

MINUTES
MEETING OF THE BOARD OF TRUSTEES
APPALACHIAN STATE UNIVERSITY

Friday, March 16, 2018
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, March 16, 2018, 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.
Donald C. Beaver
John M. Blackburn
Susan M. Branch
Anderson B. Clayton
Robert C. Hatley
Scott K. Lampe
Charles V. Murray
D. Kenan Smith
Carole P. Wilson

MEMBER ABSENT:

E. Bonnie Schaefer

CONSTITUENCY REPRESENTATIVES

PRESENT (ex-officio):

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

MEDIA PRESENT:

Jeff Cloninger
University Communications
Anna Oakes
Watauga Democrat

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 Philip Byers, UNC Board of Governors, Mr. Jeff Cloninger, *University Communications*, and Ms. Anna Oakes, *Watauga Democrat*.

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

APPROVAL OF MINUTES: The minutes of the December 8, 2017 and January 29, 2018 meetings had been delivered to all members via email. Upon motion duly made and seconded, the minutes of the meetings were approved as presented.

REMARKS FROM CHANCELLOR EVERTS: (See Attachment 1).

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:

Hayes School of Music (HSoM) College Update

Dr. James Douthit, Dean of the Hayes School of Music, provided a college update entitled, Hayes School of Music: Turning a Passion for Music into a Profession for Life. Dean Douthit was joined by two students: Rachel J. Davis, a Music Therapy Major, '18 and Savannah A. Smith, a Music Industry Studies-Recording and Production and Marketing and Promotion major with a minor in General Business and Commercial Photography, '18. The study of music at the baccalaureate level offers unique advantages that can lead to a rewarding and fulfilling professional life. The presentation examined the professional training offered in the Hayes School of Music and the opportunity this training offers its graduates for a successful career trajectory. Two students discussed how the Hayes School of Music has helped prepare them to enter their profession.

ASU's Human Resources: Office of Relocation and Dual Career Assistance (RDCA)

Dr. Sue Edwards provided opening remarks and a background on the evolution of the RDCA Program and introduced Ms. Becky Gosky, of ASU's Office of Human Resources. She discussed specific information about the Office of Relocation and Dual Career Assistance. The RDCA program is a collaboration between Academic Affairs and Human Resources. Its creation was based on data obtained from 1) the 2015 Housing Study which revealed challenges

associated with faculty and staff finding adequate and affordable housing in our area; and 2) Exit Interviews revealing a trend of faculty and staff members leaving the University due to their partner's inability to find fulfilling employment. In short, the intent of this office is to address these challenges by offering Housing Assistance and Dual Career Partner Employment Assistance. Community Integration Assistance and management of the Appalachian Marketplace implemented as complementary, value-added services.

Trustee Branch indicated that this concluded the report from the Academic Affairs Committee (see Appendix A), with the exception of items for closed session.

REPORT FROM ATHLETICS COMMITTEE: Chair Barnes recognized Trustee Robert Hatley, Chair of the Athletics Committee, for the report. Trustee Wilson 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. Junior student-athletes, Heidi Swope from Women's Tennis, and Alex Burris from Men's Golf, gave the Committee insight into their transformational experiences as student-athletes at Appalachian. Heidi is an Electronic Media/Broadcasting major in the Department of Communication, while Alex is a Finance and Banking major in the Walker College of Business. Both student-athletes will be representing their programs as they compete in the 2018 Sun Belt Conference Championship in their respective sports next month.

Presentation from Director of Athletics

Director of Athletics, Doug Gillin, then presented several updates to the Committee. Mr. Gillin reviewed the recent academic success of Appalachian student-athletes, including the achievement of a 3.1 cumulative Grade Point Average following fall 2017. This is the 11th consecutive semester Mountaineer student-athletes have achieved at least a 3.0 Grade Point Average. Competitively, three sport programs have won championships this academic year. This includes Men's Cross Country who won the 2017 Sun Belt Championship, the Football program who earned their 2nd consecutive Sun Belt title and a 3rd consecutive Bowl Championship, and most recently, the Wrestling program, who earned their 3rd consecutive Southern Conference Championship, including a Conference Tournament title in early March. Also achieving recent competitive success, the Women's Tennis program earned a Top 100 ranking in the Intercollegiate Tennis Association poll for the first time since 2013.

Several Football Scheduling updates were discussed, including a recent schedule change, which will bring the East Carolina University Pirates to Boone in 2023, as well as a newly announced 3-game series with the University of South Carolina, where the Gamecocks will be coming to Kidd Brewer Stadium in the fall of 2025.

Athletics facilities enhancements were then reviewed which included:

- Progress updates on the future facility in the Kidd Brewer Stadium North Endzone;

- Developing plans for the addition of locker rooms and other essential facilities for Women's Field Hockey;
- Plans to renovate the Team Room for the Wrestling program;
- Completed renovations to the Women's Volleyball Locker Room; and
- A review of Athletics' 5-Year Facilities Plan.

To conclude the meeting, Mr. Gillin provided several additional updates to the Committee:

- In fundraising, over \$29 million to date has been raised toward A Mountaineer Impact Initiative's \$60 million goal;
- Athletics has been actively involved in meeting with local leaders on the development of a local Sports Commission;
- In the area of Sports Medicine, in order to mitigate risk and strengthen practices, a comprehensive review of the unit is in progress; and
- Finally, an update on the Men's Tennis Program, and progress on the development of a Diversity & Inclusion Assessment in the Department of Athletics were discussed with the Committee, which concluded the open session.

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:

Audit Committee Charter

There was review and discussion of the updated Audit Committee Charter. This Charter defines the purpose, authority, organization, duties and responsibility of the Audit Committee of the Board of Trustees.

Trustee Murray, on behalf of the Audit Committee, recommended approval of the Charter as presented. The Committee's recommendation was unanimously approved.

Bylaws Amendment

There was review of a proposed amendment to the *Bylaws* of the Board of Trustees of Appalachian State University. The proposed amendment is required to reflect a recent amendment to the Charter of the Audit Committee of the Board of Trustees.

Upon motion duly made, seconded and approved, the amendment to the *Bylaws* of the Board of Trustees of Appalachian State University was approved as presented (see Attachment 2).

NC Office of State Auditor Review

Trustee Murray stated Mr. David Ehricht from the North Carolina Office of the State Auditor discussed the recently completed 2017 ASU Financial Statement Audit Report. No findings were reported.

Internal Audits

The internal audits reviewed and discussed for this quarter were:

- 2017 Football Paid Attendance Audit as required by the NCAA. No findings reported.
- A review of IT Governance, Access, and Incident Management General Controls was completed. Documentation of current processes to improve two control activities was recommended.
- A review of compliance with a Food Services licensing agreement was completed. A recommendation was made to discontinue an internal food services inventory transfer and to strengthen internal controls over all unsold food product.
- A consulting-advisory engagement was completed regarding institutional conflict of interest. Management is currently in the process of strengthening controls and governance to manage institutional conflict of interest disclosures and discovery.
- Follow-Up Reviews monitor management's implementation of recommendations from previous audits that were performed. The follow-up reviews for this quarter were conducted regarding recommendations concerning 1) a Data Inventory Review and 2) strengthening controls over a concession function on campus. The findings were found to be resolved with satisfactory progress made. In addition, a follow-up was completed regarding University Business Continuity and Disaster Recovery Plans. It was found that resolution was in progress – however, additional steps are required to fully implement the recommendations. Monitoring will continue by Internal Audits regarding the implementation of these recommendations and an additional follow-up review is scheduled in conjunction with the 2018-19 Audit Plan.
- Campus-Wide Reviews were conducted in the areas of educational and technology funds, fixed assets, foundation expenditures, travel expenditures, p-card 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 and procedures concerning compliance with fund requirements, departmental bookkeeping, access, travel, and procurement card expenditures. No other significant findings to report.

