

MINUTES
MEETING OF THE BOARD OF TRUSTEES
APPALACHIAN STATE UNIVERSITY

Friday, December 8, 2017
Parkway Ballroom
Plemmons Student Union

CALL TO ORDER: The Board of Trustees of Appalachian State University met in open session at the call of the Chair and the Chancellor on Friday, December 8, 2017, at 9:00 a.m. in the Parkway Ballroom of the Plemmons Student Union on the campus of Appalachian State University in Boone, North Carolina. Mr. James M. Barnes, Chair, presided and called the meeting to order.

MEMBERS PRESENT:

James M. Barnes
M. Lee Barnes, Jr.
John M. Blackburn
Susan M. Branch
Anderson B. Clayton
Robert C. Hatley
Scott K. Lampe
Charles V. Murray
E. Bonnie Schaefer
D. Kenan Smith
Carole P. Wilson

MEMBER ABSENT:

Donald C. Beaver

CONSTITUENCY REPRESENTATIVES

PRESENT (ex-officio):

Carole M. Greene, Chair
Staff Senate
Barbara B. Howard, Chair
Faculty Senate
Wayne Miller, President
Alumni Council

MEDIA PRESENT:

Jeff Cloninger
University Communications
Anna Oakes
Watauga Democrat
David Rogers
Blowing Rock News

CONFLICT OF INTEREST NOTICE: Chair Barnes read the following statement:

“Under the State Government Ethics Act, all voting members of the Board of Trustees have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for today's meeting, does anyone know that you have a conflict of interest or an interest that would give rise to the appearance of a conflict of interest? If so, please let me know now.” [None reported]

RECOGNITION OF VISITORS: Chair Barnes welcomed Governor Phillip Byers, UNC Board of Governors, Mr. Jeff Cloninger, University Communications, Ms. Anna Oakes, *Watauga Democrat* and David Rogers, *Blowing Rock News*.

APPROVAL OF ABSENCE: Chair Barnes stated that Trustee Beaver was absent due to personal reasons. Upon motion duly made and seconded, the absence was approved as presented.

APPROVAL OF MINUTES: The minutes of the September 22, 2017 meeting had been delivered to all members via email. Upon motion duly made and seconded, the minutes of the meeting were approved as presented.

REMARKS FROM CHANCELLOR EVERTS: (See Attachment 1).

REPORT FROM BUSINESS AFFAIRS COMMITTEE: Chair Barnes recognized Trustee Scott K. Lampe, Chair of the Business Affairs Committee, for the report. Trustee Lampe reported the following:

Proposed 2018-2019 Student Tuition and Fees

Trustee Lampe stated that Vice Chancellor Paul Forte gave an overview of the Tuition and Fee increase requests for 2019. These were no tuition increases this year, keeping in line with UNC Board of Governors guidelines.

Operating fees also remained constant. Debt fees were re-configured for the proposed renovation of Sanford Hall offset by reductions in other debt fees as the result of refinancing and institutional growth.

The total fee increase (Debt and Operating) was \$55 or 1.89%.

Trustee Lampe, on behalf of the Business Affairs Committee, recommended approval of the proposed 2018-2019 Student Tuition and Fees. The Committee's recommendation was approved as presented.

Approval of Sanford Hall Renovation

The next action item by the Committee was to approve the Sanford Hall project renovation. Last year the University requested targeted renovation funds for Sanford Hall. Unfortunately funding was not provided for this project. The planned renovation is supported by the \$55 debt fee

increase. The Committee approved a motion endorsing renovations and improvements to Sanford Hall, requesting the General Assembly to approve the project, and approving issuance of special obligation bonds in an amount not to exceed \$18 million.

Trustee Lampe, on behalf of the Business Affairs Committee, recommended approval of the Sanford Hall Renovation. The Committee's recommendation was approved unanimously.

End Zone Project

Vice Chancellor Paul Forte gave an overview of the End Zone project. This project will include athletic training and teaching spaces, locker and meeting rooms, offices, a medical clinic, premium seating, and event/banquet spaces. The project will be paid for with donations, club seat revenues as well as rental revenues. Total square footage is approximately 90,000 with an estimated cost of \$38.2 million. The Committee approved a motion endorsing construction and equipping of a new end zone complex at Kidd Brewer Stadium, and approving issuance of revenue bonds in an amount not to exceed \$29 million.

Trustee Lampe, on behalf of the Business Affairs Committee, recommended approval of the End Zone Project. The Committee's recommendation was approved unanimously.

Disposition of Property - East Side Ticket Booth

As a first step in completing the End Zone project, the University is required to remove the Owens Field House and Ticket Booth. Permission to demolish Owens Field House was obtained previously (2009), however the University needs to obtain permission to demolish the Ticket Office. The Committee approved the demolition of the East Side Ticket Booth at Kidd Brewer Stadium as proposed, and authorized submission of a request for that purpose to the Board of Governors and State Property Office.

Trustee Lampe, on behalf of the Business Affairs Committee, recommended approval of the Disposition of Property - East Side Ticket Booth.

The Committee's recommendation was approved unanimously.

Board of Governors Submitted Projects

Vice Chancellor Paul Forte gave an overview of Capital Projects to be submitted for approval at the December Board of Governors meeting. These projects included: roof replacements on the Student Union and Doughton Hall as well as a dehumidification project at Appalachian Heights. The Committee approved the recommended projects.

Trustee Lampe, on behalf of the Business Affairs Committee, recommended approval of the Board of Governors Submitted Projects.

The Committee's recommendation was approved unanimously.

Update on Student Housing Proposals

Vice Chancellor Paul Forte and Vice Chancellor of Student Affairs J.J. Brown provided an update of the student housing project status. An RFQ was issued in September and seven firms submitted qualifications. A committee including administration, faculty and students evaluated the proposals and shortlisted four firms who were invited to submit proposals to an RFP issued last week. Those firms shortlisted are American Campus Communities, Rise, EdR and Capstone Development.

Trustee Lampe indicated that this concluded the report from the Business Affairs Committee (see Appendix D).

Trustee Lampe was excused from the meeting following his report.

REPORT FROM ACADEMIC AFFAIRS COMMITTEE: Chair Barnes recognized Trustee Susan M. Branch, Chair of the Academic Affairs Committee, for this report.

Trustee Branch stated that the Academic Affairs Committee met on Thursday afternoon, and heard the following reports:

Beaver College of Health Sciences (BCHS) College Update

Marie Huff, Dean, Beaver College of Health Sciences, and two students (Sarah Martin, M.S. Nursing & Nick Stevens, B.S. Exercise Science) provided an update on the BCHS. The update consisted of goals and vision; enrollment; curriculum updates; future growth; Blue Cross and Blue Shield of NC Institute for Health and Human Services; new Building update; Student Scholarships; and Endowed Professorships.

