



UND SMHS Budget

December 2, 2024

Marjorie R. Jenkins, MD, MEHP, FACP
Vice President for Health Affairs, University of North Dakota
Dean, UND School of Medicine and Health Sciences





After 16 years, Dr. Joshua Wynne steps down from leadership positions as Vice President and Dean for the University of North Dakota and its School of Medicine and Health Sciences.

Dr. Marjorie Jenkins selected after a national search, begins December 1, 2024.



Budget Context

UND School of Medicine and Health Sciences



- North Dakota University System has 12 academic unit line items in the legislative budget
- The UND SMHS General Fund budget has two major components:
 - The NDUS formula funding component that is based on student credit hour production.
 - A unique one that supports much (but not all) of the Healthcare Workforce Initiative, especially its residency expansion provision.

UND SMHS Budget Request

in support of

General fund budget based on NDUS funding formula.

Continuation of equity pay and benefit increases from the previous biennium.

Annual merit pay increase for each year of the biennium.

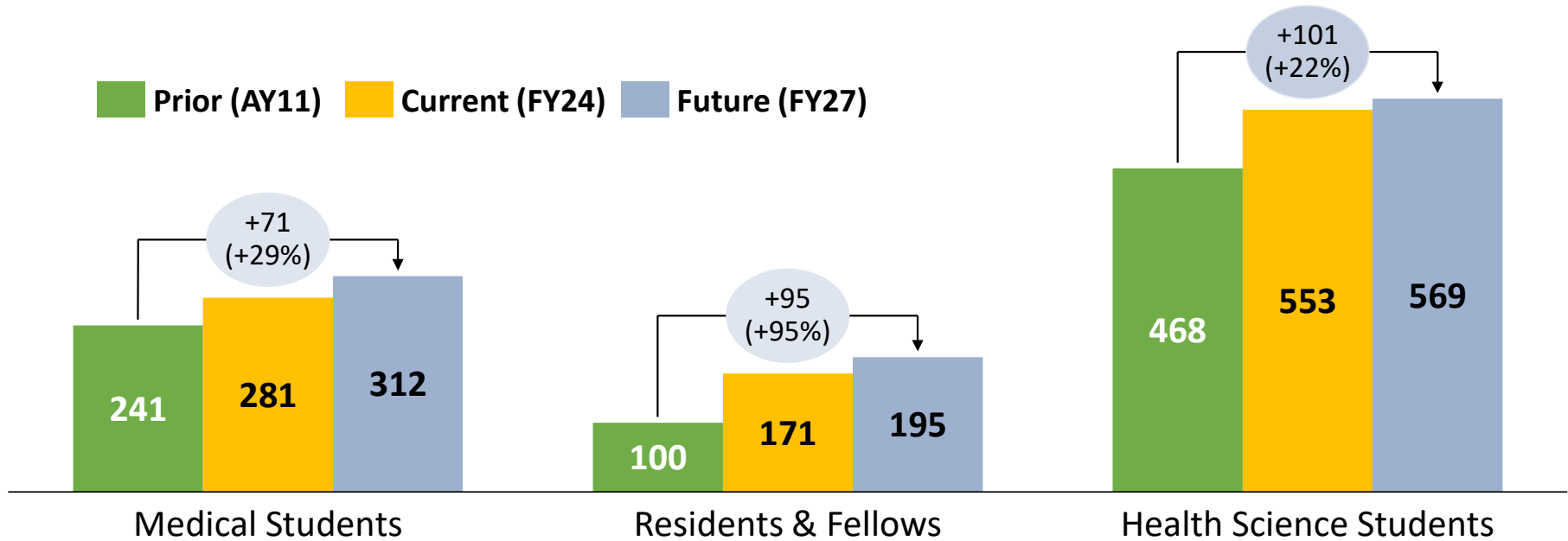
NDUS system-wide additional requests, including nursing education consortium, inflation factor, and workforce initiatives.