Other

Trustee Murray stated the 2017 Independent Accountants' Report on Applying Agreed-Upon Procedures was completed by Combs, Tenant, and Carpenter, CPA. NCAA member institutions are required to submit financial data detailing operating revenues and expenses related to its

intercollegiate athletics program to the NCAA on an annual basis. No exceptions were noted as a result of these agreed-upon procedures.

Trustee Murray stated that Mr. David Hayler, Associate Vice Chancellor and Chief Information Officer, presented a review of the Information Security UNC Policy 1400.2. Also, Mr. James Webb, Chief Information Security Officer, presented an overview of emerging information security matters.

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

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:

New River Light and Power Rate Case

Vice Chancellor Paul Forte gave an overview of the New River Light and Power rate case approved by the North Carolina Utilities Commission. New River Light and Power has not had a rate increase in over 20 years. New River expects a final order shortly (see Exhibit D-1).

Designer Selection Campus Road Repairs

Discussion was held concerning the designer selection for the campus roads project. This \$675,000 project will pedestrianize Academy Street as well as potentially share and incorporate the back retaining wall as a symbiotic element in the National Pan-Hellenic Council (NPHC) plots project. The funding for this project was previously approved by the UNC Board of Governors from repair and renovation funds. The selected design firm is Benesch of Charlotte, NC (see Exhibit D-2).

Trustee Lampe, on behalf of the Business Affairs Committee, recommended approval of the design firm as presented. The Committee's recommendation was unanimously approved.

Capital Projects Update

Trustee Lampe stated that Vice Chancellor Paul Forte gave an overview of the main Capital Projects progress on Campus. This included status updates on the following projects: Leon Levine Hall of Health Sciences, End Zone, P3 Housing and Sanford Hall.

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

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:

Housing Master Plan and Public Private Partnership

Mr. Matt Dull, Assistant Vice Chancellor for Student Affairs, provided an overview of the current operations and services of University Housing, the need for housing on-campus, and an update on the process of replacing several residence halls through a possible public private partnership.

Trustee Wilson indicated that this concluded the report from the Student Affairs Committee (see Appendix E), with the exception of an item for closed session.

REMARKS FROM CHAIR BARNES:

Chair Barnes made the following comments/announcements/reminders:

- Thanked the Committees and their Chairs for their reports.
- Thanked Chancellor Everts for hosting dinner at Appalachian House.
- Thanked Student Affairs and the Student Recreation Center team for the guided tour of their area.
- The next scheduled Board of Trustees meeting will be held on Thursday and Friday, June 21 and 22, 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 Chancellor Everts, Governor Byers, Vice Chancellors, General Counsel, Director of Human Resources and the Recording Secretary join the voting members in closed session. Chair Barnes requested Sharon Bell, Matt Dull, Steve Martin and Doug Gillin to remain nearby as they will be called in as needed.

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

- prevent the disclosure of privileged information of 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)]; and
- discuss matters relating to the location or expansion of industries or other businesses in the area served by the Board [N.C.G.S. §143-318.11(a)(4)].

PUBLIC SESSION RECONVENED: Upon motion duly made, seconded and approved, the Board reconvened in open session at 11:54 a.m.

2017-2018 Promotion and Tenure Recommendations

Chair Barnes presented the Promotion and Tenure recommendations as brought forth by Trustee Branch, Academic Affairs Committee Chair, and presented in closed session.

The Committee's recommendation was approved unanimously.

P3 Resolution

Chair Barnes stated that Vice Chancellors Paul Forte and J.J. Brown presented information about the University's current P3 process. Chair Barnes recognized Trustee Lampe to read the resolution being presented for Board approval (See Attachment 3).

The recommendation to accept the Resolution as presented was approved unanimously.

ADJOURNMENT: There being no further business, the meeting adjourned at 11:59 a.m.

JAMES M. BARNES, Chair

By:



Dawn Antonucci

Recording Secretary

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

Thursday, March 15, 2018
2:00 – 3:00 pm
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, Susan M. Branch, on Thursday, March 7, 2018, 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 M. Branch presided and called the meeting to order.

MEMBERS PRESENT:

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

OTHERS PRESENT:

Mark Bachmeier
Cynthia Barr
Mark Bradbury
Christy M. Cook
Rachel Davis
James Douthit
Randy Edwards
Sue Edwards
Willie Fleming
Hank Foreman
Mark Ginn
Becky Gosky
Marie Huff
Barbara Krause
Darrell P. Kruger
Beverly Moser
Heather Norris
Max Poole
Neva Specht
Melba Spooner
Jeff Vahlbusch

CONFLICT OF INTEREST NOTICE: Chair Branch 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.

EXPECTATION OF CONDUCT NOTICE: Chair Branch read the following 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:

A motion was made by Donald C. Beaver and seconded by D. Kenan Smith to approve the meeting minutes from the Academic Affairs Committee meeting on December 7, 2017. The motion was approved unanimously.

Hayes School of Music (HSoM) College Update

Dr. James Douthit, Dean of the Hayes School of Music. Dean Douthit provided a college update entitled, Hayes School of Music: Turning a Passion for Music into a Profession for Life. Dean Douthit was joined by two students: Rachel J. Davis, a Music Therapy Major, '18 and Savannah A. Smith, a Music Industry Studies-Recording and Production and Marketing and Promotion major with a minor in General Business and Commercial Photography, '18. The study of music at the baccalaureate level offers unique advantages that can lead to a rewarding and fulfilling professional life. The presentation examined the professional training offered in the Hayes School of Music and the opportunity this training offers its graduates for a successful career trajectory. The two students shared how the Hayes School of Music will help prepare them to enter their profession.

ASU’s Human Resources: Office of Relocation and Dual Career Assistance (RDCA)

Dr. Sue Edwards provided opening remarks and a background on the evolution of the RDCA Program and introduced Ms. Becky Gosky, of ASU’s Office of Human Resources. She discussed specific information about the Office of Relocation and Dual Career Assistance. The RDCA program is a collaboration between Academic Affairs and Human Resources. Its creation was based on data obtained from 1) the 2015 Housing Study which revealed challenges associated with faculty and staff finding adequate and affordable housing in our area; and 2) Exit Interviews revealing a trend of faculty and staff members leaving the University due to their partner’s inability to find fulfilling employment. In short, the intent of this office is to address these

challenges by offering Housing Assistance and Dual Career Partner Employment Assistance. Community Integration Assistance and management of the Appalachian Marketplace was implemented as complementary, value-added services.

Announcement from the Provost: The Provost provided an update on the Graduate School Dean search. This search has completed round one interviews and in the process of reviewing the references. In short, soon, the Committee will identify and invite candidates to campus; campus visits will take place mid-April. The Provost expressed a note of appreciation and gratitude for Max Poole, Dean of Graduate Studies, for his service and support over the years, as Max will retire to Florida with family in April, best wishes Max.

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

1. prevent the disclosure of privileged information [N.C.G.S § 143-318.11(a)(1)];
2. prevent the premature disclosure of an honorary award or scholarship [N.C.G.S § 143-318.11(a)(2)]; and
3. consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee [N.C.G.S § 143-318.11(a)(6)].

The motion was approved unanimously. M. Lee Barnes Jr., Donald C. Beaver, D. Kenan Smith, Darrell P. Kruger, Sue Edwards, Recording Secretary, were asked to remain. All others were excused.

PUBLIC SESSION RECONVENED: Upon motion duly made, seconded, and approved the Committee reconvened in open session.

Promotion and Tenure

Chairperson Branch requested a motion that the Committee approve all promotion and tenure recommendations, as presented and discussed in Exhibits A-1; A-2; and A-3.

A motion was made by D. Kenan Smith and seconded by Donald C. Beaver to approve all promotion and tenure recommendations. The motion was approved unanimously.

Chairperson Branch requested a motion that the Committee approve all faculty emeritus and emerita recommendations, as presented and discussed in Exhibit A-4.

A motion was made by D. Kenan Smith and seconded by Donald C. Beaver to approve all faculty emeritus and emerita recommendations. The motion was approved unanimously.

