

Appendix A

List of Recommendations

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| Recommendation 1-1 | We recommend the State Board of Higher Education take appropriate action to address differences relating to capital projects to ensure there is a unified system of higher education. |
| Recommendation 1-2 | We recommend the State Board of Higher Education establish an effective, system-wide monitoring function to ensure institutions are complying with policies and state law. The monitoring function should report directly to the Budget, Audit, and Finance Committee of the Board. |
| Recommendation 1-3 | We recommend the State Board of Higher Education update the North Dakota University System Architect/Engineer Manual and at a minimum: <ol style="list-style-type: none"> Provide sufficient detail to ensure consistency from institution to institution; Identify definitions for key terms; and Establish a periodic review process to ensure the manual is up-to-date. |
| Recommendation 1-4 | We recommend the State Board of Higher Education establish a periodic review process of policies and ensure policies related to projects are clear, concise, and up-to-date. At a minimum, changes should be made to: <ol style="list-style-type: none"> Include a policy to ensure institutions do not split projects to circumvent provisions of other policies; Require institution staff and material costs directly related to the project be included in the cost of the project; and Include language related to gifts in-kind. |
| Recommendation 1-5 | We recommend the State Board of Higher Education establish policies for capital leases and other similar financing/purchasing agreements entered into by institutions. At a minimum, the policies should include requirements for Board approval. |
| Recommendation 1-6 | We recommend the State Board of Higher Education make changes to the process for authorizing/approving project requests to ensure the Board's involvement is adding value to the process. The Board should ensure adequate architectural/engineering reviews of project requests are performed by obtaining the necessary expertise, through the use of outside or internal resources. |
| Recommendation 1-7 | We recommend the North Dakota University System Office review the use of asbestos settlement funds at the University of North Dakota and determine whether the Chancellor's directive on the use of such funds has been complied with. |
| Recommendation 2-1 | We recommend North Dakota State University obtain proper approval to proceed with improvement projects. |

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| Recommendation 2-2 | We recommend North Dakota State University ensure appropriate authorization is received from the State Board of Higher Education and, if applicable, the legislature for projects which have been significantly changed or expanded or when authorized amounts are exceeded. |
| Recommendation 2-3 | We recommend North Dakota State University clearly present to the State Board of Higher Education plans to leave any portion of an approved building project unfinished or to postpone completion of any work on an approved building or other improvement project. |
| Recommendation 2-4 | We recommend North Dakota State University ensure all project costs and project related information is fully and accurately reported. |
| Recommendation 2-5 | We recommend North Dakota State University request authorization to increase spending authority for the Old Main projects previously presented to the State Board of Higher Education. In the information included in the request, the institution should give a full, complete, and accurate description of the projects and processes followed. |
| Recommendation 2-6 | We recommend North Dakota State University make improvements in budgeting and planning. The university should ensure adequate funds exist prior to incurring expenditures and agreements for financing are entered into prior to purchases being made. |
| Recommendation 3-1 | We recommend the University of North Dakota obtain proper approval to proceed with improvement projects. |
| Recommendation 3-2 | We recommend the University of North Dakota ensure appropriate authorization is received from the State Board of Higher Education and, if applicable, the legislature for projects which have been significantly changed or expanded or when authorized amounts are exceeded. |
| Recommendation 3-3 | We recommend the University of North Dakota ensure all project cost information is fully and accurately reported. |
| Recommendation 3-4 | We recommend the University of North Dakota comply with North Dakota Century Code Section 15-10-12.3 and ensure local matching funds required for state-funded projects are funds raised and designated for the project or obtain proper approval to transfer institution or agency funds. |
| Recommendation 4-1 | We recommend Dickinson State University ensure appropriate authorization is received from the State Board of Higher Education for projects which have been significantly changed or expanded. |