Distance Education Task Force

Dr. Terry Rawls and Dr. Barbara Howard reported on the Distance Education Task Force. Last February, the Provost empaneled the Distance Education Task Force. This group of faculty, administrators, and staff were charged with investigating the potential for growth in Distance Ed enrollments at the University. Their report is complete and it suggests that growth is possible, and we have some work to do.

Self-Designed Leadership and Community Engagement Major

Neva Specht, Dean, College of Arts and Sciences, reported on a self-designed leadership and community engagement major. The goal was to create a major that provided an academically sound program for students who transfer to Appalachian with a variety of backgrounds, and an interest in leadership and community engagement. The major should allow for timely graduation.

2016-17 Assessment Grant Summary

Heather Langdon and Tina Hogan of the Office of Institutional Research, Assessment, and Planning (IRAP) gave an update regarding the 2017 assessment grants. As a result of the University Institutional Effectiveness cycle, IRAP went through a comprehensive review in 2016. At that time external reviewers recommended that IRAP receive supplemental funding in order to broaden and improve campus institutional effectiveness efforts, especially since assessment of all units is a requirement among the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) standards. In 2016-17, IRAP was awarded over \$30,000 in supplemental funding to redistribute to areas across campus as “Assessment Grants.” Twenty-one grants were awarded, ranging from \$500 to \$2,500. There was a handout for Trustees that describes each grant that was awarded, and you may see more information about these on the office’s website at: irap.appstate.edu – follow the link to Institutional Effectiveness.

Trustee Branch indicated that this concluded the report from the Academic Affairs Committee (see Appendix A).

REPORT FROM ATHLETICS COMMITTEE: Chair Barnes recognized Trustee Robert Hatley, Chair of the Athletics Committee, for the report. Trustee Hatley reported the following:

Report from Student-Athletes

Trustee Hatley stated that the Athletics Committee met on Thursday afternoon, and began with presentations given by student-athletes at Appalachian. Sophomore student-athlete, Sydney Farthing from Volleyball, and junior student-athlete, Felix Kollmannthaler from Men’s Soccer, gave the Committee insight into their transformational experiences as student-athletes at Appalachian. Sydney is a Boone native and is a Special Education major in the Reich College of Education, while Felix is from Frankfurt, Germany and is an Economics major in the Walker College of Business.

Presentation from Director of Athletics

Director of Athletics, Doug Gillin, then presented several athletics updates to the Committee. Mr. Gillin reviewed the recent competitive seasons of several fall sports, including the Men’s Cross Country team who won the 2017 Sun Belt Championship, hosted in Boone in late October. The Women’s Field Hockey team achieved a bid into the Mid-American Conference tournament, finishing in the top four in their first year as a conference member. The Appalachian Football team earned their second consecutive Sun Belt Conference title, including an invitation to the Dollar General Bowl on December 23. During Appalachian State Football’s 2017 home schedule, Kidd Brewer Stadium hosted crowds of over 30,000 spectators for multiple games, including over 11,000 Appalachian State students at the September home contest against Wake Forest University.

Academically, five Appalachian State student-athletes earned the “One A” Faculty Athletics Representative Association Award for graduating with a cumulative Grade Point Average of 3.80 or higher. The Department of Athletics also recently announced their partnership with the local

chapter of the Hunger and Health Coalition, to help fight hunger in the area. Athletics also announced a partnership with the Western Youth Network, as they will join the effort in having a positive impact on youth in the community. Facilities enhancement updates were then shared with the Committee, including:

- Plans to add locker rooms and other essential facilities for App State Women's Field Hockey;
- Renovations to the App State Women's Volleyball Locker Room; and
- Plans for the future facility in the Kidd Brewer Stadium North Endzone.

To conclude the presentation, Mr. Gillin provided an update on recent Athletics fundraising efforts. A Mountaineer Impact Initiative, which launched in January 2017, has accumulated over \$27 million, including a \$10 million gift by Appalachian State alum, Mark Ricks. The gift was officially announced at a ceremony held in the Holmes Convocation Center on November 9 and is the largest outright gift in Appalachian State University history.

Trustee Hatley indicated that this concluded the report from the Athletics Committee (see Appendix B).

REPORT FROM AUDIT COMMITTEE: Chair Barnes recognized Trustee Charles V. Murray, Chair of the Audit Committee, for the report. Trustee Murray reported the following:

Internal Audits

Financial Audits of New River Light and Power and Appalachian Real Estate Holdings, Inc. were completed. No findings were reported.

A review of the 2017 grant program S-BIRT was completed. S-BIRT is a student and community-member training program for *Screening, Brief Intervention, and Referral for Treatment* as administered by the Institute for Health and Human Services. This review tested compliance with grant terms and guidelines as well as compliance with University policies and procedures. No findings were reported.

A review of compliance with University policy and the internal controls in place for the Volleyball Camp Store was completed. A recommendation was made to follow University policy and procedures regarding the camp store's collection of receipts and inventory management.

A review was performed to evaluate the Communication Disorder Clinic's compliance with the Affordable Care Act Section 1557. It was found that the posting of language assistance notices and the filing of HHS Form 690 were necessary for full compliance. Management promptly brought these items into compliance.

Campus-Wide Reviews were conducted in the areas of educational and technology funds,

fixed assets, foundation expenditures, travel expenditures and fund reconciliations. In addition, monthly reviews were conducted regarding the removal of network access for terminated employees. Follow-up reviews were conducted regarding compliance with departmental bookkeeping and procurement card policies. Recommendations were made regarding following ASU Policy concerning compliance with fund requirements, departmental bookkeeping, fixed assets, travel, and procurement card expenditures. No other significant findings to report.

External Audits

An update was also provided on external audits currently in progress and external audits recently completed. Two Financial Audits: Appalachian Student Housing Corporation and Appalachian State University Foundation, Inc. were completed. Unqualified opinions were received on both. No findings to report.

An update was provided regarding the recent UNC Auditor Association conference co-hosted by Appalachian State University's Office of Internal Audits.

Trustee Murray indicated that this concluded the report from the Audit Committee (see Appendix C).

REPORT FROM STUDENT AFFAIRS COMMITTEE: Chair Barnes recognized Trustee Carole P. Wilson, Chair of the Student Affairs Committee, for the report. Trustee Wilson reported the following:

Student Health Services Report

Trustee Wilson stated that Dr. Bob Ellison, the Director of Student Health Services, and Mr. Matt Dull, Assistant Vice Chancellor, provided an overview of the current operations and services of Student Health Services. They have been working with Beacham Wray, a healthcare consultant retained by the UNC System, to perform a comprehensive review of the Student Health Services financial operations. Student Health Services will start filing insurance against the Student Health Insurance Plan, and will be expanding its hours to better serve students.

Trustee Wilson indicated that this concluded the report from the Student Affairs Committee (see Appendix E).