ADJOURNMENT: There being no further business, the meeting adjourned.

Respectfully submitted,

Christy M. Cook
Recording Secretary

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

Thursday, March 15, 2018
4:00-5:00 pm
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, March 15, 2018, 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:

Wayne Miller, President
Alumni Council

OTHERS PRESENT:

James M. Barnes
Sharon B. Bell
John M. Blackburn
J.J. Brown
Alexander Burris
C. Philip Byers
Joe Carter
Dayton T. Cole
Anderson B. Clayton
Randy K. Edwards
Sheri N. Everts
Willie C. Fleming
Paul D. Forte
Denise N. Foutz
Douglas P. Gillin
Alan J. Hauser
Barbara Howard
David T. Jamison
Tom L. Kane
Barbara L. Krause
Darrell P. Kruger
Suzette S. Mauney
Jonathan B. Reeder
Thomas Sherrill

D. Kenan Smith
Heidi Swope

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 December 7, 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: Junior student-athletes, Heidi Swope from Women’s Tennis, and Alex Burris from Men’s Golf, 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:

- The upcoming retirement of Dr. Alan Hauser, who has served as Faculty Athletics Representative at Appalachian State University for 32 years
- Recent academic achievements, including student-athletes earning a 3.1 cumulative grade point average following the fall 2017 semester
- Competitive success during the 2017-18 academic year, including conference championships by Men’s Cross Country, Wrestling and Football. Football also achieved their third consecutive bowl championship. The Women’s Tennis program was recognized as they achieved a top 100 ranking in the Intercollegiate Tennis Association poll for the first time since 2013
- Football scheduling updates, including a date change that will bring East Carolina University to Boone in 2023, as well as a newly announced three game series with the University of South Carolina, who will come to Boone in 2025
- Athletics facilities enhancements, including updates to the Appalachian State University Field Hockey and Volleyball locker room facilities, developing plans for the future facility in the Kidd Brewer Stadium North Endzone, and a review of Athletics’ five-year facilities plan
- Recent fundraising efforts, including over \$29 million raised to date toward A Mountaineer Impact Initiative’s \$60 million goal
- Updates on Athletics active involvement in meeting with local leaders on the development of a local sports commission

- Assessments in the area of Sports Medicine to identify and mitigate risk, as well as an update on the Men's Tennis program and the development of a Diversity and Inclusion Assessment in the Department of Athletics

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)];
2. consult with its attorney to protect the attorney-client privilege [N.C.G.S § 143-318.11(a)(3)]; and
3. establish or instruct the staff or agent concerning the negotiations of the amount of compensation or other terms of an employment contract. [N.C.G.S § 143-318.11(a)(5)].

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, March 15, 2018
3:00 – 4:00 pm
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, March 15, 2018, at 3:00 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
Donald C. Beaver

CONSTITUENCY REPRESENTATIVE PRESENT:

Carole Greene, Chair
Staff Senate

OTHERS PRESENT:

Eloise Covalt
Denise Foutz
David Hayler
David Jamison
Dayton Cole
Sharon Bell
David Ehricht
Jim Webb
John Eckman
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 December 07, 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 December 07, 2017 Audit Committee meeting. There being no corrections, upon motion duly made and seconded, the minutes of the meeting were approved as presented.

PRESENTATION OF THE 2017 FINANCIAL STATEMENT AUDIT REPORT: Ms. Eloise Covalt introduced Mr. David Ehricht, from the Office of the State Auditor, who presented the results of the audit. Mr. Ehricht discussed the audit process and the results, which were issued in a letter to the Board of Trustees on 12/04/17. Mr. Ehricht complemented the University on an outstanding job of preparing for this audit.

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

RECONVENED INTO OPEN SESSION

SUMMARY OF 2017-2018 AUDIT PLAN AND RECENT INTERNAL AUDIT ACTIVITY

UPDATE: Ms. Eloise Covalt gave the summary of recently completed and in-progress internal audits. Reports reviewed with the Committee were as follows:

- 2017 Paid Football Attendance Audit. No findings.
- Information Security Control Activities as documented in ISO 27002 Assessment. Recommendation to document “improve” status for two control activities.
- Food Services Inventory Transfer. Non-compliance was found regarding a prepared food product transfer. Management resolved the non-compliance immediately. Recommendation to strengthen controls over prepared product was made.
- Institutional Conflict of Interest. Consulting/Advisory engagement. Management requested this review. Governance structure is in place but strengthening is needed. Policies and procedures are currently in draft.
- Follow-Up Reviews: a) Data Inventory (Resolved), b) BCP and DRP (Resolution in Progress), c) Cash Handling for Concessions (Satisfactory Progress Made)
- Campus-Wide Reviews were conducted in the areas of educational and technology funds, fixed assets, foundation expenditures, travel expenditures, p-card 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 and procedures concerning compliance with fund requirements, departmental bookkeeping, access, travel, and procurement card expenditures.

- The group discussed use of the P-Cards and the controls in place.

SUMMARY OF RECENTLY COMPLETED EXTERNAL AUDITS: The *2017 Independent Accountants' Report on Applying Agreed-Upon Procedures* was completed by Combs, Tenant, and Carpenter, CPA. NCAA member institutions are required to submit financial data detailing operating revenues and expenses related to its intercollegiate athletics program to the NCAA on an annual basis. No exceptions were noted as a result of these agreed-upon procedures.

REVIEW AND APPROVAL TO PROPOSE AN AMENDMENT TO THE AUDIT COMMITTEE CHARTER: Chair Murray entertained a motion to recommend to the full Board. The motion was seconded and passed.

REVIEW AND APPROVAL TO PROPOSE AN AMENDMENT TO THE BYLAWS OF THE BOARD OF TRUSTEES OF APPALACHIAN STATE UNIVERSITY: The Bylaws need to be updated due to the updated Charter. Chair Murray entertained a motion to recommend to the full Board. The motion was seconded and passed.

REVIEW OF INFORMATION SECURITY UNC POLICY 1400.2 AND EMERGING INFORMATION SECURITY MATTERS: Mr. David Hayler and Mr. James Webb presented the report to the group. Mr. Hayler provided a review of UNC Policy 1400.2. The UNC Board of Governors passed UNC Policy 1400.2, which includes policy requirements to: 1) establish an information security program, 2) designate a senior officer with information security responsibility, and 3) establish oversight of information security. Mr. Webb then discussed an overview of the University information security environment.

ADJOURNMENT: There being no further business, the meeting of the Audit Committee adjourned at 3:57 p.m.

CHARLES V. MURRAY, Chair

By: _____
Charisse Rogers
Recording Secretary

MINUTES
BUSINESS AFFAIRS COMMITTEE
APPALACHIAN STATE UNIVERSITY
BOARD OF TRUSTEES

Thursday, March 15, 2018
3:00 – 4:00 pm
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 March 15, 2018 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
Susan M. Branch
Scott K. Lampe
D. Kenan Smith
Carole P. Wilson

CONSTITUENCY REPRESENTATIVES
PRESENT:

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

OTHERS PRESENT:

Mark Bachmeier
Mark Bradbury
J.J. Brown
Joe Carter
Matthew Dockham
Randal Edwards
Sue Edwards
Chancellor Sheri Everts
Willie Fleming
Hank Foreman
Paul Forte
Megan Hayes
Tom Kane
Barbara Krause
Darrell Kruger
Heather Langdon
Ed Miller
Diane Pitts

Heather Stewart
Ken Smith
Sue Edwards
Leroy Wright

MEDIA PRESENT:

Ms. Anna Oakes, *Watauga Democrat*

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]

The following statement was also read, 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 December 7, 2017 meeting of the Business Affairs Committee had been reviewed and, upon motion made and seconded, were approved as submitted.

