

APPENDIX D

Authorization to Implement Debt Service Fees – Fayetteville State University and The University of North Carolina at Wilmington

Fayetteville State University requests authority to implement a debt service fee effective with the spring semester of 2003. The fee was previously approved as a source of revenue to repay bonds issued to finance a capital improvements project, Athletic Facilities Improvements (\$2,766,550), that was approved by the Board of Governors and the North Carolina General Assembly. The debt service fee is \$95 per year.

In addition, the University of North Carolina at Wilmington requests authority to implement two debt service fees effective with the spring semester of 2003. The debt service fees were previously approved as sources of revenue to repay bonds issued to finance capital projects that were approved by the Board of Governors and the North Carolina General Assembly.

The first fee was approved to support the expansion of Westside Hall for use as a student health center. The total project cost is \$3,000,000 and the debt service fee is \$20 per year.

The second fee would provide the revenue to pay \$16 million of indebtedness that will finance the expansion of the Student Union. The requested fee is \$115 per year.

It is recommended that the debt service fees as proposed for Fayetteville State University and the University of North Carolina at Wilmington be approved effective with the spring semester.