UND SMHS Budget: Healthcare Workforce Initiative

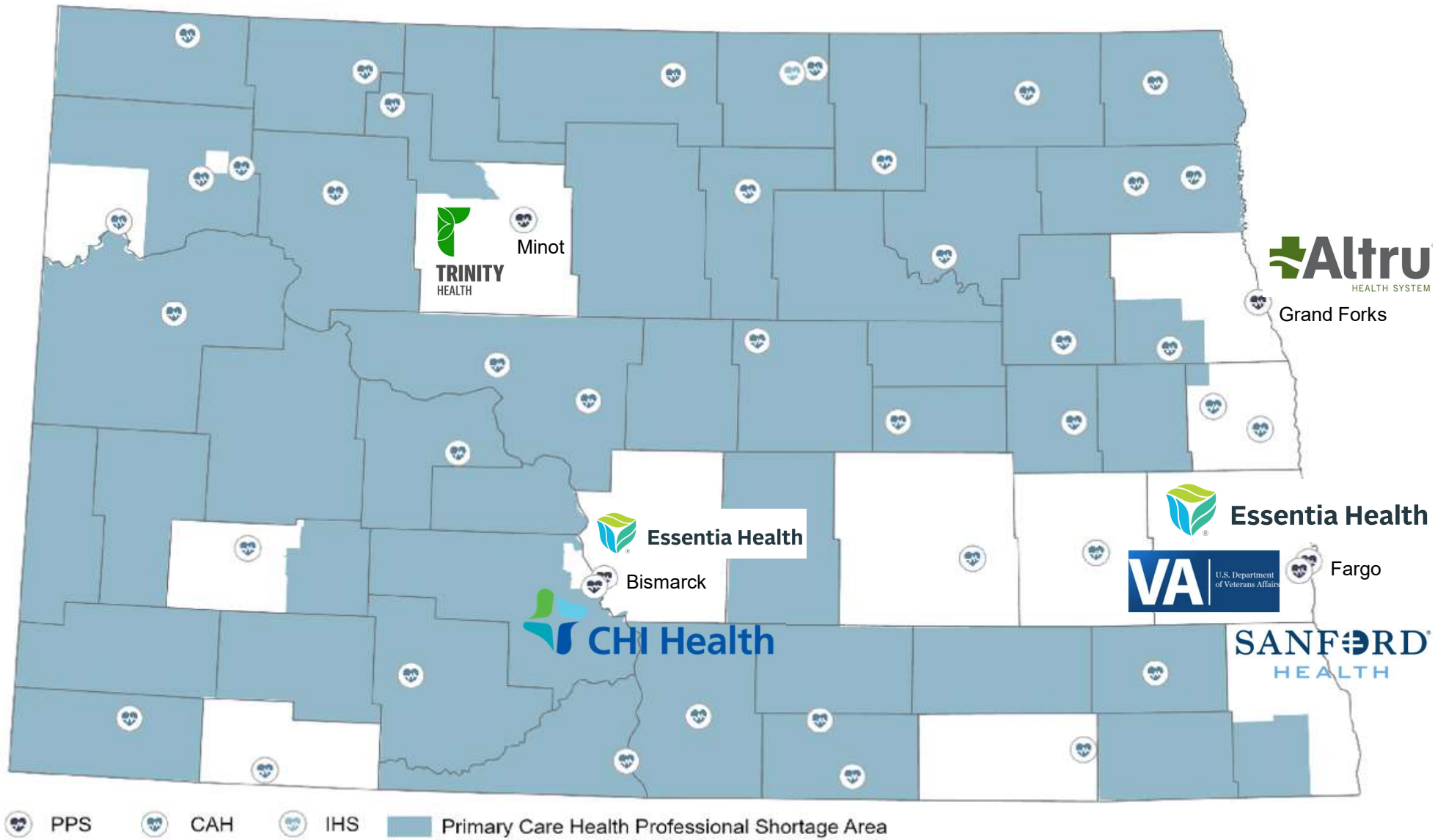
UND SMHS supports continued funding (\$10,676,150 per biennium) for Healthcare Workforce Initiative (HWI) that started in the 2011-13 Biennium.

- Reduce disease burden: Focus on population health (MPH, PhD)
- Train more healthcare providers: Increased class size & residency programs
- Retain more healthcare provider graduates for North Dakota: RuralMed Program
- Improve the efficiency of the healthcare delivery system: Interprofessional Healthcare, “Virtual Care” approach