NEW RIVER LIGHT AND POWER UPDATE

Vice Chancellor Paul Forte presented information regarding the February, 2018 New River Light and Power Company (NRL&P) Rate Case Ruling. He stated that the last rate case was in 1996. In July 2017, NRL&P filed a request with the North Carolina Utilities Commission to increase the rates by 11.3% or \$1,931,296, in February, 2018 the rate increase was approved at 10.2% or \$1,777,506. Mr. Forte reported that the June, 2017 NRL&P customer satisfaction study rating is 94.3% for residential customers and 98.9% for commercial customers, the reliability rating is 99.5% residential customers and 100% for commercial customers; NRLP customers reported renewable energy was important.

DESIGNER SELECTION CAMPUS ROAD REPAIRS

Vice Chancellor Paul Forte presented information regarding designer selection for a campus roads project which will consist of pedestrianizing Academy Street as well as to potentially share and incorporate the back retaining wall as a symbiotic element in the National Pan-Hellenic Council plots projects. Funding for this \$675,000 project was previously approved by the Board of Governors for a repair and renovation project. The selected design firm is Benesch of Charlotte, North Carolina. Following discussion, the motion was made and seconded to approve the selection of Benesch for the project. The motion carried.

UPDATE ON CAPITAL IMPROVEMENT PROJECTS

Vice Chancellor Paul Forte gave the following update on capital improvement projects:

LEON LEVINE HALL – BEAVER COLLEGE OF HEALTH SCIENCES

This project is approximately 72% complete. It is on budget with a total budget of \$80 million. The anticipated occupancy is Fall 2018. Currently the exterior walls are being completed including windows and interior mechanical systems.

STADIUM ENDZONE PROJECT

This project is authorized for advanced planning of \$2,558,174. CJMW of Winston-Salem was selected as the designer. Solicitations for construction manager at risk are due April 2018. The total project cost is \$38,000,000. The design phase will be Spring 2018-2019 with construction commencing hopefully Spring 2019, with a fall 2020 occupancy.

SANFORD HALL COMPLETE RENOVATION

This \$18,000,000 project is on the March, Board of Governors agenda. The project is self-liquidating paid by student fees. It is hopeful that the designer will be selected in April, 2018 with construction to begin May 2019.

P3 PROJECT SCHEDULE

Requests for Qualifications were submitted in October, 2017, of which four developers were invited to submit a request for proposals. It is hopeful to obtain Board of Governors approval in Spring 2018 with construction to begin in Spring 2019 for occupancy in Fall 2020.

ADJOURNMENT:

There being no further business, the meeting adjourned at 3:20 p.m.

Respectfully submitted,

Diane Pitts
Recording Secretary

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

Thursday, March 15, 2018
2:00 – 3:00 pm
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 Chairperson and the Chancellor on Thursday, March 15, 2018, at 2:00 p.m. in the Beacon Heights room of the Plemmons Student Union on the campus of Appalachian State University in Boone, North Carolina. Carole P. Wilson presided and called the meeting to order.

MEMBERS PRESENT:

Carole Wilson
Anderson Clayton
Wayne Miller

CONSTITUENCY REPRESENTATIVE
PRESENT:

Carole Greene, Chair
Staff Senate

OTHERS PRESENT:

Sheri Everts
James Barnes
Sharon Bell
John Blackburn
Brian Brown
JJ Brown
Danielle Carter
Joe Carter
Jeff Cathey
Dayton Cole
Matthew Dockham
Matt Dull
Lori Eggers
Bob Ellison
Paul Forte
Denise Foutz
Judy Haas
Megan Hayes
Chris Hogan
Jonathon Hyde

David Jamison
Tom Kane
Scott Lampe
Susan McCracken
Matt McNaney
Robert Pope
Alan Rasmussen
Traci Royster
Eddie Simmons
Heather Stewart
Leroy Wright

CONFLICT OF INTEREST NOTICE: Chair Wilson 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.” There were none reported.

EXPECTATIONS OF CONDUCT: Chair Wilson read the following 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 December 7, 2017, Student Affairs Committee minutes were provided as an attachment in Board Effect. Chair Wilson noted one correction to the minutes: to change committee title from Student Development to Student Affairs. A motion was made, seconded and approved to accept the minutes as edited.

HOUSING MASTERPLAN AND PUBLIC PRIVATE PARTNERSHIP: Chair Wilson stated the presentation would focus on the University's Housing Master Plan and Public Private Partnership. Chair Wilson introduced Mr. Matt Dull, Assistant Vice Chancellor for Finance and Operations, for an overview.

Mr. Dull gave an overview of the Housing Masterplan and Public Private Partnership and then opened the floor for questions and discussion.

After discussion, Chair Wilson thanked Mr. Dull for his presentation and the update for University Housing needs and the Public Private Partnership.

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

1. Prevent the premature disclosure of an honorary degree, scholarship, prize, or similar award. [N.C.G.S § 143-318.11(a)(2)]

The motion was approved unanimously. Chancellor Sheri Everts, Vice Chancellor for Student Affairs J.J. Brown, Associate Vice Chancellor for Student Affairs Leroy Wright, Board of Trustee members, Deputy General Counsel Barb Krause, Recording Secretary were asked to remain for closed session. All others were excused.

ADJOURNMENT: After the closed session was adjourned, the Committee reconvened in open session to adjourn the meeting.

Respectfully submitted,

Lori Eggers
Recording Secretary

Good morning. I'd like to begin by thanking you for your guidance and direction, your willingness to serve and your time and dedication to the mission of our university. This morning, I will offer a few of the many accomplishments of our students, faculty and staff; review our progress toward the 5-year strategic goals we set with the UNC System, and share the road map for expansion and improvements we have developed collaboratively as a campus, and with our community.

First, a few points of pride.

- Last year, I initiated the Appalachian Innovation Scholars Program, awarding five proposals developed by faculty and staff that exemplify one or more of the university's strategic goals. We recently funded five new projects at up to \$10,000 each. Through their research endeavors, the recipients are developing innovative solutions to real-world problems, promoting regional economic development and improving the quality of life for the citizens of our region. Innovation scholars develop stunning examples of original thinking and collaboration that foster community engagement and include students, faculty and staff with diverse talents and expertise in pursuing research opportunities. There is much to say about these proposals, but I will briefly share two examples:
- A root zone heating system developed by faculty in the Department of Sustainable Technology and the Built Environment and a research assistant at the Appalachian Energy Center is operational at Springhouse Farm, in nearby Vilas. This is the beginning of the farming season and a critical time for greenhouse usage. Their energy-efficient system applies heat directly to the seed trays to improve germination.

- Creative Unbound is a collaborative project between the Scholars with Diverse Abilities Program (SDAP), the Center for Entrepreneurship and the Association of Student Entrepreneurs. The focus of the initiative is to build a sustainable financial foundation for students, alumni and community members who are associated with the SDAP program. Creative Unbound partners entrepreneurial-minded students with the creative endeavors of the SDAP students. Together, they develop and bring co-branded products to market, providing a source of revenue for the SDAP artists and valuable real-world experience for the student entrepreneurs.

The enterprising thought and work of our faculty is being recognized beyond our campus as well:

- Increasingly, our faculty and staff are sought out for remarks or interviews. Last month, Dr. Amy Dellinger [DELL-in-ger] Page, chair of the Department of Sociology, was a panelist on the nationally broadcast National Public Radio program ONE-A, sharing her expertise in regard to breaking patterns of violence.
- Artwork by April Flanders, associate professor in the Department of Art, was recently purchased for the permanent collection of the Asheville Museum of Science. Her large-scale piece raises awareness about how invasive species affect our ecosystem.
- Dr. Pia Albinsson, associate professor in the Department of Marketing, has co-authored “The Rise of the Sharing Economy,” which explores how consumption-based businesses — from Airbnb to Zipcar — are changing the economic landscape.