REMARKS FROM CHAIR BARNES:

Chair Barnes made the following comments/announcements/reminders:

- Thanked the Committees and their Chairs for their reports.
- Thanked Trustee Schaefer for hosting dinner at Rowland's at Westglow Resort and Spa.
- Thanked the Admissions team for the guided tour of their area.
- The next scheduled Board of Trustees meeting will be held on Thursday and Friday, March 15 & 16, 2018.

- Thanked the Trustees for all their efforts on behalf of Appalachian's students, faculty and staff.

CLOSED SESSION: Chair Barnes announced that he would entertain a motion that the Board convene in closed session. Chair Barnes asked that the voting Trustees, Chancellor Everts, Vice Chancellors, General Counsel, Director of Human Resources, Director of Public Safety and the Recording Secretary join the voting members in closed session.

Upon motion duly made, seconded and approved, the Board convened in closed session to:

- prevent the disclosure of privileged information under North Carolina General Statutes 132-1.7, subsections (a) and (a2) of United States laws or regulations [N.C.G.S. §143-318.11(a)(1)];
- prevent the premature disclosure of an honorary award or scholarship [N.C.G.S. §143-318.11(a)(2)];
- consult with its attorney to preserve the attorney-client privilege [N.C.G.S. §143-318.11(a)(3)];
- establish or instruct the staff or agent concerning negotiations of the amount of compensation or other terms of an employment contract [N.C.G.S. §143-318.11(a)(5)]; and
- hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee [N.C.G.S. §143-318.11(a)(6)].

PUBLIC SESSION RECONVENED: Upon motion duly made, seconded and approved, the Board reconvened in open session at 11:37 a.m.

Honorary Degree

Chair Barnes presented the Honorary Degree for Ms. Alma Ruth Marsh as brought forth by Provost Kruger in closed session.

The recommendation for the Honorary Degree was approved unanimously.


Director of Athletics Contract – Doug Gillin

Trustee Hatley, on behalf of the Athletics Committee, recommended approval of the contract for Doug Gillin as Director of Athletics.

The recommendation was approved unanimously.

ADJOURNMENT: There being no further business, the meeting adjourned at 11:52 a.m.

JAMES M. BARNES, Chair

By:  _____
Dawn Antonucci
Assistant Secretary

Good morning Trustees,

December is often a time for reflection, and looking back at 2017, I can truly say that it's great to be a Mountaineer!

With our third Sun Belt conference championship under our belts, and as we look ahead to our third bowl game, I would like to reflect on the exciting progress we have made in 2017, some of which has taken place or gained significant momentum since we last met.

Let me first take a quick moment to thank you for your part in Appalachian's commitment to environmental sustainability by utilizing online distribution of your meeting materials. Additionally, you will notice we have water glasses from our University Bookstore at each of your places. Chair Barnes, I know you – as well as all trustees – will be pleased to note these glasses bear the university logo! These are small yet impactful steps toward our institutional commitment to Zero Waste, reducing the paper and plastic we consume before we have to divert it from the landfill.

Appalachian continues to earn accolades for our sustainability leadership. The Chronicle for Higher Education recently acknowledged Appalachian's top ranking by the Association for Advancement of Sustainability in Higher Education (AASHE). AASHE's 2017 Sustainable Campus Index ranked 858 institutions in 34 countries for 17 sustainability impact areas related to academics, engagement, operations and administration. Appalachian is FIRST among institutions with master's programs and 2nd overall in curriculum. We tied for 3rd (with American University and California State University) for designing, constructing and operating efficient buildings.

This semester, Dr. Robin Groce and Dean Melba Spooner of the Reich College of Education have been hard at work leading a team of faculty and staff in developing an implementation plan for bringing Appalachian's lab school online. The school will open as Appalachian State University Academy at Middle Fork in fall 2018, at which time Appalachian will welcome about 300 new students into our University Community. Slightly younger than of our typical incoming students – these students will have an average age of 8 years old.

The Academy at Middle Fork, which serves children in grades K-5, is located in an area of east Winston-Salem that has a large population managing incredibly challenging circumstances, including food insecurity and homelessness, that can make school success an overwhelming prospect. Our faculty is working on curriculum development for these students now so they will not only meet, but exceed state standards for reading, math and other learning metrics.

This is a fabulous, rich opportunity for Appalachian to take a state-mandated project and develop it into a model for learning together, as the children, teachers and administrators at the academy learn alongside our College of Education students, faculty and administrators developing and helping implement their curriculum.

Robin and the school principal, Tasha Hall-Powell, who is an Appalachian alumna, have shared with me their excitement about this work, and their vision for the academy to become a model for other teachers and administrators who come together to learn best practices. The motto they have developed is "Learning Together." It is a true win-win.

I'd like to thank Governor Byers for his leadership as the Chair of the Board of Governors Lab School Committee, as well as Trustee Branch for her commitment to this project as Chair of this body's Academic Affairs Committee.

We will be announcing the academy's advisory board appointments in the next few weeks, and you will hear much more about this project as we continue the implementation plan.

As I have shared with you over the last month, we are hard at work on the strategic goals for Appalachian outlined by the UNC System strategic plan. The strategic plan metrics require that we focus on increasing enrollment and achievement for low-income and rural students as well as in critical work force programs such as health care, STEM, and teacher education. These initiatives are ambitious, but achievable, and they are consistent with our founders' mission to increase access to education for those students who otherwise would not have the opportunity to achieve a college education. We are positioned well to achieve these goals.

Our overall degree completion rates are already well above the state target and the national average, and I am confident we will perform well in these areas. As you know, President Spellings and I signed an agreement affirming our commitment to these goals when she visited our campus in September. As a follow-up to this action, we have provided you with a hard copy you can review at any time.

We have held fast to the strategic intention of achieving slow and steady growth, all the while understanding that we must have a sound foundation to ensure the highest quality Appalachian Experience for which we are known.

Of course, increasing scholarship dollars will be critical to meeting these goals. Everyone at Appalachian, myself included, watches closely the cost of a college education and the debt some of our students incur as a result of their time with us. We are all aware Appalachian compares most favorably in affordability reviews; however, college costs are challenging to many and out of reach for some. For this reason, need-based scholarships will be a focus for our fundraising efforts as we seek to provide students with the support they need to succeed.

Merit-based scholarships work hand-in-hand with need-based scholarships to provide us with a diverse and bright student population. Student success in the classroom and lab, combined with post-graduate success, contribute greatly to our excellent reputation as a national leader in higher education. As we grow at a slow and steady rate, the inclusion of some of the best young minds our country has to offer strengthens our academic mission and helps retain students, faculty and staff. So, you will also hear much about our efforts to grow the opportunities available at Appalachian.

As you continue to hear more about scholarships and the deserving students they support, know that your voice and support are critical as we identify and move forward to tell our stories to those who have the financial means and philanthropic desire to support Appalachian.

Last month, Appalachian hosted an event to announce the largest outright gift commitment in the history of our university and recognize our generous donor, alumnus Mark Ricks. This 10-million-dollar gift, supporting our Athletics and the Mountaineer Impact initiative, will be transformational.