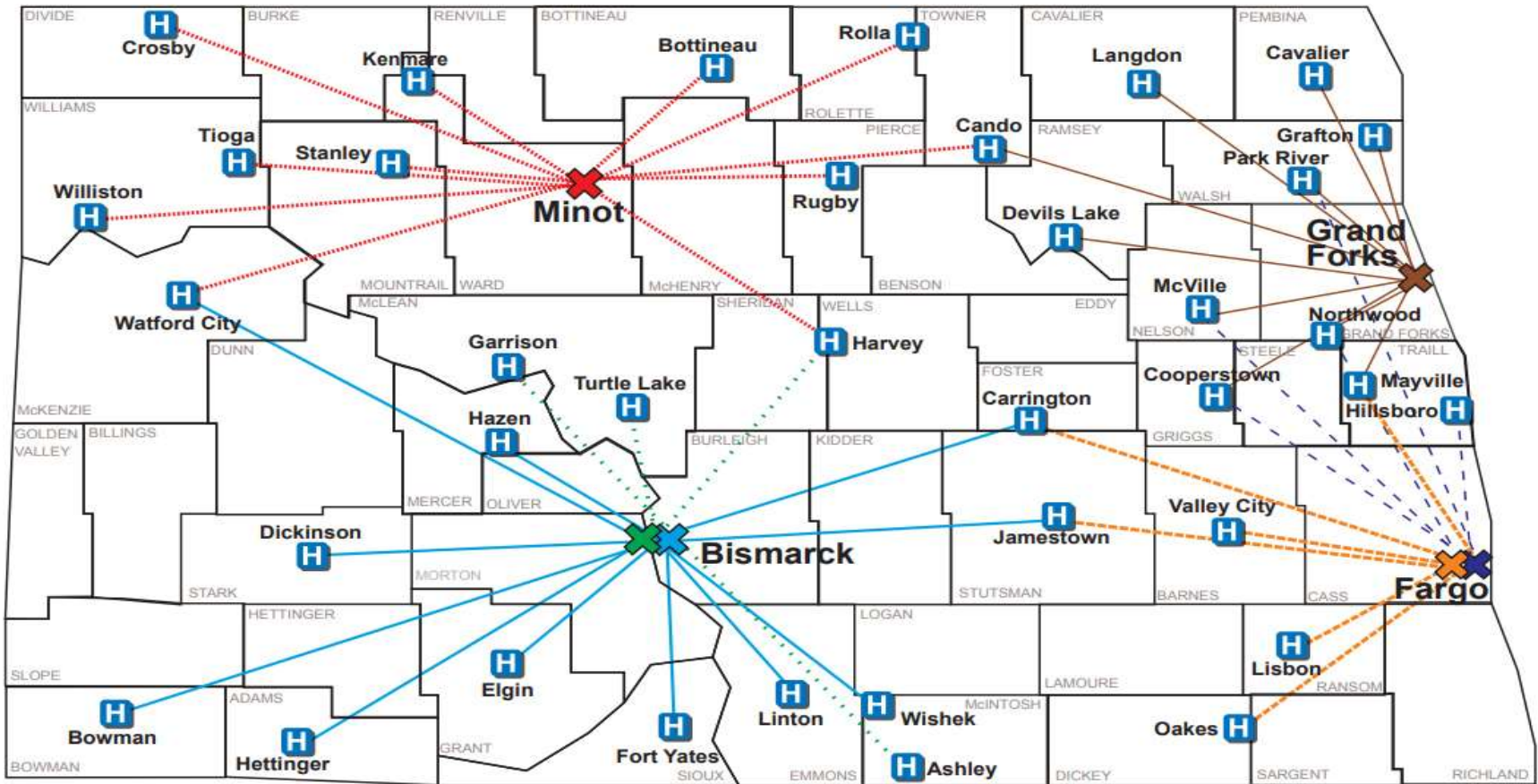
Growth in Student/Trainee Programs



- Prior and Current student numbers (MD, HS) are based on actual enrollment in the fall semester of each academic year, retrieved from the UND Enrollment Dashboard on 1/16/2024.
- Projected numbers assume full enrollment for MD and all residency programs, and a 3% growth for Health Sciences in FY24-FY27.
- Health Science Student numbers only include degree-seeking students in Athletic Training, Medical Lab Sciences, Occupational Therapy, Physical Therapy, Physician Assistant Studies, and Master of Public Health programs.