I am also pleased to announce two new programs — both of which continue our outreach and community engagement for the long term:

- In January, we received approval from the Board of Governors to establish a Doctor of Psychology program, with a primary goal of preparing clinical psychology students to serve rural populations. We will begin admitting students in the fall of 2019. Through this program, Appalachian will help address the critical shortage of providers in North Carolina... about one-quarter of our state's 100 counties have no practicing psychologists.
- Since he arrived on our campus in June, University Director of Public Safety and Chief of Police Andy Stephenson has been intentional about building positive relationships between our officers and students, and increasing diversity within the department. As part of this goal, he will open a new, innovative police academy for students this summer. This program — which is only the second of its kind in the nation — will help meet the demand for well-trained and educated police officers in our state. Additionally, I see it as key to increasing rural student enrollment at Appalachian. Chief Stephenson participated in the original model while attending Indiana University, and brings valuable experience and knowledge with which to develop Appalachian's new program.

One recent accolade for Appalachian of which I am particularly proud is evidence of the impact our alumni have in the realm of education:

- Appalachian has the HIGHEST number of alumni in the nation certified by the National Board for Professional Teaching Standards. We also hold, for the second year in a row, the number one ranking out of 50 public and private universities and colleges for the highest number of nationally credentialed alumni. This is testimony to the innovative instruction, faculty excellence and student success for which the Reich College of Education is known.

And our students — with a broad array of interests and talents — continue to stand out both academically and as good citizens.

- Dean Vahlbusch reports an all-time high in the number of applications by high-achieving students to join the Honors College for fall 2018 — well over 1,600. Of the 450 who were invited to join the college, 24 percent are students of color.
- Students in the Physics and Astronomy Club are working to develop a laser prototype with an edible component — using solutions made from beet juice, tonic water, and turmeric — to add color to the laser’s visible beam of light. The project was one of 11 nationwide to receive grant funding through the prestigious Marsh W. White Award from the American Institute of Physics’ Society of Physics Students.
- In the fall 2017 semester, 22 student-athletes recorded a perfect 4.0 GPA. Two-thirds of our student-athletes made the Appalachian Athletics academic honor roll, which requires students to have a minimum GPA of 3.25 while being enrolled in at least 12 hours of coursework.
- Student veteran Jake Keller gave three of his Hayes School of Music faculty a special honor last month when he presented them with a Patriot Award from the National Guard and Reserve. They helped provide him with a guitar so he could teach lessons and share the value of music therapy while he is deployed in Iraq. A specialist in the North Carolina Army National Guard, he plans to finish his Master of Music Therapy when he returns home.

There is much to be proud of but, sadly, some news is not easy to share.

Many of us had the pleasure of knowing Mr. Irwin “Ike” Belk, who was an inspiring and important friend to the university. Mr. Belk, who lived to be 95, passed away in February. His contributions supported our library and our colleges, improved our athletic facilities and culturally enhanced our daily experiences. One has only to walk the campus to see any number of engaging sculptures he gifted, including the iconic “Aspire” on Sanford Mall. He was always positive and proud to support higher education, and his legacy provides great inspiration to the community.

As you know, we have pledged to meet certain UNC System strategic goals over the next five years. When I signed the agreement with President Spellings last fall, I recognized these initiatives are ambitious, but achievable, and 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. Today, I can share remarkable evidence that we are well on our way to meeting, if not exceeding, the five-year performance goals.

The System’s strategic plan metrics require that we focus on increasing enrollment and achievement for low-income and rural students, as well as in critical workforce programs such as health care, STEM and teacher education.

We have already surpassed our 2020 goal to increase enrollment of rural students.

... We are ahead of our goal to increase the number of low-income graduates.

... Ahead in our efforts to increase the number of graduates from rural areas.

... and ahead by a full year in our goal to increase the number of critical workforce credentials in STEM fields.

Our efforts to reduce the disparity in academic performance between low-income and the overall student population are slightly below the desired baseline. We are aggressively examining ways

to bring our numbers in line with the System's expectations, in order to be on track to make our five-year goal. The plan also dictates improvement in low-income enrollments, overall undergraduate degree efficiency and research productivity. We are significantly ahead of the mark in two areas:

- We are on track to surpass our 2021 goal for increasing enrollment of low-income students.
- ... and are also well on our way toward our goal for improving efficiency of degree completion for the overall undergraduate population.

We need to improve a bit in the area of research productivity. Again, initiatives are in place, and I feel confident we will meet our goal.

Finally, we have been asked to sustain our five-year graduation rates, and while this is a goal we must sustain through 2020, we will far exceed it by then. 77%! I was here when we topped 70% for the first time. This is quite an accomplishment! We are doing well, and have the leadership in place to exceed these goals, which will bring untold value to the state of North Carolina. We know Appalachian compares most favorably in affordability reviews, but we are all keenly aware of the cost of a college education and the debt some of our students incur as a result of their time with us. You will hear much in the future about University Advancement's goals for both need-based and merit-based scholarships. The emphasis on these will be a focus for our fundraising efforts as we seek to provide students with the support they need for success in college and beyond. Student success in the classroom and lab, combined with postgraduate success, contributes greatly to our excellent reputation as a national leader in higher education. As we

continue growing 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. The well-being and success of the members of our Appalachian Community are first and foremost as we go about planning for expanding and improving our campus — my final topic for today's remarks.

For several months, the vice chancellors and I have hosted planning and listening sessions with campus and community members to gather valuable feedback and direction around those plans. Our local paper, the Watauga Democrat, noted we were “listening and listening well” — Thank you, Anna! — but the real contribution came from those who took time to share their ideas and hopes for our future. As our plans for expansion and improvements come together, they will prioritize innovative research and learning, benefit the community, and position Appalachian as a leader among our peers. “Sustaining for tomorrow” was the theme of our recently published Appalachian Magazine. The words are significant, particularly as we deal with growth, in that they emphasize the university's sustainability initiatives as solid business practices, ones which secure our place in the crowded and complex higher education market.

Eight major projects are in the works:

Let's begin with the newly named Leon Levine Hall of Health Sciences, which, as you know, is the largest capital project to date in our history and will be the first completed Connect NC Bond project. It is proceeding on time and on budget.

The five-million-dollar commitment from The Leon Levine Foundation goes a long way in furnishing and outfitting the laboratories and offices. Moving five of the six departments of the Beaver College of Health Sciences into one building will enhance collaborative efforts across the

disciplines, foster a patient-centered practice model, AND open much needed space on campus for other initiatives.

We plan to host two opening events at the end of September and will advise you as soon as the dates are firm. The building will be open to students for the fall semester in August.

Built in 1968, Sanford Hall is visited by 4,600 students per day — 23,000 students per week. In fact, every student at Appalachian takes at least one class in the building. Sanford Hall is structurally sound and meets the basic safety codes established in the late 60s, but as we have discussed, it lacks 21st-century fire suppression and air conditioning, and its HVAC and electrical systems are, shall we say, vintage. Classrooms and office spaces are outdated and not up to the task for such an important academic resource. Renovation will extend the life of the building by as much as 40 years. While I know fee increases are not easy decisions to make, I want to thank you— on behalf of those who are using the building now and who will use it in the future — for supporting the fee increase necessary to fund the much-needed renovations to this building, which are slated to begin in May of 2019. The Board of Governors will vote on the proposed fee increase next week.

The acquisition of the former Watauga High School — or Appalachian 105, as it was dubbed by Trustee Wilson — allows us to make deliberate choices about growth and to build an intentional community that is even more inviting. Proposed options for development, which we gathered during three, interactive listening sessions this academic year, will soon be published on the Institutional Research Assessment & Planning website. The options we discussed included student residence halls, a day care facility, student recreation fields, and athletics' fields. By next

semester, we will make use of the property's current parking configuration, which accommodates 500 spaces.

We also have approval from the Board of Governors to enter the design phase for the north end zone project at Kidd Brewer Stadium. The mixed-use development will replace the 45-year-old Owens Field House and will include an array of amenities that will benefit App State Athletics. I'd like to take a moment here to acknowledge Doug Gillin for the efforts he is making to be sure this facility will be available for use by the *entire* campus community. The recent 10-million-dollar commitment from alumnus Mark Ricks to support the university's "A Mountaineer Impact" initiative is a significant step toward launching this project and encouraging other donors to follow suit.

