

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
February 13, 2007**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, February 13, 2007, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Allan Vigil, called the meeting to order at 9:00 a.m. Present on Tuesday, in addition to Chair Vigil, were Vice Chair William H. Cleveland and Regents James A. Bishop, Hugh A. Carter, Jr., Robert F. Hatcher, Felton Jenkins, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Doreen Stiles Poitevint, Wanda Yancey Rodwell, Benjamin J. Tarbutton III, and Richard L. Tucker.

SAFETY BRIEFING

The Assistant Vice Chancellor for Administration and Compliance Policy, Mark Demyanek, gave the Regents and audience a briefing of basic safety information in the event of an emergency.

RECOGNITION OF SENATOR JACK HILL

Chair Vigil asked the Senior Vice Chancellor of External Affairs, Thomas E. Daniel, to introduce Senator Jack Hill, chair of the Senate Appropriations Committee.

Mr. Daniel thanked Chair Vigil and proceeded with the first of two introductions. Mr. Daniel introduced Ms. Robin Wade who is the new budget analyst for higher education in the Senate Budget and Evaluation Office. He stated that she will be working with Senator Jack Hill and welcomed her to the Board meeting.

Mr. Daniel then introduced Senator Jack Hill. He began by stating that prayers are answered. He elaborated, saying that if a person prayed to the "great legislator in the sky" and asked for what he would want in the chair of the Senate Appropriations Committee, it would be Senator Jack Hill. He continued, saying that Senator Hill is an individual that was elected 1990 when times were tough. He was chair of the Senate Higher Education Committee for 8 years. During that time he was party to several legislative milestones including the start of the HOPE Scholarship program under Governor Zell Miller and full funding of the University System of Georgia's formula along with an average 6% merit salary increase for 4 years in a row. Mr. Daniel observed that it is easy to forget that the governors propose things, but the General Assembly has to approve them. He then noted that having a chair who has chaired the System's policy making committee and budget subcommittee prior to his appointment as chair of the Senate Appropriations Committee, demonstrates that Senator Hill is an ideal individual for the position. Mr. Daniel added that sometimes Senator Hill's extensive knowledge of the System is a challenge for him when he goes before the Committee because he has

to make sure that all of his “i’s” are dotted and “t’s” are crossed. Mr. Daniel reiterated that Senator Hill certainly knows his business, noting that right now he’s motivated in something that helps the System a great deal. Senator Hill has five grandchildren, all of whom will be future HOPE Scholars. So he certainly is working very hard for the University System. With that, Mr. Daniel asked Chair Vigil and Chancellor Davis to welcome Senator Jack Hill.

Senator Jack Hill addressed the Board of Regents.

Senator Hill stated that he was honored to come and visit with the Board and System Office staff and to tell them how much the General Assembly appreciates what they do. Senator Hill said that he believes it has been a great partnership during the 17 years that he has served in the legislature. The senator stated that perhaps he values it more because of the two colleges that are in his district, adding that during this meeting he wanted to speak with the Board about why the partnership is important and why the Board should continue its work.

As he began, Senator Hill mentioned that Senator John Wiles is the new Subcommittee Chair of Appropriations for Higher Education this year and commended him for doing a great job. Senator Hill stated that he thought Senator Wiles had found his dream job because he has never seen anybody happier than Senator Wiles. Senator Hill added that he is looking forward to great things to come out of the Board’s interactions with Senator Wiles.

Senator Hill then moved in to his two major points of discussion. The first point was the importance of the production and generation of college degrees for the state. Senator Hill stated that this first point had two stages with which the Board may or may not be familiar. The importance of this issue was highlighted to the senator the week prior to the meeting when two speakers presented before the Senate Appropriations Committee. One of the speakers was the vice president of the Federal Reserve Bank in Atlanta. During his presentation, the vice president showed the Committee two graphs that demonstrated the importance of higher education in the generation of high paying jobs. Senator Hill then held up two small charts, one showing annual personal income growth, the other, state revenues. The charts demonstrated that the state’s income growth and revenues follow exactly in lockstep. Therefore, as the income growth rate in the state grows, the state’s revenues also grow. Senator Hill pointed out that this is particularly important this year because Georgia’s economy is a little sluggish. Senator Hill stated that the Senate Appropriations Committee now understands that the growth in higher paying jobs, that according to economists, has slowed since the 1990s is very likely affecting Georgia’s revenues. Senator Hill said that this corresponded with his second point regarding the value of college degrees.

Senator Hill then held up a graph that compared the income growth between Georgia and the United States. The only important fact about this, stated Senator Hill, is that in the 1990s Georgia was outdistancing the national income growth by as much as 20% a year. Now, since 2000, Georgia has been right in lockstep again with the national economy on income growth. Senator Hill used this graph to make two points. First, the state’s income growth is slowing and it is now matching the national rate, so Georgia is no longer out ahead. He reasoned that this is possibly because the number of higher paying jobs being created in the state has also slowed. From this, he concluded that the work of Board of Regents and the System institutions around the state to produce college degree

students who then, hopefully, become great tax paying citizens of the state is very important.

Senator Hill used corresponding data that was presented in a Southern Regional Education Board (“SREB”) meeting a few years ago to illustrate his second point. In the SREB meeting, someone used a chart that showed that no state with a high income growth rate had a low number of college graduates. In other words, Senator Hill said, there was a direct correlation that showed the state on the lower end of the income growth rate scale also were on the lower end of college graduates produced. Conversely, on the other end of the scale, those with high income growth rates were on the high end of college degree graduates. From this data, Senator Hill surmised that what the Board of Regents and the System institutions around the state does count. He further stated that what the System does is extremely important beyond the overall esoteric type of value assigned to it. It has a real economic value to the state that the senator recognizes now more than ever before.

Senator Hill concluded his first major point of discussion by encouraging the Board, as they think strategically, to continue to identify the areas that seem to have good value return for the state, focusing on the areas that can generate these jobs. The senator stated that though it is obvious that what students want is important, the System can help drive that process. He then urged the Regents to think strategically along those lines.

Senator Hill’s second major point of discussion centered on his interest in the 17 or 18 eminent scholars that have been funded by local institutions and that are currently awaiting state funding. Senator Hill asked the Board for assistance with this matter. Although the senator was not certain where the program went awry, he speculated that the recession may have affected the funding. Nevertheless, he continued, he thought the program worked well at one time, but has been more or less at a stand still in recent years. Therefore, he asked the Regents to, at least independently, urge “the powers that be” that they may be in contact with in the legislature and executive branch to join with him, so that at least two or three eminent scholars can start receiving funding every year. Senator Hill stated that he thinks the eminent scholar program is a great way to help teaching institutions. He added that although the state and its partners have done well with the Georgia Research Alliance, there is a need to get the eminent scholars program back on track as well. This is an area Senator Hill wants to continue to focus on this year. According to the senator, his goal is to have up to three eminent scholars funded this year, and would appreciate any assistance from the Regents.

In closing, Senator Hill stated that he appreciated the opportunity to work with the Board and its staff. He expressed that the Senior Vice Chancellor for External Affairs, Thomas E. Daniel, is like a member of his family. The senator referred to Mr. Daniel as “the consummate gentleman” and a real pleasure to work with on a day to day basis. Senator Hill continued, stating that he has thoroughly enjoyed getting to know the Chancellor better and that he likes the way the Chancellor looks at things with a very business like approach. Senator Hill ended by thanking the Board and Chancellor for the opportunity to speak and asked that they let him and his staff know when they need to communicate.

Chair Vigil thanked the Senator for his remarks.

INVOCATION

Regent Wanda Yancey Rodwell gave the following invocation.

Let us pray. Heavenly Father, we come before you this morning thanking you for your precious blessings and another day to fulfill your will. We ask you to direct and guide us this day and help us to be wise and prudent leaders of this great University System. Continue to push and prod us to seek to do what is right for each and every student enrolled in our schools. Help us to serve as their champions as they pursue their educational goals. Finally, I ask that you bless and anoint our Chancellor and the Regent staff as they work to keep Georgia at the forefront in education. Thank you again for your blessings. Amen.

REMARKS FROM THE CHANCELLOR

Chair Vigil called upon the Chancellor to make some opening remarks. They are as follows:

Thank you, Mr. Chairman. Let me start, as always, by thanking all of you for taking time out of your busy schedules to join us. The team and I do appreciate your commitment and your guidance. Once again, we have an abbreviated one-day meeting, though it will also be another very busy day. Finishing our formal business today, of course, will allow you to continue to devote Wednesday to a number of very important legislative visits that we have lined up. I want to thank you as well for your willingness also to participate in our legislative efforts. Your presence is significant and it supports our efforts at this very critical point in the year. The legislature was very impressed by your presence last month. We received a lot of positive feedback on that. Speaking of feedback, we'd appreciate it if you would keep us informed of any reactions or feedback that you get from your legislative interactions. Any thoughts you might have on our legislative strategy will also be appreciated. You can put those on your feedback forms. We do pay attention to your comments. We continue to fine-tune these meetings, for example, in response to your comments, and we will tune our legislative strategies as well.

My purpose this morning is to highlight some significant activity that has occurred since our last meeting and tee up a few items for today's meeting. Let me start with some things that have gone on since the last meeting.

A number of you, of course, attended our presentation of the Governor's Fiscal Year 2008 budget recommendations for the System in front of the Joint Appropriations Committee. I thank you for being there. I appreciated your support. This was my first time in front of the Committee and it was comforting to have you there. The legislators probably were a bit gentler on me than normal because of your presence, and so I invite you back again next year, as well. This event, as always, kicked off our annual legislative push. We have been busy since then. That meeting was followed by a presentation to the Higher Education Subcommittee of the House Appropriations Committee. That is Representative Bob Smith's committee. We had a similar, but a bit more granular presentation there. Subsequently, other System officials and institutional presidents have appeared before the Senate Higher

Education Committee, the Senate Appropriations Subcommittee and numerous other committees. We expect this process to only intensify over the coming weeks and months.

Just yesterday, our four research university presidents and the Georgia Research Alliance's president, C. Michael Cassidy, made an excellent presentation. It was a very compelling set of presentations on the impact of research on the state of Georgia. This was made to the House Higher Education Committee, which is chaired by Representative Bill Hembree. President Michael F. Adams from the University of Georgia ("UGA"), President Daniel W. Rahn from the Medical College of Georgia ("MCG") and I also have met with Representative Smith's subcommittee to discuss the new medical campus in Athens. The Senior Vice Chancellor for External Affairs, Thomas E. Daniel, will tee up later a lot of the things that are going on in the legislature.

My second round of campus visits is continuing. I had the pleasure of visiting Bainbridge College in January. The pace of my visits at this time of year, of course, has slowed down because of the legislative session, but I expect it to pick up as the session winds down. My goal, of course, is now to get out about three times a month and visit each institution at least once a year if not more.

Looking at a number of System-level issues, there is good work underway on the Regents' Test. We'll bring that to you next month, and we'll start to lay out the results from our Approvals and Authorities project this month. Next month is going to be a very busy month. A lot of the substantive issues that we have been delaying because of our abbreviated meetings will come in front of you next month.