Our student-athletes are among the most academically successful in the nation. This generous gift will ensure the continued excellence of a program that will attract sought-after student-athletes and provide them with resources and opportunities so they can continue to make a difference at our university and beyond. My congratulations to Athletic Director Doug Gillin, Vice Chancellor for University Advancement Randy Edwards, and their teams on this accomplishment.

Even as we celebrate this historic gift for Appalachian, I am mindful that so many in our Appalachian Community give what they can, every day, measured, as I have heard Trustee Branch say, in "treasure, time and talent." A long-standing example of this is the AppKIDS program, organized by Staff Senate. AppKIDS stands for Appalachian Kindness In Donations & Service. It's an annual shopping event that brings together underprivileged children in grades K-12 with volunteer shoppers for a special day focused just on the kids. This year was the 37th for the event! Thanks to many generous donations from our campus and community, 90 children from the nine Watauga County Schools were able to participate, and 125 volunteers stepped away from their daily demands to transport, shop and share time with a child from the area, providing them with winter clothing and basic school supplies. Following shopping, I hosted the students and volunteers at a luncheon at Appalachian House. Many of our AppKIDS volunteers have been participating for years; some have been coming back each year for decades. They tell me getting to know and learn from their young shopping partners is an experience they look forward to all year.

Food insecurity and hunger are real in the High Country. Also real is the compassion and engagement of so many in our Appalachian Community, who are determined to expose, educate about and address this and other social justice issues. The food bank operated by the Office of Sustainability continues to serve those in need on campus, and our students continue to give back to the community. Our Appalachian and the Community Together service program raised and donated \$5,000 to Hospitality House of Boone, our area homeless shelter, to help support its new solar panel system. And students, faculty and staff came together with community members to raise more than \$18,000 to support local families who have children with special needs during the 7th Annual Spooky Duke Race for Families, a fun costume race and contest put on by Parent-to-Parent Family Support Network, a program of the Reich College of Education.

A little over a year ago, we opened the Major General Edward M. Reeder Jr. Student Veteran Resource Center. Eric Gormly, coordinator of student veteran services at Appalachian, tells me the center serves 302 veterans and active-duty military personnel on campus. An average of 28 students visit the center each day, and in the last year, the center has seen more than 3,000 visits. The center provides tutoring, free printing, career development services, and other support, but very importantly, it also provides camaraderie and a free cup of coffee, which I understand is very popular, particularly now with students beginning final exams this week. I am pleased the center has proven so popular with our student veterans, and I am honored these students who have served our country so unselfishly have chosen Appalachian.

Since opening the center, the work we have been doing to support our student veterans has become more visible. Last month, President Spellings brought experts and students from across the state together for a Veterans Summit hosted by The University of North Carolina System to raise awareness about the student veteran population in the UNC System. I am pleased to report that Eric, as well as Appalachian junior computer science major Becca Ryan served as panelists, sharing their expertise for all who attended in person and watched the event live-streamed.

You have heard me say before this that since 2010, Appalachian has been named a Military Friendly School by Victory Media. This designation places Appalachian in the top 15 percent of colleges, universities and trade schools in the country that are doing the most to embrace military students, and to dedicate resources to ensure their success in the classroom and after graduation. I am particularly pleased and proud to note that this year Appalachian made Victory Media's top 10 list, ranking No. 9 among large public universities. Additionally, the Military Times Best Colleges list included Appalachian for the first time in 2017. This distinction recognizes Appalachian for its university culture, academic quality and outcomes, policies, student support, and cost and financial aid as part of its commitment to providing quality educational opportunities to America's veterans and military-connected students.

November also saw Town of Boone Mayor Rennie Brantz signing a proclamation declaring November as Native American Heritage Month in Boone. I applaud the work the Town of Boone is doing to continue making our surrounding community a more inclusive environment for all. The Boone Chapter of the National Society Daughters of the American Revolution, whose representatives were present at this signing, declared, "These first Americans are worthy of our understanding and appreciation."

Indeed they are, and yesterday Appalachian took steps to begin publicly symbolizing this sentiment on our campus by placing the flag of the Eastern Band of Cherokee Indians in its permanent home on the first floor of this building. In recognition of our five-year partnership with Cherokee High School, as well as in acknowledgment of the cultural heritage and presence of the Eastern Band of the Cherokee in this part of the state, the flag is positioned in a place of prominence alongside the United States, Chinese and Israeli national flags.

Beyond the borders of our campus, we continue to stay engaged with the decisions and policies being debated at all levels of government that affect our students, faculty, and staff. The UNC Board of Governors is finalizing its policy on campus speech. Congress is in the process of reforming the federal tax code and reauthorizing the Higher Education Act. We stay abreast of these events and how they might impact Appalachian.

Before I close, I'd like to recognize our new Associate Vice Chancellor and Dean of Students Dr. Jonathon Hyde, who began work at Appalachian just a week ago. Jonathon comes to us from Louisiana State University, where he most recently served as director of residential life and education and also held the position of interim associate dean of students and director of student advocacy and accountability. In the week he has been here, he is already making a difference in the quality of our students' experience. Welcome, Jonathon.

I would also like to note that you can find information about much of what I have talked about here today on Appalachian Today, our newly launched website for news, events, grant announcements, awards and honors of our faculty, staff and students, and mentions in the media. You can find it at TODAY.appstate.edu. I encourage you to set that as your homepage, and you will always have the most current information about what's taking place on our campus.

Thank you, Trustees for the many hours of hard work you devote to Appalachian, and I would like to also publicly extend my thanks to the faculty and staff who are dedicated to teaching and improving the lives of our students. This concludes my remarks.

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APPENDIX A

MINUTES
MEETING OF THE ACADEMIC AFFAIRS COMMITTEE
APPALACHIAN STATE UNIVERSITY
BOARD OF TRUSTEES

Thursday, December 7, 2017
Room 415 – Rough Ridge
Plemmons Student Union

CALL TO ORDER: The Academic Affairs Committee of the Board of Trustees of Appalachian State University met at the call of the Chair on Thursday, December 7, 2017, at 2:00 p.m. in the Rough Ridge Room of the Plemmons Student Union on the campus of Appalachian State University in Boone, North Carolina. Chair Susan Branch presided and called the meeting to order.