As you know, the university's 2015 Master Plan calls for the renovation or replacement of seven residence halls: Bowie, Coltrane, Eggers, Gardner, Winkler, Justice and East, which will net 400 new beds for a total of approximately 2,200. We are currently reviewing developer proposals to finance and manage the replacement construction. Later in today's meeting, you will receive a presentation for your support.

Under this plan, we will lease the rooms from the developer, but I want to emphasize we will operate the halls like our existing residences — with residence advisors, housekeepers and room assignments handled by University Housing.

We will build efficient buildings, which will result in less impact on housing costs for our students. And, at the end of the lease period, ownership of the properties reverts back to the university.

We expect to begin the first project at the Winkler site, with 300 to 400 beds ready for occupancy in the fall of 2020. University Housing is in outstanding financial shape, and this project will allow us to maintain that strong financial position.

I want to spend a moment on Legends, since there is student, staff and alumni interest in this venue. For more than 20 years, this student concert venue, located in a remodeled Winn-Dixie, has provided space for student entertainment and socializing. As you know, we closed the building for renovations after floodwaters in October caused damage and mold, and reopened last month.

The long-term future of the facility is still being discussed, but our leadership is in agreement we must operate under the fiscally responsible premise that any investment in continuing operation at this location could be relatively short-term. I'll remind you that the Master Plan calls for the demolition of Legends. Student Affairs is currently leading a group of students, faculty and staff who are examining the potential for alternative venues.

I want to emphasize that decisions about the future Legends venue are separate and apart from the future of the Appalachian Popular Programming Society. APPS is an important part of the Appalachian Community. Our students gain valuable educational and programming experience through APPS, which serves them well during and beyond their student experiences at Appalachian. University leadership is committed to making sure this will continue.

I am particularly pleased to provide you with an update on this project, because our students and alumni have been advocating for this for close to 10 years, and it is gaining significant

momentum. For well over 50 years, historically black colleges and universities across the United States have developed a tradition of providing a gathering space for the National Pan-Hellenic Council or NPHC.

Many of you will recall the presentation made in June by student representatives Malik Hargrave and Alan Lee when they shared their research on NPHC plots and gardens on other campuses.

Many of you also attended the space dedication for the project, which took place during Homecoming weekend last fall.

The plots and gardens will be located next to the Veterans Memorial garden in front of I.G. Greer. Chief Diversity Officer Willie Fleming is coordinating communications about the project, and fundraising efforts are making good progress.

To date, we have realized \$40,000 toward the \$100,000 fundraising goal for this project, which includes not only construction dollars, but important leadership development scholarships for our NPHC members.

And finally — a tribute to our founders ... B.B. and D.D. Dougherty and Lillie Shull Dougherty. University leadership has been exploring ways to honor our founders for quite some time. A new plaza, located in the area behind the Appalachian sign off Hardin Street, will provide a more prominent home for the university's sculpture of B.B. Dougherty, and will provide a new outdoor space for studying, small gatherings and scheduled campus events. Since so many prospective students, current students, new graduates and long-time alumni choose the university sign as a location for photographs, we plan to update the sign and give it a larger, more iconic

setting. Construction will take place over the summer, with an opening ceremony scheduled for September 5 ... on Founders Day. This new tradition will be celebrated each fall to honor our founders and the first day of classes in 1899.

It is exhilarating to think of the opportunities we are creating and humbling to recognize the potential we have to change so many lives.

I want to express how fortunate we are to have you serve this special place. We rely on your leadership to make it accessible to as many students as possible, to continue on the path of excellence and innovation, and to be good stewards of the campus and its resources. Thank you.

Before I close, I'd like to make an important acknowledgement.

This is the final meeting of the Board of Trustees for Dayton Cole in his capacity as General Counsel for the university. Dayton has announced he is retiring after three decades of service to Appalachian. I hope you will be able to join in celebrating Dayton's service and storied career at a reception on Friday, April 20 at 3pm at the Athletics Center. As you well know, Dayton has dedicated the bulk of his career to supporting our students, faculty and staff. He has received numerous recognitions and honors for his dedication and professional activities. On behalf of the entire Appalachian Community, I would like to take this opportunity to extend our sincere appreciation to Dayton for his commitment to Appalachian and for his contributions to the good work we do each day.

Mr. Chair, this concludes my remarks.

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**BYLAWS OF THE BOARD OF TRUSTEES
OF
APPALACHIAN STATE UNIVERSITY**

Article 1

Relation to Laws and University Policies and Regulations

1.1 Composition, Powers and Duties of the Board of Trustees – Provisions for membership on the Board of Trustees of Appalachian State University (“the Board” or “Board of Trustees”), officers of the Board, required meetings and general powers and duties of the Board shall be as set forth in North Carolina General Statutes, Chapter 116, Article 1, Part 3, *The Code of the Board of Governors of The University of North Carolina (“The Code”)*, Chapter IV, or other provisions of The University of North Carolina Policy Manual (“The UNC Policy Manual”), latest edition.

1.2 Other Duties and Authority of the Board of Trustees – Other duties and authority shall be as set forth in “Delegations of Duty and Authority to Boards of Trustees,” or other provisions of The UNC Policy Manual, latest edition.

1.3 Responsibilities for Endowment Fund – Responsibilities of the Board of Trustees for the creation and maintenance of an endowment fund shall be as set forth in North Carolina General Statutes, section 116-36, *The Code*, or other provisions of The UNC Policy Manual, latest edition.

1.4 Hierarchy of Authority – The provisions of sections 1.1, 1.2, and 1.3 shall govern over any conflicting provisions in these Bylaws.

1.5 Definitions

1.5.1 “Annual Meeting” means the first regular meeting after June 30 of each year.

1.5.2 The terms “Board of Trustees” and “Board” shall mean the Board of Trustees of Appalachian State University, composed of 13 persons pursuant to North Carolina General Statutes, section 116-31(d) as follows:

- (1) Eight elected by the Board of Governors;
- (2) Four appointed by the General Assembly, two of whom shall be appointed upon the recommendation of the President Pro Tempore of the Senate, and two of whom shall be appointed upon the recommendation of the Speaker of the House of Representatives; and
- (3) The president of the student government, *ex officio*.

1.5.3 The term “constituency representatives” shall mean the individuals who serve as Chair of the Faculty Senate, Chair of the Staff Senate and President of the Alumni Association during their respective terms in office.

1.5.4 The terms “law” and “laws” shall be deemed to include all applicable State and federal legislative enactments, regulations adopted by State and federal agencies with jurisdiction, and policies adopted by the Board of Governors of The University of North Carolina.

Article 2 Meetings

2.1 Regular Meetings – There shall be at least three regular meetings of the Board of Trustees each calendar year and such additional meetings as may be deemed desirable. Any matter of business relating to Appalachian State University (the “University”), over which the Board of Trustees has jurisdiction, may be considered at any regular meeting.

2.2 Special Meetings – The Chair of the Board of Trustees or the Chancellor of the University may call special meetings of the Board by giving notice thereof in accordance with applicable law. The Secretary of the Board, at the written request of not less than three members of the Board, may call special meetings of the Board by giving notice thereof in accordance with applicable law. The Board may, by unanimous vote of those present at the special meeting, conduct any business other than that for which the meeting was called.

2.3 Notice of Meetings – Timely notice (generally, at least seven days) prior to each regular meeting of the Board of Trustees and its committees, including an agenda and copies of all reports and other written materials (insofar as is practicable) to be presented at the meeting, shall be provided to each member of the Board by the Assistant Secretary. Insofar as is practicable, a copy of the agenda of each special meeting of the Board shall be provided to each member of the Board at least four days in advance of a special meeting; however, if such advance notice is not practicable, the agenda for a special meeting may be presented to the members of the Board as the first order of business at the meeting.