We are receiving, at the moment, extensive press coverage on our development of a consistent, system-wide policy to address background checks for new hires. While we understand the concerns of some regarding privacy and regarding due process, and we're certainly going to try, to the extent we can, to address those concerns, we have taken the position that in today's litigious society, it is simply an unacceptable position to say that "I didn't know." It is no longer a rational defense and so we are going to know whom we are hiring. We are working to shape a policy that reduces our risk while, at the same time, respects the rights of our employees. Interestingly, the public reaction to press coverage has been overwhelmingly positive and supportive of this policy direction. In fact, this reaction runs along the lines that conducting such checks is the norm in most places, and there's a lot of surprise that we haven't been doing it already in a uniform manner. I shouldn't say that we are not doing it because we are doing it in a lot of places, but we're trying to bring some policy consistency to the process.

On a real positive front, Dr. Carlton Brown has assumed leadership of our System-wide Initiatives set of projects. I have really been very impressed by the speed with which he has imposed a very disciplined structure on the initial set of ten projects. He will be gearing up to add more projects in the coming months. We're very excited about that. Time permitting, you will get a full progress report at next month's meeting as well.

I am continuing to fine-tune our senior staff structure. In January, I announced that Mr. Robert E. Watts will serve as chief operating officer, which will merge additional duties with his previous responsibilities as chief of staff. Mr. Watts is now responsible for two-year and state colleges, and the offices of the Board, Legal Affairs, Real Estate and Facilities, Business and Finance Operations, Administrative and Fiscal Affairs, Health and Life Plans, and the public libraries. Admittedly it is a rather large set of responsibilities, but I am sure he will do well at them.

Mr. Thomas E. Daniel, who is invaluable to us in the legislative arena, did a tremendous job serving as the interim chief operating officer, and I thank him for that. Mr. Daniel has resumed his primary responsibilities as senior vice chancellor for external affairs, with a focus on external activities and the office of Economic Development as well as the office of Media and Publications, plus a new and growing focus on our federal efforts. You heard a little bit about that last month. I expect you will hear more in the coming months. There has also been a slight structural change there as his operations will now report to me directly.

Dr. Beheruz N. Sethna continues in his role as interim chief academic officer and executive vice chancellor with responsibilities for the comprehensive university sector and the office of academic affairs.

Mr. John Millsaps has been named associate vice chancellor for media and publications, a position in which he had served in an interim capacity beginning last August. I did note that his predecessor, Ms. Arlethia Johnson, is here today to join us. Welcome back Ms. Johnson.

Lyndell Robinson has joined the Board as the associate secretary to the board. Ms. Robinson comes to us from Georgia State University, where she worked as an alumni records specialist. In spite of her youthful appearance, she brings more than ten years of experience in office administration in nonprofits and higher education to her new job. You might be interested in knowing that Ms. Robinson is also a very accomplished creative writer. This is a skill, however, she will not utilize in the construction of the minutes. Please join me in welcoming Ms. Robinson to this new and challenging position, and wishing Mr. Millsaps and Mr. Watts the best of luck in their new roles.

Let me mention a few campus activities before I tee up today's meeting. For the fifth year running, the North Georgia College & State University ("NGCSU") has the highest six-year graduation rate among the 13 System state universities for 2005-2006. That was at 44.8 %. We applaud President David Potter and the focus of faculty and staff on this key performance measure, but let me point out that this can be a very competitive arena. President Potter may want to check his rearview mirror because Albany State University ("ALSU") is coming on very quickly. Consistent with our strategy, ALSU's President Everette Freeman has placed an emphasis on retention and graduation and it is already paying off. In a recent campus-wide message, President Freeman noted that ALSU's internal retention rate is now the second highest among the System's state universities and ranks fourth in the System as a whole. ALSU's retention rate for first-time, full time freshmen improved nearly three percentage points from fall 2005 to fall 2006. Moving from retention

to graduation rates, I want to note that Albany State now has the second highest rate among the state universities and fifth within the system. Improving retention and graduation rates are critical areas of focus for us and have been for this Board for a number of years, and I want to publicly commend the leadership teams at NGCSU & ALSU for their efforts.

As you are aware, in January, we launched presidential searches at Georgia Southwestern State University and at Savannah State University. On both campuses the campus presidential search committees are hard at work. That process continues.

Some of you may have noticed that we also have new artwork here in the Boardroom this month. The artwork you see on display is in celebration of Black History Month. Faculty and students from Fort Valley State University and Savannah State University contributed the art for this exhibit. It is not an easy task to collect the art and set up these exhibits. I want to acknowledge the work of Dr. Peggy Blood at Savannah State University for organizing this exhibit. Dr. Blood, are you here with us today? Please stand; and, thank you very much.

For those of you who read the *New York Times*, last Sunday there was an article on writer Flannery O'Connor, and the reporter, Lawrence Downes, described Georgia College & State University ("GCSU") as "a prominent liberal arts college." So we have succeeded in that objective. As many of you know, O'Connor lived most of her adult life in Milledgeville and was an alumnus of GCSU. This sort of national reference continues to build both awareness and reputations of our institutions and the System as well.

Let me make one last campus announcement, and one that I make with some regret. Yesterday, President Jim Burran announced that he will retire from his position at Dalton State College ("DSC") at the end of this calendar year. As some of you may know, he has battled some health issues over the past year and felt that the timing was now right for him to step down. He has served with great distinction at DSC since May of 1995. In fact, he is very proud that virtually his entire higher education career, spanning over 30 years, has been entirely within the University System of Georgia. During his tenure as president at DSC, that institution has clearly evolved to meet the needs of northwest Georgia. The college is a very dynamic and growing institution, and it enjoys tremendous community support. I visited there a number of times and can attest to that firsthand. Thanks in great measure to President Burran's good work there. Regent James R. Jolly, I know will second these comments. President Burran is a testament to the talent we have in the System, and we certainly will miss his leadership. We will get the search process underway with a goal of selecting a new president by the time of his retirement.

Finally, let me turn to a few key items on the agenda today. I mentioned earlier the work underway on Approvals and Authorities. The Chief Audit Officer and Vice Chancellor for Internal Audit, Ronald B. Stark, and his team have worked very hard to coordinate four System-wide committees, each of which was chaired by two institutional presidents, on this important project. So you will begin to see the work of eight presidents here today. The initial list of 20 proposed policy changes that Mr. Stark will bring forward in the Audit Committee represent the most straightforward and, I think, easiest of our recommendations.

Next month, you will get a second group of recommendations that hopefully encourage a little more debate. You will get a third group in April and these will be the more challenging changes. Many of the changes you are going to see this month are either housekeeping in nature or, hopefully, easily acceptable. The complex changes will come in the succeeding months.

All of these changes, however, are consistent with the goal of the project which is to streamline our System processes by pushing decision-making authority to the lowest appropriate level. Mr. Stark also will give you an overview of our proposed “Audit Hotline,” a system-wide effort to ensure greater accountability for our operations.

Based on feedback from our experience with the first cohort last fall, we continue to fine-tune and simplify our guaranteed tuition plan. You will see a proposed change in the Business and Finance Operations Committee that will make the guarantee four years, regardless of the institutional sector in which a student is enrolled. This will make the plan far easier to administer going forward.

Finally, you are going to notice a change in format that we will showcase this afternoon. Instead of hearing from me again, you are going to hear from three of our senior staff members who are going to give you brief updates on current items of interest in their areas of

responsibility. These will, in fact, have governance implications for you, if not today then at least in the coming months. I would encourage you to ask questions about these items or add any comments that you might have. Again, this segment is going to substitute for my normal Board report in the afternoon. So we would appreciate, certainly, your feedback and comments on these changes. Mr. Chairman, that concludes my remarks. I certainly would be happy to answer any questions that anyone might have.

Regent Elridge W. McMillan stated that he did not have a question, but he did have a comment. Regent McMillan said that when Judge Sidney Smith was chair of the Board, he created an informal award that he would give each month called the “Gold Star” for any institution that got rid of some of its programs. Although he was not going to create a “Gold Star Award,” Regent McMillan stated that he believed President G. Wayne Clough, his staff, and the Georgia Institute of Technology as a whole should receive a “gold star” for the initiative they have taken in addressing need-based scholarships. Regent McMillan continued, stating that so many students in the System and in all university systems have grade point averages in the 2.4-2.9 range. These students, Regent McMillan explained, are more representative of the majority of people in general. He further stated that they are also the ones who almost always have to drop out of college because they cannot get the HOPE Scholarship, or other types of assistance. Therefore, need-based scholarship awards and need-based assistance is absolutely critical. Regent McMillan closed his comments by stating that he personally thanked Dr. Clough and his staff for stepping out and doing something exciting about that issue.

Chair Vigil thanked Regent McMillan for his comments.

RECOGNITION OF REPRESENTATIVE BEN HARBIN

Chair Vigil asked the Senior Vice Chancellor of External Affairs, Thomas E. Daniel to introduce Representative Ben Harbin, chair of the House Appropriations Committee.

Mr. Daniel thanked Chair Vigil, stating that he was delighted to have the opportunity to make today's introductions. He began by introducing the Director of the House Budget Office, Charlie Walker and the Deputy Director, Martha Wigton who accompanied Representative Harbin.

Next, Mr. Daniel introduced Representative Ben Harbin from Columbia County. Representative Harbin was overwhelmingly elected to his seventh term this November. He is beginning his third year as chair of the House Appropriations Committee. Representative Harbin is an extremely hard worker. He is very bright and he understands politics and public policy. Mr. Daniel expressed that it is a joy to work with Representative Harbin and the members of his staff and the other members of the Appropriations Committee. He continued by using a description of Representative Harbin from a recent newspaper article to summarize the excellent individual that he is. It read, "Representative Ben Harbin is all leadership and no gamesmanship." Mr. Daniel then presented Representative Ben Harbin.

Representative Ben Harbin took the podium. His remarks are as follows.

Representative Ben Harbin, Chair of the House of Representatives Appropriations Committee, thanked the Senior Vice Chancellor for External Affairs, Thomas E. Daniel, for introducing him. He then thanked Chair Allan Vigil and Chancellor Erroll B. Davis, Jr. for allowing him to come and say a few brief words. Representative Harbin jokingly noted that since he is a politician, the term "brief" would have to be taken in that context. Representative Harbin then informed the Board that Mr. Daniel is its greatest asset, and that, the legislators appreciate the communication that Mr. Daniel brings them and the work he does in General Assembly. Representative Harbin further stated that Mr. Daniel keeps the legislators well informed, and that is how they are able to do their job. The General Assembly is in session for 40 days, and during those 40 days the legislators have an obligation to the people of Georgia to do what is in their best interest. That, Representative Harbin said, requires the legislators to get constant communication. Therefore, they appreciate Mr. Daniel and the job he does.

Representative Harbin stated that there were a couple of things he wanted to discuss. Although he knew that Senator Jack Hill had already spoken to the Regents and probably told them everything they needed to know, Representative Harbin stated that he did not mind being redundant.

