APPENDIX A

<u>Increase of Student Dining Debt Service Fee – The University of North Carolina at Chapel Hill</u>

The 1996 Session of the General Assembly, at the request of the Board, approved a capital improvements project for the improvement of food service facilities on the campus of the University of North Carolina at Chapel Hill. At the time the project was approved, UNC-Chapel Hill included in their request a plan to finance the project from borrowing, to be repaid from food service receipts and a debt service fee, if needed. Lenoir Hall has been renovated, and the University is ready to proceed with the second phase of its food-service plan. The University of North Carolina at Chapel Hill has requested authority to institute an increase of an additional \$10 debt service fee as part of its method of financing for this project. The fee will increase from \$40 to \$50 per year.

It is recommended that the fee be established effective with the fall semester, 2002.