North Dakota’s Centers of Excellence and Centers of Research Excellence partner our state’s research universities with private sector companies to generate jobs and new business opportunities.

The Centers program was designed to harness the intellectual resources, high-tech equipment and training capabilities of our colleges and universities to solve “real world” problems in partnership with the private sector. Centers of Excellence and Centers of Research Excellence partnerships have leveraged nearly $240 million of matching funds for the state’s investment of $74.9 million.

Overall, the Centers program has had an economic impact of $885.2 million since its creation in 2005. As of June 30, 2016, the Centers program has produced $14.17 in economic impact for every $1 of state funds invested according to a 2017 economic impact analysis.

The Centers program and its partners generate results, having created over 53 direct jobs this year with an estimated payroll of $3.98 million. Salaries and benefits for these jobs averaged approximately $74,109 per job.

North Dakota’s investment in research is showing positive results and we should continue to pursue research in our state’s targeted industries. The Centers of Excellence and Centers of Research Excellence are key factors in helping private sector businesses discover and develop new technologies that will continue to drive North Dakota’s economic success.

The Centers of Excellence & Research Excellence are hubs of research and development on the campuses of North Dakota’s colleges and universities, partnering with private companies to commercialize new products and services. The Centers explore research in the fields of energy, agriculture, life sciences, aerospace, manufacturing and electronics.

ECONOMIC IMPACT

The Centers of Excellence program has had $885.2 million in estimated total economic impact to North Dakota’s economy. This includes a direct impact of $318.7 million generated by the Centers, grant recipients and their partners.

Funds Invested to Date

Since the first Centers of Excellence were approved by the State Legislature in 2003, a total of $74.9 million in state funds have been awarded to 28 Centers of Excellence & Research Excellence and an additional 18 research, infrastructure and economic development projects. Of these funds, $62.4 million has been spent and $3.9 million remains to be spent by the Centers and grant recipients as of June 30, 2017.
PROJECT SUMMARY

MATCHING FUNDS

As of June 30, 2017, the Centers and grant recipients have obtained almost $240 million in matching and leveraged funds. When comparing matching and leveraged funds received across all programs to award funds spent, a ratio of 3.83:1 is realized.

Centers of Excellence and Centers of Research Excellence require a $2 of matching funds for every $1 invested by the state. These two programs have realized a ratio of 3.62:1. Base realignment, enhancement and limited deployment cooperative airspace project funds do not require matching or leveraged funds but have realized a ratio of 1.88:1.

JOBS IMPACTED

Centers report job creation information annually. Only jobs existing as of June 30, 2017, with written verification of creation due to Center activities are included in this report. As of June 30, 2017, the Centers and their private sector partners have created or contributed to the creation of over 59 jobs with an estimated payroll and benefits of nearly $5.8 million. These numbers do not include jobs that were reported by Centers that are no longer required to report to the Centers of Excellence Commission. Centers that have ended post award monitoring reported a total of 856 jobs in their final reports.

GRADUATING CENTER

UAS Center of Excellence was launched at the University of North Dakota in May of 2006. The focus areas of this center were education and training development for the integration of UASs into the civilian aviation industry, human factors flight performance research for UAS pilots and UAS ground station cockpit environments and research and development on UAS payload sensors for civilian and environmental scientific applications. This research with the private industry was at the forefront of the movement that took UAS from being a military resource to something that is in private industry. The center was the catalyst for what has become one of North Dakota’s key industries.

The work of this center brought additional research funding to the North Dakota, launched the first undergraduate program in UAS at UND, secured one of six UAS Test Sites in the United States (Northern Plains UAS Test Site), assisted in small business creation, attracted major industry players to the state, and made North Dakota one of the leaders in UAS industry.

GRADUATING CENTER

Dakota Center for Technology Optimized Agriculture was launched at Lake Region State College in February 2006. It is now known as Dakota Precision Ag Center (DPAC). DPAC is now a premier provider of precision agriculture training to producers and students interested in pursuing careers in precision agriculture. The center developed both workforce training and an Associate in Applied Sciences Degree program available through the college. DPAC is completely self-sustaining and receives support from partners throughout the region. Graduates of the program are the precision ag expert on their family farms, employed by regional agricultural service providers, or both.

The Centers of Excellence Commission, with assistance from the North Dakota Department of Commerce, oversees the post-award monitoring of all Centers and grant recipients. The process includes quarterly updates, site visits, third-party audits and an in-depth annual review of each award. All grant recipients are required to complete at least six years of post-award monitoring. One objective of the post-award monitoring activities is to measure the progress of an award against the results proposed in its respective application for funding. Another objective of the post-award monitoring activities is to ensure grant recipients are spending award funds in compliance within the scope of their project and in accordance with program requirements. Centers and grant recipients that demonstrate progress and compliance with program requirements are funded in stages according to their respective Centers of Excellence Commission-approved budget.

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The Centers of Excellence program is a key component of North Dakota’s technology-based economic development strategy. It has generated significant economic benefits by leveraging the research and intellectual capabilities of the state’s universities and colleges with the resources of private sector companies.

Total economic impact: $885.2 million

$3.83 raised for every $1 of awarded funds spent

17 businesses created or expanded
68 private sector partners