Representative Harbin began by stating that the budget has been slowed a little because the General Assembly is currently dealing with the children's health insurance program, PeachCare for Kids. A slight delay in the legislative process, Representative Harbin said, is worth the healthcare of 270,000 children. He then stated that the General Assembly is working with the federal government and Congress to make sure that these children have this coverage. He described the families who use PeachCare for Kids as the working poor who are just above Medicaid and cannot quite afford the expense of healthcare. He then clarified that PeachCare for Kids is not an entitlement, but is an

assistance program for which families pay a small premium. After this clarification, Representative Harbin elaborated on how the General Assembly is working with Congress. He mentioned that on the day before, Georgia's Secretary of Health and Human Services, Mike Leavitt, met with legislators. Also on the same day, U.S. Senators Johnny Isakson and Saxby Chambliss put in a piece of legislation, an amendment, at the federal level to assist Georgia in fixing this problem.

Representative Harbin noted that Governor Sonny Perdue has also been a tremendous help in this process. Everyone is working together on this issue, which is, Representative Harbin added, the way a lot of problems in Georgia will be solved.

Following that statement, Representative Harbin emphasized that Georgia is dealing with healthcare issues, stemming from an aging population and a shortage of healthcare providers. He explained that this is one reason everyone must work together. Representative Harbin then expressed his appreciation for the job that the Board of Regents does in helping to bring providers to the ground quickly, but he believes that is an area that needs additional work and involvement from everyone. Representative Harbin explained that the Board and the General Assembly have to work in conjunction with other departments and private sources to provide the people of Georgia with the best healthcare system possible because they deserve nothing less. This undertaking, Representative Harbin stated, will require doing things a little differently. He elaborated that doing things differently would mean some actions taken would not fall under the Board of Regents. He quickly added that is not a slap at the Board of Regents because the healthcare system of Georgia is not a turf battle. He stated that the people of Georgia require that the legislators and Regents do their jobs and provide the people with the services they demand. As the population ages and as retirees continue to move into the state, the demand for services will be greater. As that demand grows, Representative Harbin stated, the legislators, regents, and other officials have to grow in the way that they do things. This means that sometimes they must think outside of the box.

Representative Harbin concluded this portion of his remarks by encouraging the Board to work with the General Assembly. He then stated that while the chair of the House Higher Education Committee, Representative Bob Smith, will ask the Regents some tough questions and may even make them feel as if he is against them, he is probably their biggest ally. Representative Harbin asked the Board to continue to work with Representative Smith and to understand and appreciate that his passion for the University System is real, but his ultimate goal is the best possible Georgia that can be achieved. Representative Harbin then said that he looked forward to working with the Board on solving the healthcare crisis, emphasizing that though it may not look like a crisis today, it would become a major crisis if immediate action is not taken.

The second issue Representative Harbin brought before the Board was regarding collegiate level adaptive sports programs. Representative Harbin began with the story of Kurt Lawton, a University of Arizona wheelchair rugby player from Georgia. He stated that on a rainy day last October, a young man named Kurt Lawton came to his office. Since Kurt is in a wheelchair, Representative Harbin offered to meet with him in his car. However Kurt's dad said, "No, I've got him," picked him up and carried him to his wheelchair and wheeled him into Representative Harbin's office. According to Representative Harbin, he has known Kurt Lawton for approximately 12 years, but the reason Kurt was in his office on that particular day was because he was disappointed that Georgia

does not offer more adaptive sports programs at its university level. Therefore, Kurt went to the University of Arizona to compete nationally. He was offered opportunities in Alabama as well.

Representative Harbin quoted Kurt as saying, "I'm not here to complain because I love this state, but I wish we'd do more here."

Representative Harbin then stated that the U.S. Paralympics track and field events are coming to Georgia to the city of Atlanta in June 29-July 1, 2007, adding that he thinks now is the time to look to those individuals. He stated that the Board's job and goal is to make sure that we have the best educated Georgia, all citizens of Georgia. Further, Representative Harbin stated that he has a passion for those who have been a little less fortunate, emphasizing that those children want to compete. To reinforce this point, Representative Harbin mentioned that a few weeks ago the House of Representatives took on an adaptive sports basketball team. He would not give the score, saying that it was embarrassing because their high scorer was the only scorer. It showed the representatives, however, that those children are athletes. To the Board Representative Harbin said that as we work to keep kids in Georgia, we should work to keep all kids in Georgia because they deserve nothing less.

Representative Harbin concluded his remarks, stating that he did not come to tell the Board all of the ills, just some of the things that are personal to him. He then told the Regents that they do a great job, and just like the legislators in the General Assembly, they have a tough job. That job, he continued, will sometimes make them feel a little stressed and make them sacrifice time with their families, but in the end, if both the legislators and Regents do this job right, the people of Georgia will thank them. With that, Representative Harbin thanked the Board for allowing him to come speak and said that he looks forward to working with the Board over the next 20 or so days.

Chair Vigil thanked Representative Harbin for his remarks.

ATTENDANCE REPORT

The attendance report was read on Tuesday, February 13, 2007 by Secretary Julia M. Murphy, who announced that Regents Patrick S. Pittard and Willis J. Potts had asked for and been given permission to be absent on that day. All other Regents were present.

APPROVAL OF MINUTES

Motion properly made and duly seconded, the minutes of the Board of Regents meeting held on January 16, 2007, were unanimously approved as distributed.

At approximately 9:40 a.m., Chair Vigil adjourned the Regents into their regular Committee meetings. Following the Committee meetings, the Regents took a break for lunch.

CALL TO ORDER

Chair Vigil reconvened the Board meeting for the afternoon session at approximately 1:20 p.m.

Chair Vigil said that during the System's 75th anniversary year, from time to time, the Board would recognize individuals who have served the System. Chair Vigil then noted that a former Regent, Regent John Henry Anderson, Jr. was in attendance.

Chair Vigil introduced Regent Anderson, stating that he was appointed by Governor Joe Frank Harris and served two seven year terms. During his tenure, Regent Anderson served as Vice Chair of the Board for two years and Chair of the Board for two years. Chair Vigil noted that former Regent Anderson was present for a meeting in which the Board would consider the action of naming a hall after him, at Middle College of Georgia. At that time, Regent Anderson stood to be recognized. The Regents gave a round of applause. Chair Vigil jokingly added that since Regent Anderson served two years as Chair and two years as Vice Chair, he was either out of the room quite a bit or he is a glutton for punishment.

AUDIT COMMITTEE OF THE WHOLE

Chair Vigil next called for a motion to convene the Audit Committee as a Committee of the Whole. With motion properly made, seconded, and unanimously adopted, Chair Vigil turned the Chairmanship of the meeting over to Regent Leebern, the Chair of the Committee.

Chair Leebern stated that Chancellor Davis created four committees chaired by institutional presidents that were charged with reviewing approvals and authorities. The four committees are Academics, Facilities, Finance, and Legal and Administrative. At this meeting, Regent Leebern continued, the Committee as a Whole would review and consider recommendations that have been vetted and are recommended by Chancellor Davis. He noted the importance of decisions being made at the appropriate level and stated that the Board would determine the appropriate level. He then turned the floor over to the Chief Audit Officer and Associate Vice Chancellor for Internal Audit, Ronald B. Stark, for the presentation of the proposed policy changes.

Mr. Stark thanked Chair Leebern and gave a brief introduction to what the Regents would be reviewing. Mr. Stark mentioned that when the Chancellor asked him to lead the charge on approvals and authorities, he thought he could do it in a couple of weeks. He then jokingly admitted that was in October 2006. Mr. Stark stated that it has been a lot of work, but has also involved a lot of people including institution presidents, chief business officers, and attorneys. All of these groups of people came together to determine the appropriate level of authority and the right thing for the Board to do.

In this process, Mr. Stark noted, governance and management must be balanced. Additionally, it is necessary to make sure that the policies and procedures approved over the last 25 years ago are still appropriate today. As an example, he stated that something that was approved at the \$100,000 level 25 years ago may need to be approved at a \$1,000,000 level today. As things have changed, he stated, the Committee needs to make sure items are approved at the right level. Conversely, Mr. Stark pointed out that the Committee must also ensure that decisions are being made on the

appropriate level. For example, a policy may have been created by the Board in response to an issue on one campus to make sure that it was not repeated at other institutions. The Committee is determining whether or not this is necessary for the Board and to whom responsibility should be allocated for various decisions so that the University System runs efficient and effective operations.

The overall objective of these changes, Mr. Stark said, is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for its actions. Mr. Stark stated that the eight presidents and the four committees they co-chair were charged to look at The Policy Manual, the Business Procedures Manual (“BPM”), the Human Resources Manual, the Facilities Manual, the Administrative Manual, and Office of Information and Technology directives. He explained that there were 220 Board policies that the committees were asked to review. Of the 220 Board Policies reviewed, there were 73 proposed changes. Mr. Stark stated that those proposed changes are currently being vetted. At this time, Mr. Stark said, there are 20 proposed changes that have been through the vetting process that are currently being brought before the Board with the Chancellor’s recommendation for approval. Mr. Stark added that once the Board policy changes are complete and approved, the committees would begin to review the BPM and other manuals and present them to the Board as information items.

Mr. Stark then began the task of going through each of the 20 proposed policy revisions beginning with Section 102. Following the reading of the first proposed revision, Chair Leebern requested that all 20 approval items be included in one motion, retaining the liberty to extract any of the revisions for discussion. In the essence of time, Chair Leebern asked if there were any items in particular that the Regents wanted to discuss as a clarification.

Regent Felton Jenkins stated that he had a couple of items that he would like to discuss and asked Chair Leebern if he wanted Mr. Stark to go through the entire list and then call for discussion or start the discussion now. Chair Leebern responded that one item that was brought up in the regular Audit Committee meeting had already been removed as an approval item and would be discussed only as an information item. Regent Jenkins stated that was a different subject, to which Chair Leebern clarified that any item that the Regents wanted to discuss could be extracted for discussion at this time. After further discussion of the process, Chair Leebern stated that items could be extracted for discussion as Mr. Stark presented them and that the approval of each would be held until the end.

Chair Leebern asked if there was any discussion on Item 1. Regent Jenkins suggested that in Section 102, where the Chancellor has the power to veto any act of council, faculty, or committee of any institution within the University System, the policy should give the Chancellor the power to veto any act of a president as well.

Chancellor Davis proposed that change be included in the next round.

Regent Robert F. Hatcher then asked Regent Jenkins whether or not he had an earlier question regarding the language in another part of the policy which states that the Chancellor recommends an appointment. He asked if Regent Jenkins had previously stated that he wanted the language changed to the “Board elects.”

Regent Jenkins explained that language was not actually in one of the policies that the Board is considering as Mr. Stark explained that earlier in the day. He then further explained for the benefit of the full Board that the policy language he and Regent Hatcher were referencing stated that “the Chancellor shall make recommendations with respect to the election of presidents” and then it ends. As it is currently written it does not say that the Board shall then elect the president, which, Regent Jenkins stated, needs to be clarified. Mr. Stark stated that the suggested change will be included in the next round.

Chancellor Davis then commented on Regent Jenkins’ earlier suggestion to add the power to veto presidents to policy. Chancellor Davis stated that he believes it was not included in that section because the subsequent paragraph to that suggests these acts of a council, faculty, or committee that have been vetoed by the Chancellor have the right to appeal. Regent Jenkins replied that he would add “president” in that paragraph as well.

Chancellor Davis stated that by adding “president” into the policy, it would put him in a position where he could not tell a president what to do or have them undo something without their having an appeal right to the Board. For this reason, the Chancellor said that not including presidents in that particular policy was not an oversight.