MEMBERS PRESENT:

Susan M. Branch, Chairperson
M. Lee Barnes, Jr.
Donald C. Beaver
D. Kenan Smith

CONSTITUENCY REPRESENTATIVE
PRESENT:

Barbara B. Howard, Chair
Faculty Senate

MEMBERS OF MEDIA:

Anna Oakes, *Watauga Democrat*
David Rogers, *Blowing Rock News*

OTHERS PRESENT:

Cindy Barr
Sharon Bell
John Blackburn
Mark Bradbury
Jennifer Coffey
Christy Cook
Sue Edwards
Sheri Everts
Willie Fleming
Hank Foreman
Mark Ginn
Tina Hogan
Darrell Kruger
Amanda Lago
Heather Langdon

Heather Norris
Terry Rawls
Neva Specht
Melba Spooner
Nick Stevens
Jeff Vahlbusch
Dane Ward

Conflict of Interest Notice: Chair Branch read the following:

“Under the State Government Ethics Act, all voting members of the Board of Trustees have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for today’s meeting, does anyone know that you have a conflict of interest or an interest that would give rise to the appearance of a conflict of interest? If so, please let me know now.” [None Reported]

Attendee/Audience Expectation Notice: As we begin the business portion of the meeting, I would like to remind everyone of the Committee’s expectations for conduct at our meetings. We ask that those attending today remain respectful of fellow attendees and the Committee. Those attending an official meeting may not engage in conduct that is inconsistent with our Bylaws or that interferes with the rights of others to observe and listen to the proceedings. Any individual who disrupts the meeting will be asked to leave and may be subject to arrest.

Approval of Minutes: A motion was made by D. Kenan Smith and seconded by M. Lee Barnes, Jr. to approve the meeting minutes from the Academic Affairs Committee meeting on September 21, 2017. The motion was approved unanimously.

Beaver College of Health Sciences (BCHS) College Update: Marie Huff, Dean, Beaver College of Health Sciences, and two students (Sarah Martin, M.S. Nursing & Nick Stevens, B.S. Exercise Science) provided an update on the BCHS. The update consisted of goals and vision (e.g., developing the college strategic plan); enrollment; curriculum updates (e.g., Public Health Major, Sport Science and Coaching Major, Master of Science in Athletic Training); future growth (e.g., Doctorate in Occupational Therapy, Public Health Focus, Advanced Nursing Degrees); Blue Cross and Blue Shield of NC Institute for Health and Human Services; new Building update; Student Scholarships; and Endowed Professorships.

Distance Education Task Force Update: Dr. Terry Rawls and Dr. Barbara Howard provided an update on the Distance Education Task Force (DETF). As a reminder it noted, that last February the Provost empaneled the Distance Education Task Force. This group of faculty, administrators, and staff were charged with investigating the potential for growth in Distance Education enrollments at the University. They highlighted the three (3) working groups: 1) Mission, Management and Resources; 2) Academic Oversight, Effectiveness and Integrity; and 3) Curricula and Support for Faculty and Students. The DETF used the Council of Regional Accrediting Commissions (CRAC) Interregional Guidelines for Online Learning Framework as a

analysis instrument. A summary of Findings and Recommendations located in the DETF report was shared with the Board of Trustees on December 7, 2017.

Self-Designed Leadership and Community Engagement Major: Neva Specht, Dean, College of Arts and Sciences, reported on a self-designed leadership and community engagement major. The goal was to create a major that provides an academically sound program for students who transfer to Appalachian from a variety of other institutions and an interest in leadership and community engagement. The major is designed to foster leadership and community engagement understanding and will still allow for timely graduation.

2016-17 Assessment Grant Summary: Heather Langdon and Tina Hogan of the Office of Institutional Research, Assessment, and Planning (IRAP) provided an update regarding the 2017 assessment grants. As a result of the University Institutional Effectiveness cycle, IRAP completed a comprehensive review in 2016. At that time external reviewers recommended that IRAP receive supplemental funding in order to broaden and improve campus institutional effectiveness efforts. Assessment of all units is a requirement among the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) standards. In 2016-17, IRAP was awarded over \$30,000 in supplemental funding to redistribute to areas across campus as "Assessment Grants." Twenty-one grants were awarded, ranging from \$500 to \$2,500. Additional information is located on IRAP's website at: irap.appstate.edu.

Adjourn Meeting: There being no further business, a motion was made by D. Kenan Smith and seconded by M. Lee Barnes, Jr. to adjourn at 3:00 p.m. The motion was approved unanimously.

Respectfully submitted,

Christy M. Cook
Recording Secretary

MINUTES
MEETING OF THE ATHLETICS COMMITTEE
APPALACHIAN STATE UNIVERSITY
BOARD OF TRUSTEES

Thursday, December 7, 2017
Room 415 - Rough Ridge
Plemmons Student Union

CALL TO ORDER: The Athletics Committee of the Board of Trustees of Appalachian State University met at the call of the Chairperson and the Chancellor on Thursday, December 7, 2017, at 4:00 p.m. in the Rough Ridge Room of the Plemmons Student Union on the campus of Appalachian State University, Boone, North Carolina. Robert C. Hatley presided and called the meeting to order.

MEMBERS PRESENT:

Robert C. Hatley
Scott K. Lampe
Charles V. Murray
Carole P. Wilson

CONSTITUENCY REPRESENTATIVE
PRESENT (ex-officio):

Wayne Miller, President
Alumni Council

OTHERS PRESENT:

James M. Barnes
Sharon B. Bell
Jennifer D. Coffey
Dayton T. Cole
Randy K. Edwards
Sheri N. Everts
Sydney K. Farthing
Willie C. Fleming
Hank T. Foreman
Denise N. Foutz
Douglas P. Gillin
Alan J. Hauser
David T. Jamison
Tom L. Kane
Felix A. Kollmannthaler
Darrell P. Kruger
Suzette S. Mauney
Anna Oakes
Jonathan B. Reeder
David Rodgers
D. Kenan Smith

CONFLICT OF INTEREST NOTICE: Chair Hatley read the statement: “Under the State Government Ethics Act, all voting members of the Board of Trustees have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for today’s meeting, does anyone know that you have a conflict of interest or an interest that would give rise to the appearance of a conflict of interest? If so, please let me know now.” None reported.

OPENING STATEMENT ON EXPECTATIONS OF CONDUCT: Chair Hatley read the statement: “As we begin the business portion of the meeting, I would like to remind everyone of the Committee’s expectations for conduct at our meetings. We ask that those attending today remain respectful of fellow attendees and the Committee. Those attending an official meeting may not engage in conduct that is inconsistent with our Bylaws or that interferes with the rights of others to observe and listen to the proceedings. Any individual who disrupts the meeting will be asked to leave and may be subject to arrest.”

APPROVAL OF MINUTES: Chair Hatley stated the September 21, 2017 Athletics Committee meeting minutes were included in Committee members’ materials. A motion was made, seconded and approved to accept the minutes as distributed.

COMMENTS FROM STUDENT-ATHLETES: Sophomore student-athlete, Sydney Farthing from Volleyball, and Junior student-athlete, Felix Kollmannthaler from Men’s Soccer, gave the Committee insight into their transformational experiences as student-athletes at Appalachian State University. To conclude their presentations, both student-athletes discussed their plans following graduation.