North Dakota Critical Access Hospitals & Referral Centers



05/22



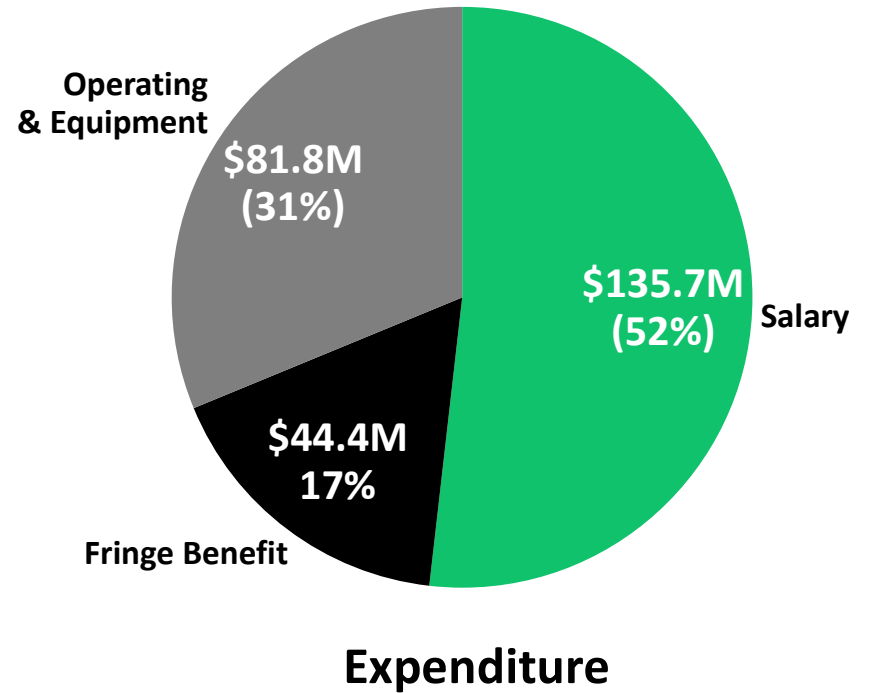
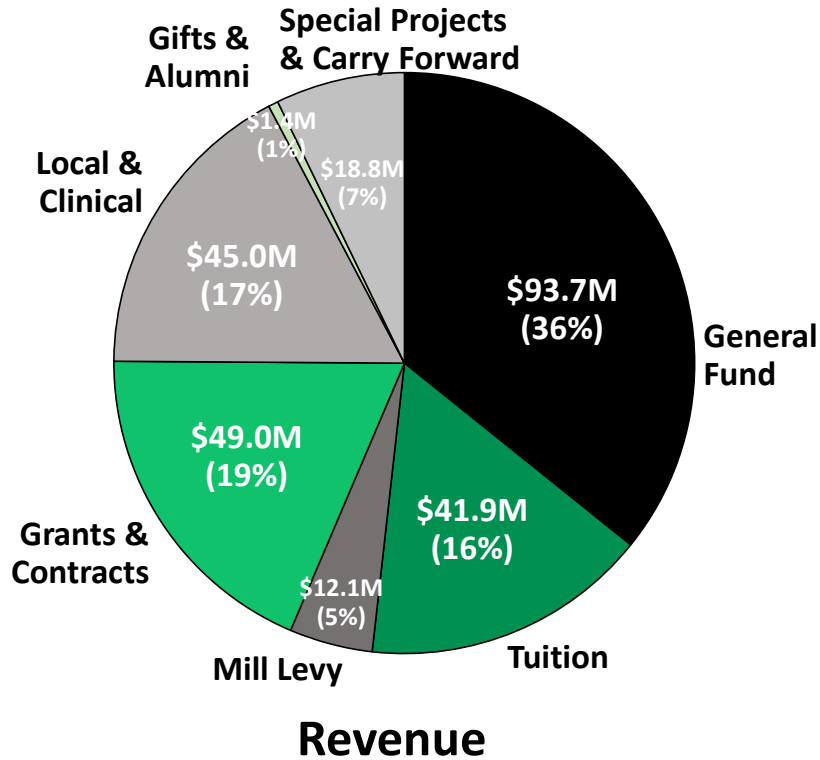
Referral Centers

Trinity Hospital	Altru Health System	—————
CHI St. Alexius	Sanford Health Fargo	- - - - -
Sanford Health Bismarck & CHI St. Alexius	—————	Sanford Health Fargo & Essentia Health Fargo	- - - - -

Critical Access Hospitals **H**

2025-27 Biennium Budget

Total Revenue & Expenditure \$261,962,687



\$1 of Legislative Appropriations results in \$1.5 of SMHS Revenue Generated

Health Professions Collaborative Facilities Project: Challenges and Solutions

Fragmented Programs

Strategic Consolidation:

Shared educational spaces across health professions programs
More efficient space utilization and
Address healthcare workforce shortages in the state, especially in nursing profession.

Inefficient Infrastructure

Renovation and Modernization:

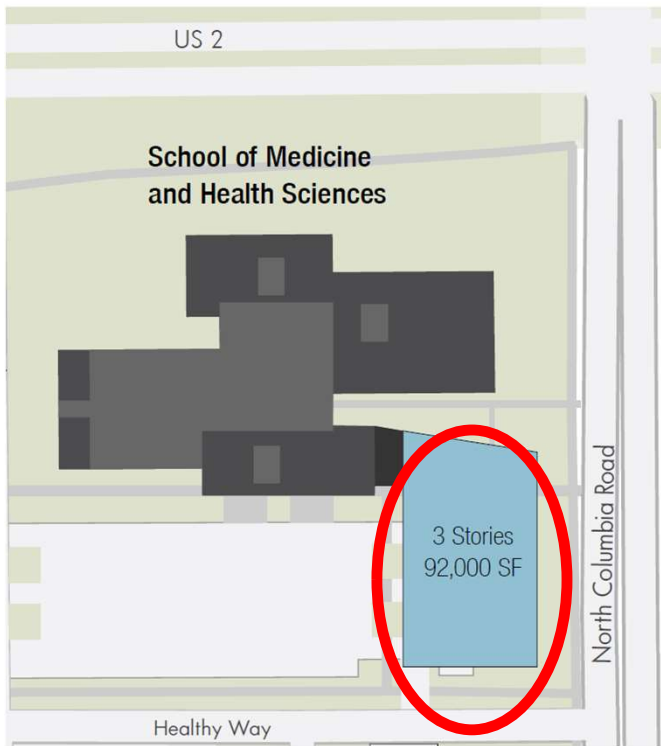
Replace currently outdated and expensive-to-maintain educational and research facilities.
Cost savings through eliminating deferred maintenance

Limited Growth Potential

Targeted Expansion:

Support innovative multi-disciplinary research and educational program growth and team-based learning.

Health Professions Expansion SMHS Addition



UND SMHS *Advisory Council Recommendations

The Council is **strongly supportive** of the proposed **Health Professions Facility Masterplan** (especially for the Health Professions Addition) and urged its expeditious implementation as reflected by a **10-1 vote**. The Council identified three main reasons for its strong support:



Provides needed wet laboratory space to accommodate the epigenetics group that currently is occupying space in *soon-to-be demolished* Columbia Hall as well as provide further growth

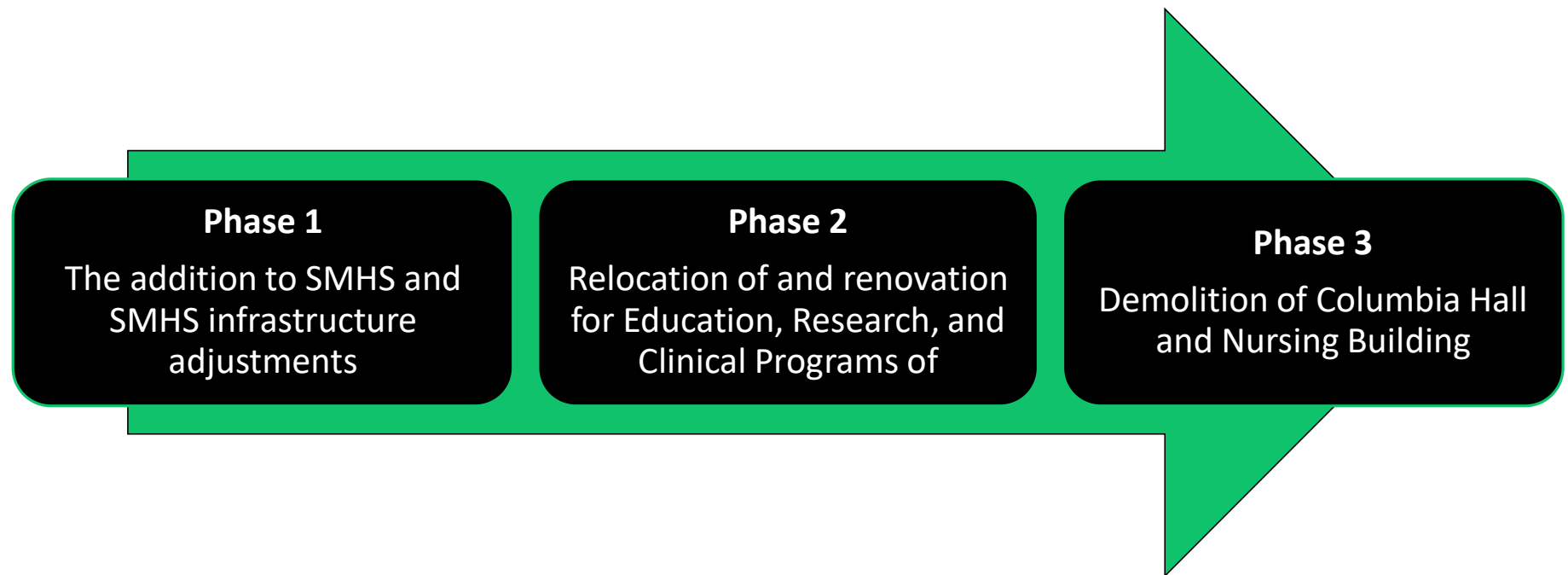


Allow the nursing program to expand class size to help meet the nursing shortage in the state as well as to facilitate the development of even more research and training between the CNPD and SMHS



Reduce the facility square footage on campus and significantly reduce future deferred maintenance costs.