2.3.1 Preparation of Agenda – The agenda for every meeting shall be prepared by the Chancellor or the Chancellor’s staff, in conjunction with and subject to the approval of the Chair of the Board. Every request for inclusion of an item on the agenda of a meeting shall be put in writing and filed, together with any supporting documents, with the Chancellor sufficiently far in advance of the meeting to permit a determination to be made by the Chancellor with respect to the propriety and practicability of including that item on the agenda for the meeting.

2.3.2 Items Not on Agenda – Any member of the Board of Trustees may present to any meeting of the Board any item whether or not the same is on the agenda of the meeting. However, such items may not be acted upon without the approval of two-thirds of the members of the Board present for such a meeting.

2.4 Conduct of Business

2.4.1 Presiding Officer – The Chair shall preside over all meetings of the Board of Trustees. In the absence of the Chair, the Vice-Chair shall preside. In the absence of both the Chair and the Vice-Chair, a presiding officer shall be elected by and from the membership of the Board of Trustees.

2.4.2 Voting – A quorum of the Board of Trustees shall consist of a majority of the Board. All members of the Board of Trustees may vote on all matters coming before the Board for consideration. No member may vote by proxy.

2.4.3 Rules of Order – Except as modified by these Bylaws or specific rules and regulations enacted by the Board of Trustees, *Robert's Rules of Order*, latest available edition, shall constitute the rules of parliamentary procedure applicable to all meetings of the Board of Trustees and its several committees.

2.4.4 Manner of Acting - Except as otherwise provided in these Bylaws or required by applicable law, the affirmative vote of a majority of the members participating in a meeting of the Board shall be the act of the Board if a quorum is present when the vote is taken. Any meeting of the Board where the members are not gathered at the same location may be held by teleconference or any other media through which the members participating in the meeting may hear and directly communicate with each other.

2.5 Minutes – The Assistant Secretary shall keep minutes of all meetings of the Board of Trustees; shall file, index, and preserve all minutes, papers, and documents pertaining to the business and proceedings of the Board; shall be custodian of all records of the Board; and, in the absence of the Secretary, shall attest the execution of all legal documents and instruments of the University. The Assistant Secretary shall transcribe the minutes of the meetings and provide a copy to each member of the Board.

2.6 Closed Session – By vote of a majority of the members present at any meeting of the Board of Trustees, the Board may convene in closed session, consistent with State law and policy.

2.7 Recess – A meeting of the Board for which notice has been posted in accordance with North Carolina General Statutes, section 143-318.12(b), may be recessed to a specific time and place by announcement of the presiding officer in open session.

2.8 Constituency Representatives – Constituency representatives shall be invited to attend each Board meeting and advise the Board on matters of business before the Board that affect or are of interest to their respective constituencies when the Board is convened in open session.

2.9 Committee Meetings – All provisions of this Article 2 shall apply to committee meetings insofar as these provisions can be practically implemented, except as otherwise expressly stated in these Bylaws. Minutes of committee meetings shall be transcribed by recording secretaries

appointed from time to time by respective presiding officers and forwarded to the Assistant Secretary.

Article 3 Standing Committees

3.1 Nominating Committee – The Chair shall appoint a Nominating Committee composed of three members of the Board of Trustees prior to the Annual Meeting and at such other times when offices are vacated. The Nominating Committee shall present to the full Board, at the Annual Meeting or at such other time as the Board may designate, nominees for the offices of Chair, Vice-Chair, Secretary, and Assistant Secretary.

3.2 Executive Committee – The Executive Committee shall consist of five members as follows: the Chair of the Board, who will serve as Chair of this Committee; the Vice-Chair of the Board; and three other members appointed annually by the Chair of the Board. The responsibilities of this Committee shall be as follows:

3.2.1 Act on behalf of the full Board with respect to matters requiring action between meetings of the full Board of Trustees.

3.2.2 Assist the Chancellor in representing the University's financial needs and priorities with members of the General Administration, Board of Governors, and legislative bodies.

3.3 Academic Affairs Committee – The Academic Affairs Committee shall consist of at least four members appointed annually by the Chair of the Board of Trustees. The responsibilities of this Committee shall be as follows:

3.3.1 Upon recommendation of the Chancellor, or upon decision of the Committee, review and make recommendations to the Board pertaining to:

- a. awarding of emeritus/emerita faculty status;
- b. granting of leaves of absence to faculty and academic administrative (EPA) personnel;
- c. selection of recipients of the Board of Trustees Travel Study Grant;
- d. granting of honorary degrees; and
- e. establishment of distinguished professorships and endowed chairs.

3.3.2 Upon recommendation of the Chancellor, or upon decision of the Committee, review and make recommendations to the Board on matters related to promotion and tenure of faculty, and make recommendations to the Board on all institutional policies and regulations governing faculty tenure and promotion.

3.4 Student Affairs Committee – The Student Affairs Committee shall consist of at least four members appointed annually by the Chair of the Board of Trustees. Appropriate smaller groups

of members may be appointed from time to time to work with individual areas. The responsibilities of this Committee shall be as follows:

3.4.1 Upon recommendation of the Chancellor, or upon decision of the Committee, review and react to the objectives of the Student Affairs division outlined in strategic planning documents.

3.4.2 Upon recommendation of the Chancellor, or upon decision of the Committee, review and make recommendations to the Board of Trustees on the formulation of University policies affecting the Student Affairs division.

3.4.3 Serve as an advocate to the Board of Trustees and the Board of Governors for the needs of programs in Student Affairs at Appalachian, through the Chancellor and Vice Chancellor for Student Affairs.

3.4.4 Hear the concerns of Appalachian students as expressed by their official representatives.

3.4.5 Work jointly with other committees of the Board of Trustees to review matters in Student Affairs which affect other areas of the University when appropriate.

3.4.6 Hear appeals from aggrieved students when such appeals are referred to the Committee by the Chair of the Board of Trustees and make recommendations to the full Board as to the resolution of such appeals. The action of the full Board on such appeals shall be final, except as otherwise provided in *The Code*.

3.5 Business Affairs Committee – The Business Affairs Committee of the Board of Trustees shall consist of at least four members appointed annually by the Chair of the Board of Trustees. The responsibilities of this Committee shall be as follows:

3.5.1 Upon recommendation of the Chancellor, or upon decision of the Committee, assess and make recommendations to the Board of Trustees for long-range physical needs and improvements.

3.5.2 Upon recommendation of the Chancellor, or upon decision of the Committee, review and make recommendations to the Board of Trustees on land needs and priorities for the acquisition of real property.

3.5.3 Work with the Chancellor and the Vice Chancellor for Business Affairs, to assist in establishing the biennial capital improvement program for the institution.

3.5.4 Assistance will be provided to the Chancellor and the Vice Chancellor for Business Affairs in the selection of architects and/or engineers for capital projects.

3.5.5 Upon recommendation of the Chancellor, or upon decision of the Committee, review and make recommendations to the Board of Trustees on the operation and financing of auxiliary activities.

3.5.6 Upon recommendation of the Chancellor, or upon decision of the Committee, and in cooperation with the Executive Committee, review and make recommendations to the Board of Trustees on the biennial budget.

3.6 Audit Committee – The Audit Committee shall consist of at least four (4), members of the Board of Trustees. The primary purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities for (i) integrity of the financial statements of the University, (ii) performance of the University's internal audit function, (iii) assurance that the University is performing self-assessments of operating risks and evaluations of internal controls on a regular basis, and (iv) the University's information security program. The Committee shall be organized, and exercise its duties and responsibilities, in accordance with the "Charter of the Audit Committee of the Board of Trustees" ("Charter"), as adopted by the Board of Trustees on September 22, 2006, or amended thereafter.