PRESENTATION BY DIRECTOR OF ATHLETICS: Mr. Doug Gillin, Director of Athletics, presented several athletics updates to the Committee, overviewing the following:

- Recent fall competitive seasons for Appalachian State University varsity sport programs, including Sun Belt Championships won by both the Men’s Cross Country and Football teams
- 2017 Football attendance success, including crowds of over 30,000 spectators during two separate contests, and over 11,000 Appalachian State University students at the September home contest against Wake Forest University
- Academic success, including five Appalachian State University student-athletes who earned the 1A Faculty Athletics Representative Association Award for graduating with a cumulative Grade Point Average of 3.80 or higher
- Recently announced partnerships with the Western Youth Network, and local chapter of the Hunger and Health Coalition
- Athletics facilities enhancements, including updates to the Appalachian State University Field Hockey and Volleyball locker room facilities, and plans for the future facility in the Kidd Brewer Stadium North Endzone
- Recent fundraising efforts, including a recent \$10 million gift, which was announced at a ceremony held in the Holmes Convocation Center on November 9 and is the largest outright gift in Appalachian State University history

OPEN SESSION ADJOURNED: A motion was made and seconded that the Committee convene in closed session to:

1. prevent the disclosure of confidential or privileged information under Chapter 126 of North Carolina General Statutes or regulations [N.C.G.S § 143-318.11(a)(1)]; and
2. consult with its attorney to protect the attorney-client privilege [N.C.G.S § 143-318.11(a)(3)].

The motion was approved unanimously. Chancellor Sheri N. Everts, Board of Trustees members, General Counsel, Mr. Doug Gillin, Director of Athletics, and Mr. Jonathan Reeder, Recording Secretary, were asked to remain for closed session. All others were excused.

OPEN SESSION RECONVENED: Chair Robert C. Hatley reconvened the open session.

ADJOURNMENT: After the open session reconvened, the meeting of the Athletics Committee adjourned at 5:00 p.m.

Respectfully submitted,

Jonathan B. Reeder
Recording Secretary

MINUTES
MEETING OF THE AUDIT COMMITTEE
APPALACHIAN STATE UNIVERSITY
BOARD OF TRUSTEES

Thursday, December 07, 2017
Room 417 – Beacon Heights
Plemmons Student Union

CALL TO ORDER: The Audit Committee of the Board of Trustees of Appalachian State University met at the call of the Chair on Thursday, December 07, 2017, at 3:02 p.m. in the Beacon Heights Room of the Plemmons Student Union on the campus of Appalachian State University in Boone, North Carolina. Mr. Charles V. Murray, Chair, presided and called the meeting to order.

MEMBERS PRESENT:

Charles V. Murray, Chair
John M. Blackburn
Robert C. Hatley
Carole Greene

MEMBER ABSENT:

Donald C. Beaver

CONSTITUENCY REPRESENTATIVE
PRESENT (ex-officio):

Carole Greene, Chair
Staff Senate

OTHERS PRESENT:

Eloise Covalt
Denise Foutz
David Hayler
David Jamison
Cindy Barr
Anthony Jones
Jonathan Reeder
Charisse Rogers

CONFLICT OF INTEREST NOTICE: Chair Murray read the following:

"Under the State Government Ethics Act, all voting members of the Board of Trustees have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for today's meeting, does anyone know that you have a conflict of interest or an interest that would give rise to the appearance of a conflict of interest? If so, please let me know now."
[None reported.]

EXPECTATION OF CONDUCT NOTICE: Chair Murray also read the following:

"As we begin the business portion of the meeting, I would like to remind everyone of the Committee's expectations for conduct at our meetings. We ask that those attending today remain respectful of fellow attendees and the Committee. Those attending an official meeting may not engage in conduct that is inconsistent with our Bylaws or that interferes with the rights of others to observe and listen to the proceedings. Any individual who

disrupts the meeting will be asked to leave and may be subject to arrest.”

APPROVAL OF MINUTES: The minutes of the September 21, 2017 Audit Committee meeting were delivered to all members of the Audit Committee prior to the meeting. Chair Murray called for a motion to approve the minutes of the September 21, 2017 Audit Committee meeting. There being no corrections, upon motion duly made and seconded, the minutes of the meeting were approved as presented.

SUMMARY OF RECENT INTERNAL AUDITS AND REVIEWS: Ms. Eloise Covalt reviewed the 2017-2018 Audit Plan and gave the summary of recently completed internal audits:

- New River Light and Power: An annual financial internal audit. No findings reported.
- Volleyball Camp Store: A review requested by Conference & Camp Services/Athletics to determine if sufficient controls were in place over camp store receipting and inventory and to test compliance with University policies and procedures. Non-compliance with cash receipting and inventory management policies/procedures was reported. Recommendation was made to follow the University policies and procedures. CCS and Athletics will continue to monitor.
- 2017 Screening, Brief Intervention, and Referral for Treatment (SBIRT) Grant: No findings reported.
- Appalachian Real Estate Holdings, Inc. – 6/30/2017: An annual financial internal audit. No findings reported.
- Communication Disorders Clinic – Compliance with the Affordable Care Act §1557: Posting of language assistance notices and filing of HHS Form 690 were necessary for full compliance. These items were brought into compliance prior to the finalization of the review.
- Campus-Wide Reviews: Departmental Fund Activity Reconciliation, Educational and Technology Funds, Fixed Assets, Travel, P-Card Follow-up, and Foundation Expenditures. Recommendations were made regarding following ASU Policy concerning compliance with fund requirements, departmental bookkeeping, fixed assets, travel, and procurement card expenditures.
- Computer Access/Security Summary (Monthly reviews - JAS 2017): No findings reported.

EXTERNAL AUDITS IN-PROGRESS AND COMPLETED: Ms. Eloise Covalt gave the summary of recently completed and in-progress external audits:

- Appalachian Student Housing Corporation
- Appalachian State University Foundation, Inc.
- 2017 ASU Financial Statement Audit – in progress
- NCAA Agreed Upon Procedures – in progress

OTHER: An update was given regarding the recent October 2017 UNC Auditors Association Conference co-hosted by the Office of Internal Audits.

CLOSED SESSION: Chair Murray entertained a motion for closed session. Trustee Hatley read motion to convene in closed session and the motioned was seconded.

RECONVENE OPEN SESSION

ADJOURNMENT: There being no further business, the meeting of the Audit Committee adjourned at 3:59 p.m.

CHARLES V. MURRAY, Chair

By:

Charisse Rogers
Recording Secretary

MINUTES
MEETING OF BUSINESS AFFAIRS COMMITTEE
APPALACHIAN STATE UNIVERSITY
BOARD OF TRUSTEES

Thursday, December 7, 2017
Room 415- Rough Ridge
Plemmons Student Union

CALL TO ORDER: The Business Affairs Committee of the Board of Trustees of Appalachian State University met at the call of the Chairperson and the Chancellor on Thursday, December 7, 2017 at 3:00 p.m. in the Rough Ridge Room of the Plemmons Student Union on the campus of Appalachian State University, Boone, North Carolina. Mr. Scott K. Lampe presided.