Regent Jenkins stated that there were at least five and maybe more provisions in these 20 that were being considered during this meeting where the president has the obligation to report to the Chancellor what the president has done. Regent Jenkins suggested that with respect to those items where the president has to report to the Chancellor, as it is presently worded, the Chancellor does not have the authority to do anything about the decision. Regent Jenkins then stated that he wanted to give the Chancellor the option of vetoing. Regent Jenkins emphasized that the Chancellor does not have to do anything if he does not want to. However, if the Chancellor were to see something that a president reported to him that he did not approve of, then, Regent Jenkins said, the Chancellor ought to have the right to do something about it. Regent Jenkins further stated that the Chancellor does have his “bully pulpit,” which allows him to call and say “Mr. President I don’t like what you’ve done here, let’s change this.” Regent Jenkins maintained, however, that the Chancellor ought to have the right to veto that and then go through the same process. If the president disagrees with that, then he has the right to appeal to the full Board, Regent Jenkins suggested. He then stated that he was going to write that out and give it to Mr. Stark, who had previously suggested that it be held for the next round.

Chancellor Davis agreed that it should be held for the next round because his position would be that he believes he already has that [veto] authority. He further stated that he is reluctant to give an employee the authority to say “Well, I don’t think I like that I’m just going to appeal it to the Board.” The Chancellor stated that he was not sure how often that would occur, but he was not sure that is the type of governance system the Board wants.

Chair Leebern then asked if there were any other comments or discussion on Item 1. As there was none, Chair Leebern reiterated that he would take the liberty to call for one vote and one recommendation for all 20 items. He then asked Mr. Stark to continue with Item 2. As Mr. Stark read each proposed change, Chair Leebern called for questions or discussions after each.

Item 9 was extracted for discussion by Regent Hugh A. Carter, Jr. In regards to Item 9, the policy revision for Section 406.04, Alcohol and Drugs on Campus, Regent Carter asked whether or not this revision will lead to inconsistencies in the System's regulation of drugs and alcohol just as the Board has found that there are inconsistencies in the System's administration of criminal background checks.

Chancellor Davis stated that would not be the case and expressed that he was concerned that the wording of the policy would lead to this exact question. He then explained that, in nearly all of these instances, the System Office would issue policy guidelines that allow the campuses themselves to make appropriate adaptations for their own particular situation. The Chancellor emphasized that this did not mean that the Board or System Office staff would not have an interest in what the campuses were doing. Further, the Chancellor stated, it does not mean that the "bully pulpit," as Regent Jenkins suggested, would not be used on these issues. Instead, the proposed changes would allow the campuses the flexibility to put a more granular set of rules in place that implements the policy without the System Office or Board's intervention.

As there was no more discussion on this item, Mr. Stark continued his presentation. At the end of the presentation, Chair Leebern thanked Mr. Stark and asked if there were any observations or discussion regarding the presentation.

There being none, Chair Leebern called for a motion to approve all 20 items. After the motion was properly made and seconded, Chair Leebern called for any additional discussion.

At that time Regent Jenkins stated that he had a question that was related to Regent Carter's earlier question. He stated that he agrees with the Chancellor's statement on previous occasions that the goal is to have a system, not a confederation. He further explained that regarding tenure, a lot of the policies, such as on pre-tenure review and post-tenure review as well as salaries, allow the institutions to set their own rules. Regent Jenkins then asked how the Chancellor would address the concern that someone would say that every school is going to have its own rule. Although there may be others, salary and tenure, Regent Jenkins said, are two of the most important issues. Regent Jenkins asked how one would address the concern that every System institution is doing the same thing and working the same way if a University of Georgia and a Bainbridge College or Georgia Institute of Technology all have different rules.

Chancellor Davis responded that Regent Jenkins posed an excellent question. He then explained that in most cases, the wording of the policy revisions implies that the Board will no longer have an interest. As he suggested earlier, that is not the case. The Chancellor further explained that from a functional perspective, each area of the System Office, such as the Academic Affairs area, would issue a set of guidelines to each institution. These guidelines, as the Chancellor stated, would convey to the institutions, "these are the things we expect to see in these areas, and if not, we will have some discussion." The Chancellor continued, stating that the System Office staff wants to give people the flexibility to make adaptations to unique circumstances when implementing a policy. Additionally, neither the Board nor the System Office staff wants to get in the business of actually having to proof 35 different policies all the time. Chancellor Davis further stated that when there are issues of

compliance and legal compliance, those functions will remain centrally located. However, in the instances of salaries, it is expected that salaries will vary among the institutions. The institutions have salary flexibility now.

Regent Jenkins replied that he was thinking more about the criterion for setting the salary. Obviously, he continued, the numbers are different and different schools pay different things. However, Regent Jenkins said that what he does not want the Board to have is a set of rules to set salaries—the guidelines by which salaries are set— to be different at the University of Georgia from what they are at Georgia Institute of Technology. Regent Jenkins conceded that he may be wrong about that and that maybe the criteria ought to be different, but it seems to him that they should not be. That is his concern.

Chancellor Davis reiterated that in making these changes the Board and staff are trying to provide flexibility. He stated that the Board would send salary guidelines to the institutions. For example, a guideline might state that the Board believes it would be inappropriate to have an across-the-board increase and that increases should be merit based. The Chancellor then explained that it is easy for the Board and staff to say “merit,” but explained that defining “merit” from a System level is very difficult as opposed to defining it at a campus level. Each institution has its own belief about what represents meritorious service at that campus consistent with its mission. Therefore, the guidelines would stop at saying increases should be based on merit and not across-the-board. The guidelines will then allow “merit” to be defined at the institutional level, based on each institution’s mission.

Chancellor Davis then added, with respect to the point Regent Jenkins raised earlier, that acceptance of these changes in no way implies that the Board would not be back examining these same chapters in the coming months. He stated that these are the “easy changes” this month. But, just as Mr. Stark struck the word “tenure” from one of the descriptions because it warranted further discussion, many of these same policies will be back up for review. Conversely, the Chancellor stated, the issue that Regent Jenkins raised on Section 102 would, in fact, be revisited even with approval of the changes made today. The Chancellor added that the changes Regent Jenkins suggested were in a paragraph where there were no changes proposed for approval for this meeting. This being said, the Chancellor stated that the comments and questions raised had been noted and would be revisited in the coming rounds.

Following this discussion, Chair Leebern asked if there were any other comments. There being none, he called for the question and all 20 items were unanimously approved.

Chair Leebern then adjourned the Audit Committee of the Whole.

EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee met on Tuesday, February 13, 2007, at approximately 8:05 a.m. in room 7019. Committee members in attendance were Chair Allan Vigil, Vice Chair William H. Cleveland, and Regents Robert F. Hatcher, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., and Doreen Stiles Poitevint. Regent Richard L. Tucker was not present for this meeting. Chair Vigil reported to the Board that the Committee met and reviewed two items,

none of which required action.

1. Information Item: Committee Process

University System Office staff briefed the Committee on processes currently in place in regard to the composition and charges of the committees of the Board.

2. Information Item: Policy Issues

University System Office staff briefed the Committee on staff efforts to examine policies that will be brought to the Board for full discussion at a future meeting.

3. Information Item: Executive Session: Personnel and Compensation Issues

Withdrawn: This item was withdrawn by staff prior to the Committee meeting.

COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on February 13, 2007, at approximately 9:56 a.m. in room 6041. Committee members in attendance were Chair Doreen Stiles Poitevint, and Regents W. Mansfield Jennings, Jr., James R. Jolly, Elridge W. McMillan, Wanda Yancey Rodwell. The Vice Chair of the Board, Regent William H. Cleveland, was also present. Chair Poitevint reported to the Board that the Committee had reviewed 13 items, 10 of which required action. Additionally, 206 regular faculty appointments and personnel issues were reviewed and recommended for approval. Of the total requests, 180 actions involved faculty appointments with the remainder involving leaves of absence and mid-year salary increases. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Establishment of a Bachelor of Arts with a Major in English, Macon State College

Approved: The Board approved the request of President David A. Bell that Macon State College (“MSC”) be authorized to establish a Bachelor of Arts with a major in English degree, effective, February 14, 2007.

Abstract: Macon State College proposed to meet an identified baccalaureate need in central Georgia by offering a Bachelor of Arts degree with a major in English with tracks in English and English education. The degree specifically targets students who are planning (1) to attend professional and graduate schools in English and related majors, (2) to teach English education in secondary schools, and (3) to seek employment in careers that require strong language and communication skills. The proposed program is consistent with Macon State College’s state college mission of offering select, baccalaureate programs that meet workforce needs and contribute to the economic development of the metropolitan area.

Need: Based on data and surveys developed by the institution, a continuing demand exists in central Georgia for a workforce skilled in language and communication. The preparation of English teachers

will meet both a regional and state need for new teachers. According to results from the National Assessment of Educational Progress in 2005, Georgia's national ranking in achievement in literacy and language is not reflected in the percentile of the state's aspirational goal. Because Georgia is one of the top states with student population growth in the K-12 grade levels, a shortage of teachers has a negative impact on all students at all grade levels. According to Georgia Encyclopedia, 2004, approximately 10.6% of Georgia teachers were over age fifty-five, and currently more than one-third of new teachers leave the profession within the first five years of professional work.

Objectives: The following are key objectives of the program: (1) to produce graduates who have sound general knowledge of the English language and who are competent in applying this information in the workplace; and (2) to prepare graduates for careers in secondary English education.

Curriculum: The program will be housed in the Division of Humanities. Students who elect to pursue the English education track will be required to complete 128-semester hours of study;

whereas, students who opt to take the English track will be required to complete 122-semester hours of study.

Projected Enrollment: The institution anticipates enrollments of 50, 74, and 95 students during the first three years of the program.

Funding: The major has been developed with new and some existing courses. President Bell has provided reverification that establishing the program can be accommodated within funds presently available.

Assessment: This program will be reviewed after three years using the existing Comprehensive Program Review process. An external review will take place at the end of the fifth year of implementation.

2. Establishment of a Major in Biochemistry under the existing Bachelor of Science, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough that Georgia Institute of Technology ("GIT") be authorized to establish a major in Biochemistry under the existing Bachelor of Science degree, effective, February 14, 2007.

Abstract: Biochemistry is a highly interdisciplinary field that integrates the physical sciences and life sciences with specific training in biology with chemistry, mathematics, and physics. Biochemistry is often defined as the study of the chemical processes and transformations in living organisms or the study of the structure and function of cellular components, such as proteins, carbohydrates, lipids, nucleic acids, and other biomolecules (Wikipedia, 2007). Biochemistry is closely aligned with other biological sciences such as genetics, molecular biology, and chemical biology through content, technique, and research. Currently, the School of Chemistry and Biochemistry offers a Bachelor of Science in Chemistry with a track in Biochemistry. A designated

degree, however, will better prepare students for positions in industry and for graduate and professional programs.

Need: The creation of this Biochemistry major is consistent with the institution-wide expansion of “bio-related” degree programs and research initiatives. GIT recently created a \$200 million biological-environmental-materials complex that fueled expanded research in biology, biochemistry, and biomedical engineering. The Division of Biochemistry, which emerged during the 1970s, has made contributions to the institution through scholarship, grants, and instruction. The Division of Biochemistry’s research portfolio includes involvement in such campus and regional initiatives as the Institute for Bioengineering and Biosciences, the Center for Drug Discovery and Delivery, and the jointly sponsored Center for Fundamental and Applied Molecular Evolution (“FAME”) that involves scientific collaboration between GIT and Emory University. According to GIT, a workforce highly trained in biochemistry is the key to the nation’s success in existing fields such as human health, agriculture, and energy generation.

