1. **Issue:** NDSU seeks fund-raising authorization in the amount of $28 Million to construct an addition to Sudro Hall. NDSU currently has unsolicited commitments of $20 Million which would be accepted if the SBHE so authorizes the fund raising. The additional $8 Million would be raised as design and construction proceeded, with work components added to the project as donated funds become sufficient to do so.

2. **Proposed motion:** Authorize NDSU to proceed with a fundraising campaign through the NDSU Foundation and Alumni Association for $28 million for the construction of an addition and partial renovation of Sudro Hall and to purchase equipment. Further request approval to seek legislative approval as an amendment to SB2003 to include construction authorization for this project not to exceed $28 million.

3. **Background:** Sudro Hall is currently overcrowded, requiring caps on enrollment for nursing programs and the leasing of off-campus space for specific program needs. The addition has been the No. 2 master plan priority for NDSU (Dunbar Hall is No. 1) as result of those needs. Lacking general fund appropriations, the need has prompted unsolicited gifts of $20 Million to initiate the renovation and begin a process that mitigates the space limitations.

4. **Financial implications:** The project will be fully funded through donations. In order to expedite construction, NDSU wishes to proceed with the initial $20 Million, soliciting bids for that amount with “add alternates” for the remaining $8 Million which can be added by change order as funds become available to accept the alternate packages.

5. **Academic implications:** The project will have an enormous impact on alleviating current market demand for health care professionals, as well as providing a significant improvement to program delivery quality by restoring the currently dispersed programs to one location in Sudro Hall.

6. **Legal/policy issues:** The request requires legislative approval, which can only be retained in a practical, fully supported method by including the request in the current SBHE appropriation bill.

7. **Review Process:** Reviewed by Tonder
8. **Enclosures:** Agenda item, letter of commitment.

9. **Contact person:**

10. **Chancellor’s Recommendation:** The Chancellor recommends approval.