MEMBERS PRESENT:

James M. Barnes
M. Lee Barnes
Susan M. Branch
Scott K. Lampe
D. Kenan Smith
Carole P. Wilson

CONSTITUENCY REPRESENTATIVES

PRESENT (ex-officio):

Anderson Clayton, President
Student Government Association
Barbara B. Howard
Chair, Faculty Senate

OTHERS PRESENT:

Mark Bachmeier
Sharon Bell
J.J. Brown
Joe Carter
Matthew Dockham
Matt Dull
Randal Edwards
Chancellor Sheri Everts
Willie Fleming
Hank Foreman
Paul Forte
Denise Foutz
Doug Gillian
Megan Hayes
David Jamison
Tom Kane
Heather Langdon
Alan Lee
Jason Marshburn
Madison Muire
Margaret McCoy
Susan McCracken

Diane Pitts
 Amy Roberts
 Andrew Strahan
 Andy Stephenson
 Heather Stewart
 Ken Smith
 Sue Edwards
 Leroy Wright

MEDIA PRESENT:

Ms. Anna Oakes, *Watauga Democrat*
 David Rogers, *Blowing Rock News*

CONFLICT OF INTEREST NOTICE:

Mr. Scott Lampe, read the following: "Under the State Government Ethics Act, all voting members of the Board of Trustees have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for today's meeting, does anyone know that you have a conflict of interest or an interest that would give rise to the appearance of a conflict of interest? If so, please let me know now." [None reported]

APPROVAL OF MINUTES:

The minutes of the September 21, 2017 meeting had been reviewed by the Business Affairs Committee. Following discussion, the motion was made and seconded to approve the minutes as presented. The motion carried.

PROPOSED 2018-2019 STUDENT TUITION AND FEES:

Vice Chancellor Paul Forte gave an overview of the proposed tuition and fee increase for 2018-2019. There were no proposed tuition increases for fiscal year 2018-2019. The following fees increases were proposed:

Board of Governors Approved Fees:

Debt Service:

Sanford Hall Renovation	\$ 55	
Total	\$ 55	(1.89% increase)

Chancellor Approved Fees:

Housing	\$174	(4% increase)
Parking	36	(15% increase)
Transportation	6	(4.2% increase)
Total	\$216	

Following discussion, the motion was made and seconded that the Committee approve the proposed fee increases for 2018-2019. The motion carried.

Clayton Anderson opposed the proposed fee increases.

SANFORD HALL RENOVATION RESOLUTION:

Vice Chancellor Paul Forte presented information for a Resolution to the Board of Trustees endorsing the renovations and improvements to Sanford Hall for an amount not to exceed \$18,000,000, requesting the General Assembly to approve the project and approve the issuance of special obligation bonds.

Following discussion, the motion was made and seconded to approve this Resolution. The motion carried.

NEW END ZONE RESOLUTION:

Vice Chancellor Paul Forte presented information requesting approval from the Board of Trustees of a resolution endorsing construction and equipping a new end zone complex at Kidd Brewer Stadium. The administration is seeking permission to issue revenue bonds in an amount not to exceed \$29,000,000. Following discussion, the motion was made and seconded to approve this resolution. The motion carried.

DISPOSITION OF PROPERTY – EAST SIDE TICKET BOOTH:

Vice Chancellor Paul Forte stated that the administration is seeking permission to dispose of the east side ticket booth located at the north end of Kidd Brewer Stadium, part of the millennial campus. The building is located next to Owens Field House and is a one-story, comprised of 586 gross square feet, built in 2009. Following discussion, the motion was made and seconded to approve the disposition of the East Side Ticket Booth, and authorize the submission of a request for that purpose to the Board of Governors and State Property Office. The motion carried.

APPROVAL OF BOARD OF GOVERNORS SUBMITTED PROJECTS:

Vice Chancellor Paul Forte gave an overview of the capital approval process. He stated that the Board approves the selection of architects and engineers for buildings and improvements requiring such professional services, approval of building sites and the final acceptance of all completed buildings and projects. Debt is approved by the Board of Trustees and Board of Governors.

Following is a list of capital projects presented for Board approval:

End Zone Project	\$38,200,000
Sanford Hall Renovation	18,000,000
App Heights Dehumidification	1,650,000
Student Union Roof Replacement	450,000
Doughton Hall Roof Replacement	<u>350,000</u>
Total	\$58,650,000

The motion was made and seconded to present the above projects at the December Board of Governors meeting for approval. The motion carried.

UPDATE ON STUDENT HOUSING PROPOSALS:

For informational purposes, Vice Chancellors Paul Forte and J. J. Brown presented an update on the public private partnership (P3). Vice Chancellor Forte stated that requests for qualifications were advertised on September 29, with the request for proposals to follow in December. The goal is to replace Bowie, Eggers, Gardner, Winkler and Justice on the west side of campus consisting of approximately 1,800 beds with 1,800 replacement beds and 400 new ones. This large renovation or replacement would exceed the University's debt capacity, therefore, a public private partnership is being explored to replace these residence halls. The University would select a developer, provide a ground lease, and allow the developer to replace the existing residence halls. The University would then lease the rooms from the developer. The schedule Phase I of this project could potentially begin in Fall 2018 on the Winkler site, with 300-400 beds and be ready for occupancy by Fall 2019. However, the existing residential building/parking and construction of new building/parking must be sequenced carefully to avoid a net loss of beds/parking for any semester. The project cost is still under development. The University Housing System is in outstanding financial shape and this project will allow the Housing System to maintain its strong financial position.

There being no further business, the meeting adjourned at 4:00 p.m.

Respectfully submitted,

Diane Pitts
Recording Secretary

MINUTES
MEETING OF THE STUDENT AFFAIRS COMMITTEE
APPALACHIAN STATE UNIVERSITY
BOARD OF TRUSTEES

Thursday, December 7, 2017
Room 417 – Beacon Heights
Plemmons Student Union

CALL TO ORDER: The Student Affairs Committee of the Board of Trustees of Appalachian State University met at the call of the Chair on Thursday, December 7, 2017, at 2:00 p.m. in the Beacon Heights room of Plemmons Student Union on the campus of Appalachian State University in Boone, North Carolina. Mrs. Carole Wilson, Chair, presided and called the meeting to order. Chair Wilson asked for introductions of the new Student Affairs Committee members. Introductions of Committee members were made. Chair Wilson noted the presence of Dr. Jonathon Hyde, the new Associate Vice Chancellor and Dean of Students, and welcomed him as a new member of the Appalachian community.