Health Professions Collaborative Facilities Project: *Proposed Phases*



Health Professions Collaborative Facilities Project

Offset square footage lost by the demolition of two buildings and avoids deferred maintenance costs

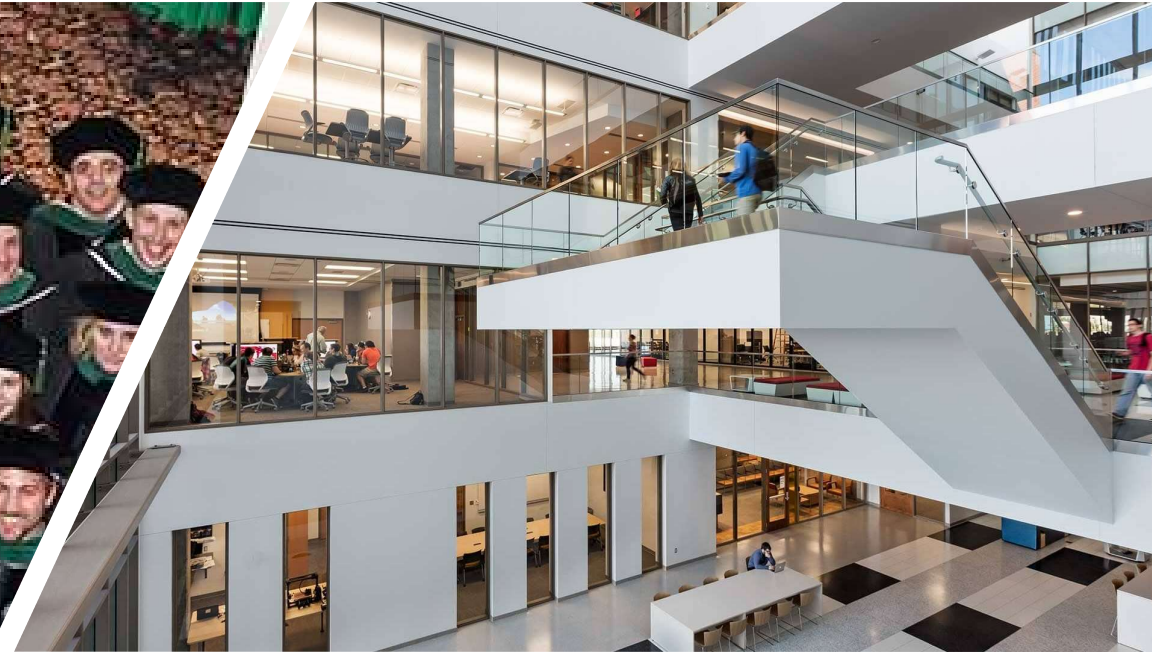
Project	Gross Square Footage Change	Eliminated Costs of Capital Renewal	Estimated Project Costs	Percentage of Project Costs
New Addition to SMHS	92,650	0	\$80,997,000	67.9%
SMHS Infrastructure Adjustments*	0	(\$6,665,647)	\$17,757,000	14.9%
Relocation/Renovation Education, Research, & Clinical Programs	0	(\$4,996,764)	\$9,965,000	8.4%
Demo Columbia Hall	(280,202)	(\$48,104,285)	\$8,989,000	7.5%
Demo Nursing Building	(61,796)	(\$12,544,493)	\$1,500,000	1.3%
	(249,348)	(\$72,311,189)	**\$119,208,000	100%

*Renovations to current steam line, chiller separation, etc due to demolition of Columbia Hall