Objectives: The program’s operational objectives include the following: 1) graduates will demonstrate an understanding of the principles of chemistry and biology and will develop an understanding of advanced study in a chosen specialty area; 2) graduates will demonstrate proficiency in common biological assays and techniques; 3) graduates will demonstrate the ability to perform accurate and precise quantitative measurements; and 4) graduates will have the skills to plan and execute experiments through directed research. Careers available to graduates include the large pharmaceutical industry followed by work on the human genome project. Private sector employment may be found in biotechnology, medical instrument companies, chemical manufacturing companies, and research laboratories. Public sector employment may be found in cancer research institutes, universities, public health laboratories, environmental pollution control, and agriculture and fisheries.

Curriculum: The 120-semester hour curriculum requires a rigorous sequence of classes in chemistry, biology, physics, mathematics, and biochemistry with laboratory instruction. The proposed curriculum consists of existing undergraduate courses that are offered on a regular basis. The curriculum has been shaped to reflect recommendations of the American Society for Biochemistry & Molecular Biology for undergraduate programs in Biochemistry. Foundational courses required beyond the core include, but are not limited to, Analytical Chemistry, Organic Chemistry (sequence), Physical Chemistry, Organic Chemistry Laboratory, Biochemistry (sequence), and Biophysical Chemistry.

Projected Enrollment: It is anticipated that the proposed program will draw from students who currently pursue the Biochemistry track as it is currently offered under the Bachelor of Science in Chemistry degree. Recognizing that the proposed program could potentially decrease the number of chemistry majors, GIT has undertaken a review of the chemistry curriculum and will establish programs to attract more majors in the discipline. The institution anticipates enrollments of 70, 110, and 145 students during the first three years of the program.

Funding: No new courses will be required to implement the degree. President Clough has provided reverification that establishing the program can be accommodated within funds presently available.

Assessment: This program will be reviewed after three years using the existing Comprehensive Program Review Process. An external review will take place at the end of the fifth year of implementation.

3. Establishment of a Major in Applied Linguistics under the existing Bachelor of Arts, Georgia State University

Approved: The Board approved the request of President Carl V. Patton that Georgia State University (“GSU”) be authorized to establish a major in Applied Linguistics under the existing Bachelor of Arts degree, effective, February 14, 2007.

Abstract: GSU’s Department of Applied Linguistics and English as a Second Language proposes a Bachelor of Arts degree with a major in Applied Linguistics. The proposal capitalizes on the strengths of departmental faculty. The proposed major will support the mission of GSU by strengthening departmental offerings at the undergraduate level and providing a coherent program of study in Applied Linguistics, particularly for students who want to learn more about the roles of language, culture, and literacy in a globalized economy. The proposed program further contributes to the institutional priority concerning a commitment to international initiatives and a focus on language and literacy.

Need: Shifts in the U.S. population and educational and business practices outside the country, have precipitated the need to develop more and better prepared teachers of English as a Second/Foreign Language and other professionals with an applied linguistics background. A degree in Applied Linguistics would prepare students for (1) graduate work in the U.S. and internationally, (2) work as a teacher to speakers of other languages, and (3) work with nonprofit language research institutions and social service organizations. The proposed program is an integral fit with the institution’s master’s and doctoral programs that are currently offered in the discipline. Professional organizations that contribute to the discipline such as the American Association for Applied Linguistics will be tracked to ascertain job opportunities for students who do not seek graduate study. Establishment of the proposed major would enable the department to reallocate its resources more efficiently by ensuring that tenure track faculty resources were made available to assist in meeting institutional goals.

Objectives: The undergraduate degree in Applied Linguistics will prepare students for work in several areas such as positions in institutions that teach English as a Second Language; international programs and universities that need graduates with applied linguistics training; positions with the Educational Testing Service research centers, Peace Corps, and the Department of State; graduate study for teacher-scholars; and graduate work in related fields.

Curriculum: The 120-semester hour program has a global focus with an emphasis on language analysis, literacy, language acquisition, and the teaching of second languages, particularly English, to adults. A foreign language requirement is prescribed within the program.

Projected Enrollment: The institution anticipates enrollments of 65, 95, and 135 during the first

three years of the program.

Funding: The major has been developed with existing courses. President Patton has provided reverification that establishing the program can be accommodated within funds presently available.

Assessment: This program will be reviewed after three years using the existing Comprehensive Program Review Process. An external review will take place at the end of the fifth year of implementation.

4. Establishment of Master of Arts in Teaching Programs for Initial Teacher Certification, Georgia State University

Approved: The Board approved the request of President Carl V. Patton that Georgia State University (“GSU”) be authorized to establish Master of Arts in Teaching programs for initial certification, effective, February 14, 2007.

Abstract: GSU requested the reconfiguration of degrees based on a consensus definition of the Master of Arts in Teaching (“M.A.T.”) degree that was reached by a committee of University System of Georgia Deans of Education. The purpose of the Master of Arts in Teaching degree is to offer a master’s degree route to initial teacher certification for individuals who already hold a bachelor’s degree in an academic discipline. The majors listed below currently lead to initial teacher certification. The reconfiguration is requested in order to differentiate between M.A.T. and Master of Education (“M.Ed.”) programs at the institution.

Below is a grid that depicts the conversion of existing initial teacher certification degrees:

<i>Master of Education (for initial teacher certification) with Majors in:</i>	<i>Master of Arts in Teaching with Majors in:</i>
Behavior/Learning Disabilities	Behavior/Learning Disabilities
Early Childhood Education	Early Childhood Education Alternative Preparation
English Teacher Education	English Education Alternative Preparation
Mathematics Education	Mathematics Education Alternative Preparation
Middle Childhood Education	Middle Childhood Education Alternative Preparation
Multiple and Severe Disabilities	Multiple and Severe Disabilities
Reading, Language, and Literacy Education	Reading, Language, and Literacy Alternative Preparation
Science Education	Science Education Alternative Preparation
Social Studies Education	Social Studies Education Alternative Preparation

The Master of Education programs will continue to be offered as advanced certification degree programs. Such action will address the needs of the community to provide currently certified teachers with advanced knowledge in their intended area of interest. Both the Master of Arts in

Teaching degree and the Master of Education programs that offer advanced certification will continue to co-exist and serve the needs of two different constituencies.

5. Establishment of Master of Arts in Teaching Programs for Initial Teacher Certification, Armstrong Atlantic State University

Approved: The Board approved the request of President Thomas Z. Jones that Armstrong Atlantic State University (“AASU”) be authorized to establish Master of Arts in Teaching (“M.A.T.”) programs for initial certification, effective, February 14, 2007.

Abstract: AASU requested the reconfiguration of degrees based on a consensus definition of the Master of Arts in Teaching degree that was reached by a committee of University System of Georgia Deans of Education. The purpose of the M.A.T. is to offer a master’s degree route to initial teacher certification for individuals who already hold a bachelor’s degree in an academic discipline. The majors listed below currently lead to initial teacher certification. The reconfiguration is requested in order to differentiate between M.A.T. and Master of Education (“M.Ed.”) programs at the institution.

Below is a table that depicts the conversion of existing Master of Education programs to Master of Arts in Teaching majors:

<i>Master of Education (for initial teacher certification) with Majors in:</i>	<i>Master of Arts in Teaching with Majors in:</i>
Early Childhood Education	Early Childhood Education
Middle Grades Education	Middle Grades Education
Special Education	Special Education

The proposed M.A.T. degree will replace the M.Ed. with initial certification and more adequately address the needs of candidates pursuing initial certification at the graduate level. Students who enter the College of Education with an earned baccalaureate degree in an academic discipline can pursue initial certification through a prescribed program of study. The program of study is designed for each individual student and is dependent on the requested certification area.

The Master of Education programs in Early Childhood Education, Middle Grades Education, and Special Education will continue to be offered as advanced certification degree programs. Such action will address the needs of the local community to provide currently certified teachers with advanced knowledge in their intended area of interest. Both the Master of Arts in Teaching degree and the Master of Education programs that offer advanced certification will continue to co-exist and serve the needs of two different constituencies.

6. Reconfiguration of Existing Master of Education and Specialist in Education Programs, University of West Georgia

Approved: The Board approved the request of Acting President Thomas J. Hynes that the University of West Georgia (“UWG”) be authorized to reconfigure existing Master of Education (“M.Ed.”) and

Specialist in Education (“Ed.S.”) programs, effective, February 14, 2007.

Abstract: UWG requested approval to add one Master of Education program and one Specialist in Education program after reconfiguring and collapsing four existing master’s level majors and four existing specialist majors all in secondary education areas. The reconfiguration of degree programs is depicted below:

<i>Current Degrees and Majors</i>	<i>Reconfigured Programs</i>
M.Ed. with a major in Teaching Field - English M.Ed. with a major in Teaching Field – Mathematics M.Ed. with a major in Teaching Field – Science M.Ed. with a major in Teaching Field – Social Studies	M.Ed. with a major in Secondary Education
Ed.S. with a major in Teaching Field – English Ed.S. with a major in Teaching Field – Mathematics Ed.S. with a major in Teaching Field – Science Ed.S. with a major in Teaching Field – Social Studies	Ed.S. with a major in Secondary Education

The eight discipline-specific programs will be redesigned into two programs that contain the essential content for secondary education. Such action is requested due to low enrollments. Students matriculating through the resultant two programs will have an opportunity to refine their studies to meet disciplinary needs through specialized assignments and classroom based experiences. The proposed program redesign will benefit the respective departments in the College of Education and the College of Arts & Sciences by allowing faculty to focus their time and resources on each unit’s mission and the overall institutional strategic plan.

7. Administrative and Academic Appointments and Personnel Actions, Various System Institutions

The administrative and academic appointments were reviewed by the Chair of the Committee on Academic Affairs. The full list of approved appointments is on file with the Office of Faculty Affairs in the Office of Academics and Fiscal Affairs.

8. Establishment of the William Harry Willson Distinguished Chair, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to establish the William Harry Willson Distinguished Chair, effective, February 14, 2007.

Abstract: UGA requested approval to establish the William Harry Willson Distinguished Chair in the Terry College of Business. The distinguished chair was established through a generous gift from Ms. Jane Willson. The endowed chair will honor the vision and leadership of William Harry Willson. It is specified that the chair holder must be a full professor with an outstanding national reputation. The holder is not restricted to a specific business discipline.

President Adams has verified that \$2,566,867 is on deposit with the University of Georgia Foundation that will serve as the corpus of the endowment.

Biographical Sketch: In honor of her late husband, Ms. Jane Willson provided a philanthropic gift for the establishment of the William Harry Willson Distinguished Chair in the Terry College of Business. Although neither Mr. nor Mrs. Willson attended the University of Georgia, they both shared a passion for giving generously to programs that enhance academia at the institution. Ms. Willson is quoted as having said that one of the best ways to give back to the state was to support higher education at its flagship university. Ms. Willson is president and owner of Sunnyland Farms in Albany, which she founded with her late husband in 1948. The company is renowned for providing quality pecans, candy, and nuts.