MEMBERS PRESENT:

Carole P. Wilson
Anderson B. Clayton

CONSTITUENCY REPRESENTATIVES
PRESENT (ex-officio):

Carole Greene, Chair
Staff Senate
Wayne Miller, President
Alumni Council

OTHERS PRESENT:

Sheri Everts, Chancellor
James M. Barnes, Chair, Board of Trustees
Joe Carter
Elisabeth Cavallaro
Dayton Cole
Matt Dull
Micki Early
Randy Edwards
Bob Ellison
Willie Fleming
Hank Foreman
Chris Hogan
Jonathon Hyde
Tom Kane
Susan McCracken
Anna Oakes
Alan Rasmussen
Traci Royster

Andy Stephenson
Leroy Wright

CONFLICT OF INTEREST NOTICE: Chair Wilson read the following: "Under the State Government Ethics Act, all voting members of the Board of Trustees have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for today's meeting, does anyone know that you have a conflict of interest or an interest that would give rise to the appearance of a conflict of interest? If so, please let me know now." [None reported]

EXPECTATIONS OF CODE OF CONDUCT: Chair Wilson read another statement regarding conduct at the meeting: "As we begin the business portion of the meeting, I would like to remind everyone of the Committee's expectations for conduct at our meetings. We ask that those attending today remain respectful of fellow attendees and the Committee. Those attending an official meeting may not engage in conduct that is inconsistent with our Bylaws or that interferes with the rights of others to observe and listen to the proceedings. Any individual who disrupts the meeting will be asked to leave and may be subject to arrest."

APPROVAL OF MINUTES: Chair Wilson stated the September 21, 2017 Student Affairs Committee minutes were provided as an attachment in BoardEffect for the Committee. Chair Wilson asked, "Is there a motion and a second to approve the September 21, 2017 Student Affairs Committee of the Board of Trustees minutes as received?" A motion was made by James Barnes and seconded by Anderson Clayton to approve the minutes as distributed. The motion was approved unanimously.

STUDENT HEALTH SERVICES: J. J. Brown, Vice Chancellor for Student Affairs, stated that the presentation today would focus on a broader overview of Student Health Services and our study to review affordability and access for students. Mr. Brown announced the presenters as: Matt Dull, the Assistant Vice Chancellor for Finance and Operations, who has served in this role since April 2013 and is directly responsible for the financial, operational and resource management for the Division, and Dr. Bob Ellison, who has been at Appalachian for 11 years and served since January 2010 as the Director of Student Health Services as a department physician and overseeing the day-to-day operations in Student Health Services.

Dr. Ellison stated that Student Health Services is going through the accreditation process for another three-year cycle which will end in June 2018. He provided a power point overview of Student Health Services with specific information about the location of the clinic, the specific services provided, the number of staff and the number of students served each day. Using a time study door-to-door over the last 6-8 years, the average time a student spends at the Center from start to finish is 60 minutes.

Chair Wilson stated that the 60 minutes from door-to-door is efficient and students will use the services when they know it is efficient. Dr. Ellison stated that he has served here for seven years overseeing Health Services and the public health provided at this clinic is better than anywhere he has seen in his years of private practice. He serves with the best staff who love the students they serve. He told his staff that he was committed to coming to the Board of

Trustees meeting today to say thank you for allowing us to do what we love to do and with other people who love what they do.

Chair Wilson asked if there were any questions. There being no questions, Mr. Matt Dull presented a broader overview of the operation and cost analysis.

Mr. Dull stated that Health Services is a stand-alone unit, receiving no state appropriated or tuition dollars. The revenue sources are solely from the Health Services fee and billable services. Any student taking 9 or more hours has to pay the Student Health Fee which is \$162.50 per semester or \$325.00 per year. A student taking less than 9 hours can opt to pay the Student Health Fee, but it is not mandatory. The expenditures from this fee include personnel (salary and benefits), liability insurance for clinicians, required CEUs for clinical staff, utilities, building maintenance, and capital equipment. The Health Service fee average across the UNC system is \$160.20 a semester or \$320.39 annually. Appalachian's fee is \$4.61 higher because of the size of the University and fixed costs like managing the School of the Arts. Appalachian is significantly lower than flagship institutions and right at the UNC system average.

Chair Wilson asked why the state does not contribute to health services. Mr. Dull explained that Student Affairs areas (i.e. Housing, Health Services) are not state appropriated. The traditional academy usually supports Academic Affairs and auxiliary funds or receipts are historically used to fund these other areas. J. J. Brown expressed that we are seeing less and less state support across the country and student fees is where systems have navigated to take care of things.

Mr. Dull shared that the use of student health fees at Appalachian goes beyond student health services. This revenue is used to help fund Counseling, Wellness and Prevention Services, and Student Health Services. He shared that in 2010 flex cuts that happened over the year forced us to use health services fees for those cuts, and our demand has significantly increased. The demand for health and counseling services is outpacing enrollment growth creating a burden on the health services fee.

Chair Wilson asked if this is a topic at Board of Governors. Chancellor Everts stated that the increase in demand has been in the system discussions and in the Vice Chancellor for Student Affairs discussions.

Mr. Brown shared that the data and demographics related to mental health has shown an increase over the last six to seven years, and recently all 16 institutions were invited to participate in a Behavioral Health Summit to pull folks together for conversations related to this topic. Several individuals from Dr. Howard's team in Wellness and Prevention presented at this summit. This summit was organized due to a white paper relative to mental health issues provided to President Spellings. Mr. Brown stated that the current and hot topic in the System is to provide the appropriate support to students with mental health issues.

Ms. Clayton stated that this is an important conversation at the state level as well as at Appalachian. Mr. Dull shared that this is why Student Affairs looked at the scope of services and are discussing ways to change and provide the most efficient and low cost health services

to our students through a public health model. The \$325.00 students pay includes all services available with no extra billing for counseling and psychiatry. Student Affairs is searching for a sustainable model with opportunity for producing revenue, and obtaining support from the UNC System through negotiating on behalf of all schools within the System.

Chair Wilson asked if there were any questions about the presentation.

Ms. Clayton asked if there is a downside to direct billing. Mr. Dull stated that we are now providing services for which we do not charge, and this will give us the potential to bill for the actual cost and be reimbursed by the insurance provider. He gave the example of filing on behalf of a student when they get a flu shot. This is potential for everyone to get their flu shot. The complications occur when it comes to how students interact with health services. The experience will be more like it is at an off-campus health visit. We want to continue to have the 60 minute experience for our students.

Ms. Greene asked what will happen to those students who are “out of network” if we are looking to make contracts to become “in network?” Mr. Dull responded that this has been the biggest pressure on the UNC System to start negotiating in network to get the largest insurance providers. He stated we are looking at the minimum rate, along the lines of Medicaid and Medicare rates for billable services, and will begin billing in-network providers and courtesy billing out-of-network providers.

Ms. Greene also asked if the UNC System has a timeline. Mr. Dull stated that we are in the 4th year of Student Blue and the system is renegotiating the RFP for the next three-year cycle and this has taken the energy from finalizing the contract for the System. Mr. Dull stated that we may go independent for a year or two, providing courtesy billing for those out of network and encouraging the institutional system to provide contracts.

ADJOURNMENT: There being no further business to come before the Committee, a motion was made by Anderson Clayton, seconded by James Barnes and approved to adjourn the meeting at 3:00 p.m.

Respectfully submitted,

Micki Early
Recording Secretary