** \$35.8M (30%) will be covered by UND and SMHS through philanthropy.



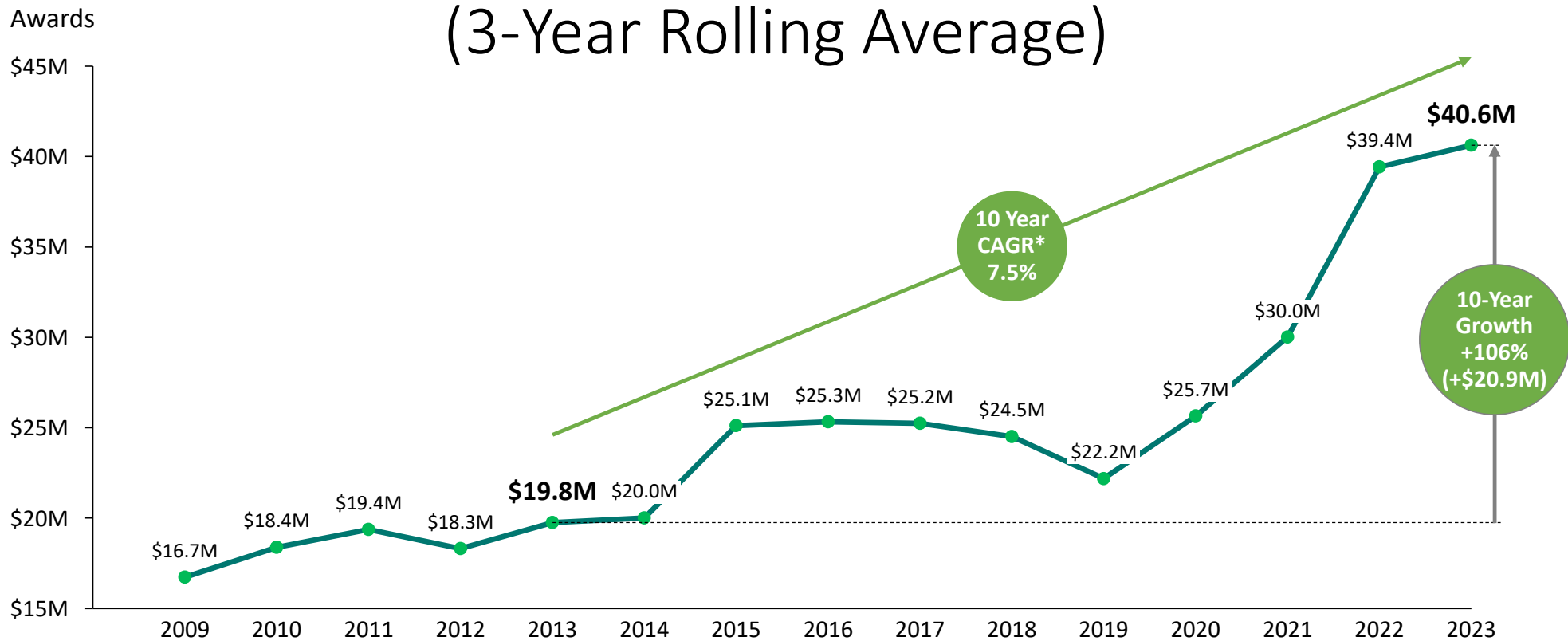
Data Source: Facility Condition Assessment Report by ISES. Estimated project costs are based on 2026 construction costs.