9. Establishment of the Allan M. Armitage Professorship, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia be authorized to establish the Allan M. Armitage Professorship, effective, February 14, 2007.

Abstract: UGA requested approval to establish the Allan M. Armitage Professorship for Herbaceous Plant Instruction and Introduction in the Department of Horticulture, housed within the College of Agricultural and Environmental Sciences. The distinguished chair was established through a generous gift from numerous donors in recognition of Dr. Armitage's numerous contributions to the Department of Horticulture.

Creation of the professorship is supported by the Georgia Green Industry Association and other external constituents of the College of Agricultural and Environmental Sciences. The Armitage Professorship will have an outstanding national reputation in the areas of herbaceous ornamental plant breeding, development and introduction and will support the interests of the ornamental horticulture industry.

President Adams has verified that \$260,155 is on deposit with the University of Georgia Foundation that will serve as the corpus of the endowment.

10. Establishment of the Distinguished Chair of Public Safety Partnerships, Georgia State University

Approved: That the Board approve the request of President Carl V. Patton that Georgia State University ("GSU") be authorized to establish the Distinguished Chair of Public Safety Partnerships, effective, February 14, 2007.

Abstract: GSU requests approval to establish the Distinguished Chair of Public Safety Partnerships in the College of Health and Human Sciences. The chair holder will be engaged in highly visible teaching, research, and community service activities consistent with the purpose of the chair and his or her own academic interests.

The Distinguished Chair of Public Safety Partnerships will be a cornerstone for the university's Department of Criminal Justice and will work closely with its Georgia International Law Enforcement Exchange and the International Law Enforcement Exchange. The two programs enhance interagency cooperation between national and international law enforcement officials and provide professional education programs focused on community policing, counter-terrorism, and drug interdiction.

President Patton has verified that \$1,000,000 is on deposit with the Georgia State University Foundation, Inc. that will serve as the corpus of the endowment.

11. Information Item: Service Agreements

Pursuant to authority granted by the Board at its meeting on February 7 and 8, 1984, the presidents of the listed institutions have executed service agreements with the indicated agencies for the purposes and periods designated, with the institutions to receive payment as indicated:

Georgia State University

Georgia Department of Education Analyze data collected by Department	10/13/06 – 6/30/07	\$130,000
Georgia Governor's Office of Highway Safety Study high percentage of alcohol-related crashes, injuries and fatalities among college-age students/youth in the United States, especially in Georgia	10/1/06 – 9/30/07	\$18,000
Georgia Humanities Council Provide funding of the 2007 workshop in "Conversations among Partners in Learning Series: English Teachers from the Schools and Colleges in Dialogue"	1/1/07 – 12/31/07	\$1,200
Georgia Governor's Office of Highway Safety Disseminate traffic safety-related education materials; reduce pedestrian injuries/fatalities from traffic crashes by educating students, staff and faculty; hold minimum of six educational programs; participate in Highway Safety campaigns	10/1/06 – 9/30/07	\$16,700
Georgia Department of Human Resources Evaluate an intensive home visiting pilot program in Georgia, with major goals of decreasing child maltreatment, ensuring children are healthy and reach developmental milestones consistent with their age, enhancing family functioning by building positive parent-child relationships and parental problem-solving skills	11/15/06 – 8/30/07	\$317,162
Georgia Department of Human Resources Conduct HIV Early Intervention services and training	10/1/06 – 9/30/07	\$653,834
Georgia Department of Human Resources Conduct asthma workshop	1/1/07 – 12/31/07	\$3,163

University of Georgia

Georgia Commodity Commission for Peanuts Determine impact of kill date of bahia, tillage methods in planting and Temik on peanut yield and quality when planted after bahia grass	1/1/06 – 12/31/06	\$10,000
Georgia Department of Agriculture Provide educational programs to increase producer and veterinary practitioner's knowledge of Johne's disease, and increase the number of producers participating in the program	4/1/06 – 12/31/06	\$27,475
Georgia Department of Corrections Manage the Rogers State Prison Dairy Farm on a day-to-day basis to include all aspects of dairy production	7/1/06 – 6/30/07	\$419,420
Georgia Department of Corrections Conduct leadership institute program for 45 to 50 Department managers during fiscal year 2007	7/1/06 – 6/30/07	\$56,000
Georgia Department of Education Collect, analyze and assess Comprehensive School Reform programs and report data on student academic achievement and other indicators of the 2006-07 funded schools; compile and report information to the state Title 1 Office on the extent of implementation	9/14/06 – 6/30/07	\$753,865
Georgia Department of Human Resources Provide social work education and child welfare training for current Department workers and students preparing for employment with the department to begin, continue or complete their study for the Bachelor or Master's of Social Work programs	8/16/06 – 8/15/07	\$1,070,127
Georgia Department of Juvenile Justice Provide counseling services to delinquent youth in Clark County under court supervision	7/1/06 – 6/30/07	\$18,000
Georgia Department of Juvenile Justice Assist with supervision and programming for delinquent youth committed to the state who are participating in supervised community programs; assist in providing prevention services to youth in the community determined to be at risk for delinquency	7/1/06 – 6/30/07	\$49,817
Georgia Department of Natural Resources Address the hydromodification conditions cited in the 2002 Georgia Coastal Nonpoint Program Findings and Conditions needed for approval of the Coastal Nonpoint Source program; minimize negative impacts of coastal dredging	8/2/06 – 9/30/07	\$100,00
Georgia Department of Natural Resources Evaluate the chemical and biological health of Georgia's major coastal rivers and estuaries; the St. Mary's River will be the fourth in the series	10/1/06 – 9/30/07	\$49,999
Georgia Department of Natural Resources Produce and distribute a comprehensive Georgia Coastal Natural Resources Access Handbook that will aid visitors in accessing Georgia's natural, cultural and historic resources and educate readers concerning the value of the resources	10/1/06 – 9/30/07	\$50,000

Georgia Environmental Facilities Authority Work with multiple segments of the agricultural population to provide education, demonstration, and general information regarding efficient use of energy resources	10/1/06 – 9/30/07	\$70,000
Georgia Forestry Commission Develop a series of maps from 2005 Landsat imagery representing distribution of tree canopy, impervious surface and land cover in Georgia and to analyze the change since 2000	8/26/06 – 11/30/06	\$32,000
Georgia General Assembly Provide research, training, technical assistance and other services to members of the Georgia General Assembly	7/1/06 – 6/30/07	\$158,768
Georgia General Assembly Staff and manage the Reapportionment Office for the Georgia General Assembly	7/1/06 – 6/30/07	\$407,405
Governor's Office of Highway Safety Provide educational opportunities involving at least 50 percent of student population on the effects of alcohol and highway issues by end of school year	10/1/06 – 9/30/07	\$18,000
Governor's Office of Highway Safety Provide comprehensive education, training, and resources in use of safety belts and child safety seats, teen driver training and other activities to reduce traffic-related injuries and fatalities statewide	10/1/06 – 9/30/07	\$987,800
Governor's Office of Highway Safety Develop and implement process whereby data related to Office of Highway Safety programs will be compiled and analyzed; submit report that includes a summary and interpretation of all preliminary data that has been collected	10/1/06 – 9/30/07	\$309,400

Georgia Southern University

Conduct Teacher Quality Sea Turtle Conversation Program	11/1/06 – 8/30/07	\$71,469
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TOTAL AMOUNT – FEBRUARY 2007	\$ 3,162,376
TOTAL AMOUNT FY 2007 TO DATE	\$21,069,188
TOTAL AMOUNT FY 2006 TO FEBRUARY	\$25,591,166
TOTAL AMOUNT FY 2006	\$33,452,938

12. Information Item: Regents' Test

Interim Chief Academic Officer and Executive Vice Chancellor, Beheruz N. Sethna, presented a revised plan to the Academic Affairs Committee concerning the Regents' Test. The draft recommendations are listed below.

- 1) Retain the Regents' Test.
- 2) Institute specialized remediation for students who have taken the test multiple times.
- 3) Allow each campus to appeal the results of the Regents' Test for no greater than 0.1% (one-tenth of one percent) of test-takers (or one student, whichever is greater).
- 4) Allow hardship waivers for the Regents' Test in very rare circumstances when, after enrollment, students develop documented medical conditions that make the test inapplicable.
- 5) Revisit and re-evaluate this new approach after two years to examine what aspects of it are working and which ones are not, and to examine whether the success rates of multiple test takers has improved.

In addition, the recommendations include prescriptive guidelines on both writing and reading appeals for students who are unable to demonstrate those skills in a standard test format.

Based on the discussion in the meeting and the Regents' desires, the proposal will be modified to add an additional recommendation: Strongly encourage students to take the Regents' Test in their second semester, so that the results may be used as a diagnostic tool; and correspondingly change published System reports to reflect institutional pass rates at 45 hours rather than first-time pass rates.

AUDIT COMMITTEE

The Audit Committee met on Tuesday, February 13, 2007, at approximately 9:45 a.m. in the Board room. Committee members in attendance were Chair Donald M. Leebern Jr. Vice Chair Felton Jenkins, and Regents James A. Bishop, Hugh A. Carter, Jr., Robert F. Hatcher, Benjamin J. Tarbutton, III and Richard L. Tucker. Chair Leebern reported to the full Board that the Committee had reviewed five items, none of which required action. Those items were as follows:

1. Information Item: Presentation of SAS 112

The Chief Audit Officer and Associate Vice Chancellor for Internal Audit, Ronald B. Stark, gave a presentation on the requirements of the Statement on Auditing Standards ("SAS") 112. This new statement is effective for the current fiscal year and will change the way audit deficiencies are presented on financial statements. The statement emphasizes the role that management and the Board play in the control structure of the organization.

2. Information Item: Update of University System of Georgia Hotline

In September 2005, the Audit Committee discussed the best practices of the Sarbanes-Oxley Act and

which best practices should be adopted by the University System of Georgia. During this meeting, the Chief Audit Officer and Associate Vice Chancellor for Internal Affairs, Ronald B. Stark, provided a status report on the University System of Georgia hotline. Mr. Stark demonstrated what the hotline may look like.

3. Information Item: Year-to- Date Status of Implementation of Audit Findings

Chief Audit Officer and Associate Vice Chancellor for Internal Audit, Ronald B. Stark, receives quarterly reports from all institutions regarding the status of all audit findings (state, Board of Regents, and campus-based). This information is recorded and evaluated quarterly. It has been used to determine the implementation of all audit findings. Mr. Stark presented information on the status of implementation of findings as of December 31, 2006.

4. Information Item: Year-to- Date Status of Fiscal Year 2007 Audit Plan

The Chief Audit Officer and Associate Vice Chancellor for Internal Audit, Ronald B. Stark, evaluates the status of the University System audit plan each quarter. The campus-based auditors submit quarterly reports showing the status of their individual plans and their resource utilization. The information is then consolidated with information from the Board of Regents Internal Audit Department. At this meeting, Mr. Stark presented the overall status of the fiscal year 2007 audit plan as of December 31, 2006.

