applied research opportunities to support educational excellence and diversified economic growth. Look no further than the oil-producing state of Texas and its Permanent University Fund, which has a dedicated stream of funding and, year after year since 1923, has supported economic growth and diversity initiatives. Likewise, the University of Virginia's Strategic Investment Fund is a more recent initiative that invests in transformational research that advances the economic development of the Virginia Commonwealth.

These kinds of investments are especially important for developing opportunities associated with key technology sectors with high potential in North Dakota:

- autonomous systems, including unmanned aerial systems (UAS)
- agriculture and food safety
- healthcare and biomedical services and technologies
- energy and natural resources
- material sciences
- advanced manufacturing

Give More Decision-Making Independence to the Research Universities

Higher education is changing rapidly. Business leaders from the VPP have considerable expertise in leading in changing times. That's why the VPP supports more independence in decision-making for the state's research universities. Higher education is too complex and too big to be hamstrung by current decision making models in which sometimes even the simplest of programmatic decisions demand a months-long bureaucratic process. Our local, state, and regional economies need more nimble universities to meet private sector needs.

- The research universities need to competitively price tuition relative to other states, particularly in differentiated programs such as aviation and medicine. ***Don't cap tuition, and if you have to, make it a flexible cap.***
- The research universities need to attract and retain faculty and staff who are in a national labor market. ***Streamline budgeting policies and processes*** that now hinder forward-looking efforts to recruit critical faculty/researchers. ***Don't freeze wages***, which makes the research universities less competitive and unable to attract top talent.

All these challenges and opportunities, and others yet to be encountered, call for more decision-making independence at the research universities to effectively allocate resources to better meet the needs of the private sector, based on their institutional priorities and capabilities.

North Dakotan's Support for VPP Research University Priorities

According to the VPP's statewide, scientific poll, conducted in the spring of 2018, it has become clear that North Dakotans are supportive of investing in the research and development of emerging technologies and that North Dakotans are supportive of giving more decision-making independence to our research universities to meet the needs of the private sector:

- A vast majority of voters have an overall positive opinion of NDSU and UND. A majority of voters agree that NDSU and UND can attract new business to the state, create new job opportunities and aid in the retention of college graduates through creation of desirable jobs and careers.
- A sizable majority of voters agree the state of North Dakota should invest research dollars in new industries; and that NDSU and UND can aid in the diversification of the economy through research of emerging technologies.
- Of those with an opinion, a sizable majority of voters agreed that NDSU and UND should have authority to allocate resources based on institutional priorities.



The Valley Prosperity Partnership (VPP) is focused on developing a unified, shared vision for high value and sustained economic growth for all Red River Valley residents. Private sector industry and higher education leaders, joined by economic development partners, formed the Valley Prosperity Partnership to identify common strategic economic development opportunities for the Red River Valley region of North Dakota and Minnesota. The VPP's six priorities are:

1. Attract, develop and retain **talent**
2. Ensure **water** security and management
3. Expand **research** capacity and relevancy
4. Accelerate **entrepreneurial** activity and output
5. Invest in critical **infrastructure** development and capital improvement
6. Define and improve the internal and external **perception** of the Valley

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Co-Chairperson, Valley Prosperity Partnership

Steve Burian, CEO
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