Appendix

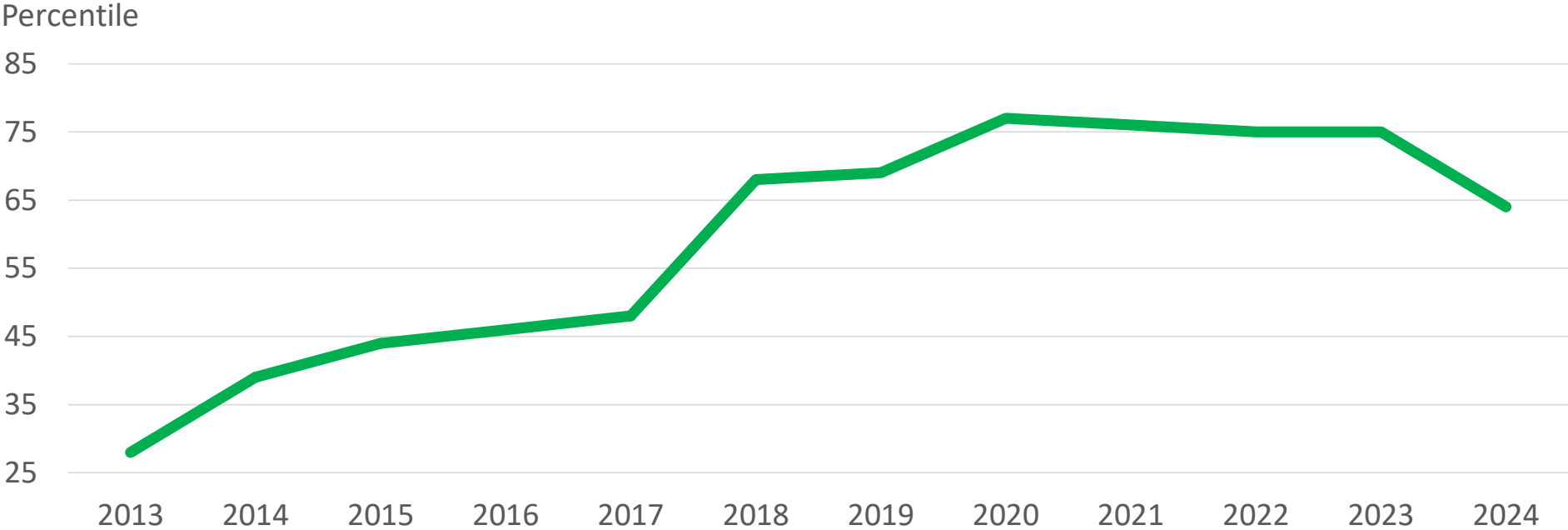
reference slides as needed

UND SMHS Sponsored Funding (3-Year Rolling Average)



* CAGR: Compound Annual Growth Rate

Retention of UND SMHS Medical Student Graduates for Practice In-State



Source: Missions Management Tool 2013 – 2024, Association of American Medical Colleges

Health Professions Collaborative Facilities Project: Budget Breakdown

UND CONSOLIDATED HEALTH PROFESSION ADDITION PROJECT	Total Amount All Projects	New Addition & Minor Remodeling of SMHS	Necessary Renovations for Health Profession Programs	STAR Sim Cntr. Remodeled for Simulated Hospital	Northern Plains Cntr. Reconfig. for Psych. & Counseling	Demolition of Columbia Hall & Nursing Building	Campus Steam Extension to SMHS	MEP Decoupling of Research Annex from Columbia Hall
Construction Costs								
General	\$37,385,000	\$33,023,000	\$2,728,000	\$624,000	\$705,000	\$0	\$0	\$305,000
Mechanical	\$17,852,000	\$11,405,000	\$1,563,000	\$443,000	\$316,000	\$0	\$2,400,000	\$1,725,000
Electrical	\$10,103,000	\$7,698,000	\$767,000	\$187,000	\$158,000	\$130,000	\$500,000	\$663,000
Site Work & Landscaping	\$8,194,000	\$1,306,000	\$91,000	\$118,000	\$0	\$1,289,000	\$5,350,000	\$40,000
Demolition	\$4,609,000	\$0	\$0	\$0	\$0	\$4,609,000	\$0	\$0
IT	\$3,269,000	\$2,776,000	\$151,000	\$151,000	\$191,000	\$0	\$0	\$0
Abatement	\$1,624,000	\$0	\$0	\$0	\$0	\$1,624,000	\$0	\$0
Other	\$152,000	\$0	\$0	\$152,000	\$0	\$0	\$0	\$0
Sub-Total	\$83,188,000	\$56,208,000	\$5,300,000	\$1,675,000	\$1,370,000	\$7,652,000	\$8,250,000	\$2,733,000
Contingency (15%)	\$12,479,000	\$8,431,000	\$795,000	\$251,000	\$206,000	\$1,148,000	\$1,238,000	\$410,000
Escalation for '26/'27 Construction	\$14,309,000	\$9,668,000	\$912,000	\$288,000	\$236,000	\$1,316,000	\$1,419,000	\$470,000
Total Construction	\$95,667,000	\$64,639,000	\$6,095,000	\$1,926,000	\$1,576,000	\$8,800,000	\$9,488,000	\$3,143,000
Soft Costs								
Design Fees	\$11,480,000	\$7,757,000	\$731,000	\$231,000	\$189,000	\$1,056,000	\$1,139,000	\$377,000
Owner Costs	\$6,899,000	\$4,688,000	\$458,000	\$157,000	\$119,000	\$606,000	\$654,000	\$217,000
Permits	\$290,000	\$194,000	\$19,000	\$6,000	\$5,000	\$27,000	\$29,000	\$10,000
Advertising	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Soft Costs	\$18,669,000	\$12,639,000	\$1,208,000	\$394,000	\$313,000	\$1,689,000	\$1,822,000	\$604,000
FF&E - Property Costs								
FF&E	\$3,772,000	\$2,819,000	\$459,000	\$330,000	\$164,000	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Signage/Branding/Donor Recog.	\$1,100,000	\$900,000	\$150,000	\$50,000	\$0	\$0	\$0	\$0
Total FF&E/Other	\$4,872,000	\$3,719,000	\$609,000	\$380,000	\$164,000	\$0	\$0	\$0
PROJECT TOTALS	\$119,208,000	\$80,997,000	\$7,912,000	\$2,700,000	\$2,053,000	\$10,489,000	\$11,310,000	\$3,747,000