5. Information Item: Presentation on University System Approvals and Authorities

The Chancellor, Erroll B. Davis, Jr., established presidential committees to evaluate the appropriateness of the approval and authority levels of all University System manuals. The Chief Audit Officer and Associate Vice Chancellor for Internal Audit, Ronald B. Stark, presented the status of the committees' recommendations.

Mr. Stark called for questions and comments at the end of his presentation. At that time, Regent Felton Jenkins raised a question for discussion. Regent Jenkins acknowledged that the purpose of the approvals and authorities is to move decision making to the lowest possible level, a purpose with which he agrees. He then referred to the approvals and authorities submitted for consideration later in the day.

Regent Jenkins stated that he had found four or five instances where the president of the particular institution makes a decision and reports that decision to the Chancellor. He then asked whether or not the Chancellor should have veto power in the instances where the president has an obligation to report a decision to the Chancellor. For an example, Regent Jenkins used Section 102, paragraph four of The Policy Manual, which describes the office of the Chancellor. Regent Jenkins quoted the current policy which reads as "The Chancellor shall have the power to veto any act of any council, faculty, or committee of any institution within the University System but, in doing so, shall transmit to the proper officer a written statement of the reason for such veto. A copy of each veto statement shall be transmitted to the Board of Regents." Regent Jenkins then stated that if the decision made by the president is important enough for the president to report it to the Chancellor, then he believes that

the Chancellor should have the right to veto the decision as he currently able to with any council, faculty, or committee of any institution.

Mr. Stark answered that the veto power by the Chancellor is assumed. However, Mr. Stark said he and his staff would review these types of issues and report back to the Board.

Regent Jenkins later asked if new appointments other than for presidents will come before the Board. Mr. Stark informed the Board that they would not.

AUDIT COMMITTEE OF THE WHOLE

1. Revision of The Policy Manual, Section 102, Chancellor

Approved: The Board approved revisions to the Policy Manual, Section 102, concerning the office of Chancellor.

Item 1 – Change in policy requires that the Chancellor recommend only the appointment of presidents to the Board for approval. Further the policy has been changed to allow presidents to appoint all other institution personnel and make all other decisions regarding promotions, salaries, transfers, suspensions and dismissals.

Item 2 – Change in policy allows Chancellor to delegate authority to execute documents concerning federal aid.

Item 3 – Approval level changed from Chancellor to the institution regarding adjunct (courtesy) appointments; graduate teaching assistant appointments; appointment of part-time faculty members, other than those faculty members who have previously retired from the University System; reappointments of temporary faculty, part-time faculty, and aliens; and changes of designation for approved degree programs and approved administrative units.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

102 CHANCELLOR

The Board of Regents shall elect the Chancellor at its regular May meeting. The Chancellor shall be given an annual letter of agreement. In case of any vacancy in the chancellorship, the Board shall name an Acting Chancellor who shall serve until the office of the Chancellor shall be filled.

The Chancellor shall be the chief administrative executive officer of the University System as well as the chief executive officer of the Board of Regents and, as such, shall perform those duties that are prescribed by the Board. The Chancellor shall be responsible to the Board for the prompt and effective execution of all resolutions, policies, rules, and regulations adopted by the Board for the order and operation of the entire University System and for the government of any and all of its institutions. The Chancellor's discretionary powers shall be broad enough to enable him/her to discharge these responsibilities. The Chancellor shall attend and shall participate in, without the privilege of voting, all of the meetings of the Board and its Committees except as otherwise determined by the Board and shall be an ex-officio member of all Committees without the authority to vote. ~~The Chancellor shall make all recommendations regarding appointments, promotions, salaries, transfers, suspensions, and dismissals and shall recommend the appointment of all presidents and all other administrative officers; members of instructional, research, and extension staffs; and all other employees of the institutions and divisions of the University System, including all employees of the University System Office.~~ The Chancellor shall make recommendations for the appointment of institution presidents and senior level employees of the Office of the Board of Regents. Campus presidents shall make decisions regarding appointments, promotions, salaries, transfers, suspensions, and dismissals for members of instructional, research and extension staffs, and all other employees of their institutions.

The Chancellor shall be a member of all faculties and other academic bodies within the University System. He/she shall decide all questions of jurisdiction, not otherwise specifically defined, of the several councils, faculties, and officers. The Chancellor shall have the right to call meetings of any council, faculty, or committee at any time (BR Minutes, 1986-87, p. 263).

The Chancellor shall have the power to veto any act of any council, faculty, or committee of any institution within the University System but, in doing so, shall transmit to the proper officer a written statement of the reason for such veto. A copy of each veto statement shall be transmitted to the Board of Regents.

Any council, faculty, or committee shall have the right of appeal from a veto of the Chancellor to the Board and to be represented before the Board by any member or members chosen from said council, faculty, or committee.

The Chancellor shall prepare and submit to the Board of Regents such annual and special reports concerning the University System as the Board may require. The Chancellor or his/her designee shall be the medium through which all matters shall be presented to the Board, and to the Committees of the Board, including reports, recommendations, and suggestions from institutions, their faculty members, employees, and students. The Chancellor may, on his/her own initiative, make such reports to the Board as will, in his/her opinion, be helpful to the members in the discharge of their duties.

The Chancellor shall be responsible for the preparation for the Board of a suggested allocation of state appropriations to the institutions of the System. This suggested allocation shall be accompanied by a statement of the basis upon which it is to be determined. The suggested allocation shall be transmitted to the Board by the Committee on Finance and Business Operations with such

modifications as the Committee may deem necessary. Budgets of the member institutions shall be submitted by heads of institutions of the University System to the Chancellor. When the Chancellor has approved the budgets, the Chancellor shall submit all of the budgets of the University System to the Board for final approval. The Chancellor shall be the regular channel through which policies of the Board of Regents shall be announced. The heads of University System institutions shall not make any announcements of the Board's policies until so authorized by the Chancellor.

The Chancellor may limit the matriculates to the educational facilities at the institutions of the System.

The Chancellor **or his/her designee** is authorized to execute all documents concerning federal aid to the University System of Georgia, including, but not limited to, applications, acknowledgments of grants, and other necessary documents, in the conduct of affairs on behalf of the Regents of the University System of Georgia in connection with the United States Government (BR Minutes, 1966-67, pp. 414-415). The Chancellor is further authorized to settle any claim or dispute against the Board or its employees for an amount not to exceed \$300,000 of Board of Regents' funding (BR Minutes, May 2006).

The Chancellor and the Chancellor's designee are authorized and empowered to execute, accept, and deliver for, on behalf of, and in the name of the Regents of the University System of Georgia and under its Seal, and without prior approval by the Board, the following documents:

- A. Any and all rental agreements, supplemental agreements, and subrental agreements in which the Board of Regents is named as the tenant of the property rented and where the total rent to be paid by the Board does not exceed the sum of \$5,000 per month;
- B. Any and all contracts, agreements, deeds, licenses, or other instruments related to the purchase or gift of real property (other than property acquired by condemnation) at a purchase price not to exceed the average of three separate appraisals made by independent and licensed real estate appraisers and where the purchase price (or gift value) of the real property does not exceed the sum of \$100,000;
- C. Gifts, bequests, agreements, or declarations of trust in those instances where the initial gift or trust estate is \$100,000 or less, as well as those documents necessary to provide proper fiscal management of those funds accepted under the aforesaid authorization.

The Chancellor may, at his/her discretion, delegate the authority to execute said documents to the Treasurer or to the presidents of the several institutions in the University System, provided, however, that the Chancellor is not authorized to delegate to the presidents the authority to accept gifts of real property (BR Minutes, 1980-81, p. 241; January, 1997, p. 24).

The Chancellor, and/or the Chancellor's designee, is authorized to act without prior approval of the Board as the contracting officers for and on behalf of the Board of Regents, with authority to act for the Board in the execution of construction contracts, change orders to construction contracts, contracts for professional services, and the selection of architects and engineers and execution of

architectural/engineering contracts for the preparation of plans for new buildings or engineering projects, major remodeling, allocation of rehabilitation funds, and other projects, except routine maintenance in the University System of Georgia, provided, however, that the authority so delegated shall not exceed the sum of \$1,000,000 for any one contractual obligation. The actions taken under the authority of this paragraph shall be reported annually to the Committee on Real Estate and Facilities (BR Minutes, 1991-92, pp. 319-320).

The Chancellor, and/or the Chancellor's designee, is authorized to allocate to System institutions, without prior approval of the Board, capital outlay appropriations – rehabilitation funds (cash or bonds) in amounts not to exceed \$200,000 for any one project. The actions taken under the authority of this paragraph shall be reported annually to the Committee on Real Estate and Facilities (BR Minutes, 1991-92, pp. 319-320).

The Chancellor, and/or the Chancellor's designee, is authorized to delegate any or all of the above authority to act as contracting officers to individual institutions in the University System of Georgia based upon an evaluation by the Chancellor or the Treasurer of the ability of an institution to properly administer the delegated authority. Such delegation of authority shall be administered in accordance with policies and procedures approved by the Chancellor, the Treasurer, or the Chancellor's designee (BR Minutes, 1991-92, pp. 319-320).

The Chancellor, and/or the Chancellor's designee, is authorized and empowered, in the name of and on behalf of the Board of Regents of the University System of Georgia, to take or cause to be taken any and all such other and further action as, in the judgment of such officials, may be necessary, proper, convenient, or required in connection with the execution and delivery of such instruments documents or writings in order to carry out the intent of authority delegated herein. The Chancellor is authorized to develop procedures whereby nonmandatory (revenue-producing) auxiliary fees from campus operations, such as bookstore, dormitory, cafeteria, and vending machines, may be approved by him or her without prior approval by the Board (BR Minutes, 1980-81, p. 22).

~~The Chancellor is authorized to develop procedures for approval of the following matters without the necessity of formal Board action:~~ Each Institution is authorized to develop procedures for approval of the following matters without the necessity of formal Board action:

- A. Adjunct (courtesy) appointments;
- B. Graduate teaching assistant appointments;
- C. Appointment of part-time faculty members, other than those faculty members who have previously retired from the System;
- D. Reappointments of temporary faculty, part-time faculty, and aliens; and
- E. Changes of designation for approved degree programs and approved administrative units.

The Chancellor shall make all recommendations regarding the establishment or discontinuance of all positions in the University System Office. He/she shall recommend the appointment of administrative officers and all other employees of the University System Office.

2. Revision of The Policy Manual, Section 204, Presidential Authority and Responsibilities

Approved: The Board approved revisions to The Policy Manual, Section 204, concerning presidential authority and responsibilities.

Item 1 – Change in policy authorizes president to appoint faculty and administrative employees and determine the salary of each.

Item 2 – Change in policy authorizes president to determine promotions.

Item 3 – Change in policy gives president authority to grant leaves of absence to faculty.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

204 PRESIDENTIAL AUTHORITY AND RESPONSIBILITIES

The president of each institution in the University System shall be the executive head of the institution and of all its departments and shall exercise such supervision and direction as will promote the efficient operation of the institution. The president shall be responsible to the Chancellor for the operation and management of the institution and for the execution of all directives of the Board and the Chancellor. The president shall be the ex-officio chair of the faculty and may preside at meetings of the faculty. At those institutions that have a council, senate, assembly, or any such body, the president or the president's designee may chair such body and preside at its meetings. The president shall be the official medium of communication between the faculty and the Chancellor and between the council, senate, assembly, or any such body and the Chancellor (BR Minutes, 1993-94, p. 239).