3.7 Appeals Committee - The Appeals Committee shall consist of five (5) members to be selected and agreed upon by the Chair of the Board of Trustees and the Chair of the Faculty Senate. The purpose of the Committee is to consider (i) appeals from faculty members that involve imposition of serious sanctions consistent with Section 603 of *The Code* and the provisions of the personnel policies and procedures published in corresponding sections of the *Faculty Handbook* and (ii) appeals of grievances by faculty members on decisions regarding promotion, tenure, post-tenure review or other matters directly related to faculty members' employment status and institutional relationships pursuant to Section 607 of *The Code* and corresponding sections of the University's *Faculty Handbook*. Each appeal shall be transmitted through the Chancellor and be addressed to the Chair of the Board of Trustees. The Appeals Committee shall base its consideration of the appeal upon the written transcript of hearings held by the Faculty Due Process Committee or the Faculty Grievance Hearing Committee, as the case may be. The Appeals Committee also may, in its discretion, hear such other evidence as it deems necessary. The Appeals Committee shall make a recommendation to the Board of Trustees in each case.

3.8 Athletics Committee – The Athletics Committee shall consist of at least four (4) members appointed annually by the Chair of the Board of Trustees. The responsibilities of this Committee shall be as follows:

3.8.1 Consistent with Board of Governors policies that make the Chancellor (subject to policies adopted by the Board of Governors and Board of Trustees) responsible for the establishment and supervision of the University's program of intercollegiate athletics, consult with the Chancellor at the Chancellor's request on any matters relevant to intercollegiate athletics programs;

3.8.2 Make recommendations to the Board of Trustees regarding institutional policies, procedures and programs related to intercollegiate athletics with the aim of ensuring that the

University meets the Board's expectations for academic and competitive success, quality student-athlete experiences and compliance with NCAA requirements;

3.8.3 Review the Chancellor's annual report on intercollegiate athletics pursuant to Board of Governors policies: and

3.8.4 Upon recommendation of the Chancellor, review employment contracts for athletics coaches and the athletics director, and make recommendations thereon to the Board of Trustees.

3.9 Following election of Board officers, the Chair of the Board of Trustees will, except as otherwise expressly provided in these Bylaws, appoint the members and chairs of all standing committees.

3.10 Except with respect to the Nominating Committee, the Chair and Vice-Chair shall be members *ex officio* of every Standing Committee. If present, *ex officio* members shall be counted to determine the presence of a quorum. If *ex officio* members are not present, the number required for a quorum is determined without regard to their membership on the committee.

Article 4 Officers

4.1 At the Annual Meeting, the Board of Trustees shall elect from its membership a Chair, a Vice-Chair, and a Secretary. Each officer shall serve from adjournment of the meeting at which the officer is elected until a respective successor is elected. If the term of the Chair as a member of the Board of Trustees expires before a successor as Chair is elected, then the Vice-Chair shall become the interim Chair until the Chair's successor is elected. The Board may also elect an Assistant Secretary from among the members of the Chancellor's staff. No person may be elected to any office, other than the office of Assistant Secretary, for more than two consecutive terms.

4.2 Officers shall be elected by a majority vote of the full Board. If a vacancy occurs in any office, the Board of Trustees shall elect a person to serve for the remainder of the unexpired term.

4.3 Duties and authority of each officer shall be as provided in *Robert's Rules of Order*, latest available edition, except as they may be expressly modified in these Bylaws. The Secretary shall keep the Board of Governors, through the Secretary of The University of North Carolina, fully and promptly informed concerning activities of the Board of Trustees, including notice of any changes in the membership of the Board or in its committee structure or bylaws, notices of meetings, and a copy of the minutes of all meetings. The Secretary may delegate duties to the Assistant Secretary. The Assistant Secretary may certify copies of all minutes, papers, and documents of the Board of Trustees with the same force and effect as though such certification were made by the Secretary of the Board.

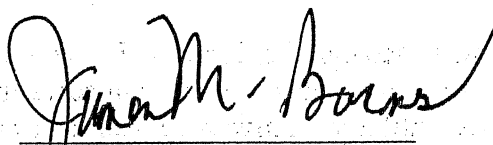
**Article 5
Amendment**

These Bylaws may be amended at any regular or special meeting of the Board of Trustees by an affirmative vote of a majority of the members of the Board if the substance of the amendment has been filed in writing with the Assistant Secretary and a copy has been provided to each member of the Board at least seven days prior to the meeting at which the amendment is to be voted upon.

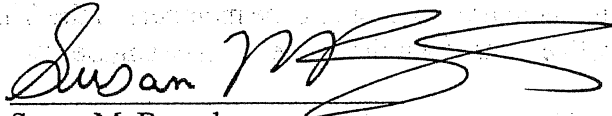
Approved – February 9, 1979
Amended – September 5, 1985
Amended – December 7, 1990
Amended – December 1, 1995
Amended – March 23, 2001
Amended – September 5, 2003
Amended – December 2, 2005
Amended – December 8, 2006
Amended – September 19, 2008
Amended – December 4, 2009

Amended – September 24, 2010
Amended – December 10, 2010
Amended – June 17, 2011
Amended – June 8, 2012
Amended – December 12, 2014
Amended – March 27, 2015
Amended – May 6, 2015
Amended – December 4, 2015
Amended – September 22, 2017
Amended – March 16, 2018

Approved on March 16, 2018.



James M. Barnes
Chair



Susan M. Branch
Secretary

RESOLUTION ENDORSING A PUBLIC-PRIVATE PARTNERSHIP TO CONSTRUCT
NEW STUDENT HOUSING AT APPALACHIAN STATE UNIVERSITY AND
DELEGATING AUTHORITY TO THE EXECUTIVE COMMITTEE OF THE BOARD
OF TRUSTEES

WHEREAS, Appalachian State University officials have, with assistance of Brailsford & Dunlavey, Inc., a nationally recognized consultant, conducted studies to assess long-term needs for student housing at Appalachian State University; and

WHEREAS, a team of university faculty, staff and students has evaluated qualifications of at least eight teams of developers, design professionals, building contractors and management firms interested in providing services to construct and maintain student housing facilities and related infrastructure; and

WHEREAS, the university team solicited proposals from four nationally recognized student housing developers to construct facilities to house approximately 2,100 to 2,200 students on the Millennial Campus along Stadium Drive and between the Athletics Complex to the south and Trivette Hall, Newland Hall, Wey Hall, Belk Hall and Frank Hall to the north (the "Project") and determined that at least one of the proposals merits further exploration; and

WHEREAS, actions necessary for approval and timely commencement of the Project may be required between regular meetings of the Board of Trustees; and

WHEREAS, the Board of Governors of The University of North Carolina has delegated to boards of trustees at constituent institutions responsibility,

subject to policies of the Board of Governors and all legal requirements relative to the construction of state-owned buildings, for the following matters concerning campus capital construction projects which have been approved by the Board of Governors and authorized by the State of North Carolina: (1) the selection of architects or engineers for buildings and improvements requiring such professional services; (2) the approval of building sites; (3) the approval of plans and specifications; and (4) the final acceptance of all completed buildings and projects.

(The UNC Policy Manual, Chapter 100.1 - The code, Appendix 1)

NOW, THEREFORE, be it

RESOLVED, that the Board of Trustees of Appalachian State University hereby endorses the Project in concept and urges the Chancellor and the Chancellor's delegates to negotiate terms and conditions acceptable to the university and seek all necessary approvals for the

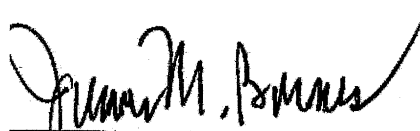
Project if they determine that the Project is financially feasible and will serve the long-term interests of the institution; and be it further

RESOLVED, that the Executive Committee of the Board shall be authorized to approve:

- (1) the selection of architects or engineers for buildings and improvements;
- (2) building sites; and
- (3) plans and specifications

and to take any other action necessary or appropriate for commencement and completion of the Project.

APPROVED this 16th day of March, 2018.



James M. Barnes
Chair



Susan M. Branch
Susan M. Branch Secretary