~~The president shall recommend to the Board of Regents, through the Chancellor, the initial appointment of faculty members and administrative employees of each institution, the salary of each, and all promotions and tenure awards and shall be authorized to make all reappointments of faculty members and administrative employees, except as otherwise specified in this manual. The president shall have the right and authority, with the approval of the Chancellor, to fill vacancies in the faculty between meetings of the Board with the understanding that these appointments shall be approved by the Board. The president has the right and authority to grant leaves of absence to members of the faculty for study at other institutions or for such reasons as the president may deem proper. He/she~~

~~shall make an annual report to the Board, through the Chancellor, of the work and condition of the institution under his/her leadership.~~ The president shall be responsible for the initial appointment of faculty members and administrative employees of each institution, the salary of each, and all promotions and be authorized to make all reappointments of faculty members and administrative employees, except as otherwise specified in this manual. The president has the right and authority to grant leaves of absence for up to one year to members of the faculty for study at other institutions or for such reasons as the president may deem proper. He/she shall make an annual report to the Board, through the Chancellor or his/her designee, of the condition of the institution under his/her leadership.

The president of each institution, or his/her designee, is authorized to accept on behalf of the Board the resignation of any employee of his/her institution (BR Minutes, 1977-78, p. 123; 1982-83, p. 225).

The president of each institution, or the president's designee, shall have the authority to execute, accept, or deliver, on behalf of the Board, the following types of research agreements, settlement agreements, service agreements, and reciprocal emergency law enforcement agreements affecting his or her institution:

- A. Research or service agreements whereby the institution concerned, for monetary compensation or other good and valuable consideration, agrees to perform certain institution-oriented research or other personal services within a time period of one year or less;
- B. Agreements between institutions of the University System of Georgia and hospitals or other organized medical facilities, both public and private, located within the State of Georgia, whereby the hospital or medical facility concerned agrees to provide clinical services to nursing and other students enrolled in nursing and allied health programs at the institution concerned. Said agreements shall be effective for one year with the option of annual renewal as specified therein and shall be subject to cancellation by either party.
- C. Reciprocal emergency law enforcement agreements between institutions of the University System of Georgia and county and municipal authorities, as authorized by the Georgia Mutual Aid Act, as amended (BR Minutes, 1993-94, pp. 63-64);
- D. Settlements of grievances and complaints (including those filed by state and federal agencies) that do not include a monetary commitment of more than \$100,000. Agreements shall be subject to review and approval by the Georgia Department of Law. Notice of settlements shall be filed with the
- E. Any agreements necessary for the day-to-day operation as provided in section 700 of this manual; and
- F. Gifts, bequests, agreements, or declarations of trust in those instances where the initial gift (or trust estate) is valued at \$100,000 or less, provided, however, that presidents of University System institutions are not authorized to accept gifts of real property on behalf of the Board. All gifts having an initial value greater than \$100,000 shall require acceptance by the Board of Regents. The

presidents are further authorized to execute on behalf of the Board those documents necessary to provide proper fiscal management of all gifts accepted in accordance with this policy and, at their discretion, to delegate the authority to execute said documents to the chief fiscal officer of the institution. Each institution shall be required to report on an annual basis to the Chancellor all gifts received having an initial value of \$10,000 or more (BR Minutes, January, 1997, p. 24).

Each president shall be authorized by the Board of Regents to take or cause to be taken any and all such other and further action as in the judgment of such president may be necessary, proper, or convenient in order to carry out the intent of this policy (BR Minutes, 1972-74, pp. 69-71; 1977-78, pp. 167-168).

3. Revision of The Policy Manual, Section 207, Organization Changes

Approved: The Board approved revisions to the Policy Manual, Section 207, concerning organization changes.

Change in policy eliminates requirement for Board to approve institution organizational structure and authorizes institution presidents to make changes as deemed appropriate.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

207 ORGANIZATION CHANGES

~~Changes in the organizational structure of a University System institution shall require Board of Regents approval if these changes involve the addition, deletion, or substantive name change of a unit reporting directly to the president. The Chancellor or his/her designee is authorized to approve all other organizational changes (BR Minutes, January 14, 2004).~~ Presidents are authorized to develop the organizational structure required to effectively manage their institution. Changes involving the addition, deletion, or substantive name change of a unit reporting directly to the president will be reported to the Chancellor at least two weeks prior to the effective date of the change. The presidents are authorized to approve all other organizational changes (BR Minutes, January 14, 2004).

The addition or elimination of academic centers and institutes located on campus does not require the Chancellor's or Regents' approval. At the beginning of each fiscal year, each president shall submit to the Chancellor a list of all academic institutes and centers that are authorized to operate on each campus highlighting those which have been added or deleted since the prior year's submission.

4. Revision of The Policy Manual, Section 303.2, Learning Support Programs

Approved: The Board approved revisions to The Policy Manual, Section 303.2, concerning learning support programs.

Change in policy requires the University System chief academic officer to issue administrative procedures regarding learning support programs rather than the Chancellor.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

303.02 LEARNING SUPPORT PROGRAMS

Each institution that admits students required by University System policy to enroll in Learning Support courses before or as they attempt core curriculum courses shall have a separate department or division for meeting the academic needs of such students. The program shall be designed, at a minimum, to meet the specific needs of students who, according to University System placement standards, must enroll in Learning Support. Institutions may set higher standards for placement, and the program may include other learning support components.

Each such department or division shall have its own budget and staff and shall report directly to the chief academic officer or to his/her designee.

~~The Chancellor will issue administrative procedures regarding the operation of these programs~~ **The University System chief academic officer will issue administrative procedures regarding the operation of these programs** (BR Minutes, 1972-73, pp. 533-37; 1978-79, p. 162; 1982-83, pp. 119-21, 1986-87, p. 102; 1992-93, p. 241).

5. Revision of The Policy Manual, Section 303.03, Instruction Offered Externally

Approved: The Board approved revisions to The Policy Manual, Section 303.03, concerning instruction offered externally.

Change in policy authorizes the Chancellor to designate an off-campus instructional location as a campus, center, or consortium without Board approval.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

303.03 INSTRUCTION OFFERED EXTERNALLY

The University System will strive to provide educational opportunities sufficient to meet the needs of the state and the demands of Georgia citizens. Institutions within the University System are encouraged to explore the possibility of external course and degree program offerings to meet these needs. The following policies will govern the operations of all University System external undergraduate and graduate credit offerings.

The Board of Regents recognizes two categories of external offerings: off-campus instruction and distance education. Off-campus instruction is defined as traditional face-to-face classroom instruction that occurs at a location away from the home premises of the institution. Distance education is defined as a formal educational process in which the majority of the instruction occurs when student and instructor are not in the same place and the instruction is delivered using technology.

Institutions wishing to offer courses and/or degree programs externally must adhere to the guidelines, criteria, and nomenclature contained in the document entitled "External Instruction in the University System of Georgia: Policies and Procedures," as adopted by the Board of Regents on February 2, 2005, and as thereafter amended. This document is maintained in the Academic Affairs Handbook. The designation of an off-campus instructional location as a campus, center, or consortium requires approval by the ~~Board of Regents~~ Chancellor.

Institutions wishing to offer degree programs externally (off-campus or at a distance) must first submit and receive approval for an institutional Instructional Delivery Plan ("IDP"). Institutional IDPs should be updated at least every three years, and each updated version should be accompanied by notification to the Senior Vice Chancellor for Academics and Fiscal Affairs of intent to continue and/or discontinue external program offerings. Approval of the IDP will be granted only upon a clear demonstration by the requesting institution that external offerings are appropriate to its mission and that all necessary facilities, technical infrastructure, faculty, staff, and other supporting resources are available or can be provided to maintain program standards comparable to those maintained for on-campus programs.

It is desirable in most instances to have the closest qualified institution respond to off-campus credit course needs. In cases where requests for services exceed the qualifications or ability of the closest institution, attempts should be made to have such requests met by other qualified University System institutions.

Prior to the offering of off-campus course work, the president of the institution proposing such work will notify the president(s) of any other University System institution(s) located in closer geographic proximity to the site proposed for the off-campus course work. In the event the involved institutions

are unable to arrive at a mutual agreement on the offering of off-campus credit courses, the issues will be referred to the Chancellor for final resolution. (BR Minutes, February 2005.)

6. Revision of The Policy Manual, Section 304.02, Uniform Academic Calendar

Approved: The Board approved revisions to The Policy Manual, Section 304.02, concerning the uniform academic calendar.

Change in policy requires that University System chief academic officer, rather than the Chancellor, determine the starting and ending dates for each semester

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions.

This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

304.02 UNIFORM ACADEMIC CALENDAR

The starting and ending dates for each semester shall be determined by the ~~Chancellor~~ **University System chief academic officer** and observed by all institutions.

All institutions (with the exception of the Medical School at the Medical College of Georgia) shall begin and end classes during prescribed periods.

Each semester shall have an earliest starting date and a latest starting date.

Each semester shall have an earliest ending date and a latest ending date.

Each institution will determine all other necessary dates for the semester, including the possibility of flexible scheduling within and between semesters.

7. Revision of The Policy Manual, Section 304.04, Exceptions

Approved: The Board approved revisions to the Policy Manual, Section 304.04, concerning exceptions.

Change in title only.

Background: None.

Please note that the strike through text represents deletions from the current version of policy and the

highlighted texts represent additions.

304.04 EXCEPTIONS

Requests for exceptions to this policy must be submitted in writing to and approved in writing by the ~~Senior Vice Chancellor for Academics and Fiscal Affairs~~ **University System chief academic officer**.

8. Revision of The Policy Manual, Section 310, Academic Textbooks

Approved: The Board approved revisions to The Policy Manual, Section 310, concerning academic textbooks.

Change in policy requires the University System chief academic officer, rather than the Chancellor, establish guidelines concerning the designation and sale of textbooks required for coursework.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

310 ACADEMIC TEXTBOOKS

~~The Chancellor shall establish guidelines concerning the designation and sale of textbooks required for coursework at University System of Georgia institutions.~~ **The University System chief academic officer shall establish guidelines concerning the designation and sale of textbooks required for coursework at University System of Georgia institutions.** Minimally, the guidelines shall include provisions that:

1. Promote increased communication between and among students, faculty, and college bookstores concerning the use of textbooks in the classroom, the designation of required versus recommended texts, textbook costs, textbook adoption schedules, alternative acquisition methods, and other factors affecting the designation and sale of textbooks in order to increase the options available to students in meeting their cost of education
2. Ensure that bookstore operations, whether managed internally or outsourced to private vendors, offer the best value to students in acquiring textbooks and actively promote alternative options to help minimize student cost.
3. Require a third-party review process at the institution for determining if faculty may use self-authored texts in their classroom, and disallow faculty to resell sample texts provided by publishers or to take advantage of any financial incentives offered by publishers in the assignment of specific texts. (BR Minutes, May 2005).

9. Revision of The Policy Manual, Section 406.04, Alcohol and Drugs on Campus

Approved: The Board approved revisions to the Policy Manual, Section 406.04, concerning alcohol and drugs on campus.

Change in policy eliminates requirement that the University System Office approve rules and regulations regarding alcohol and drugs on campus.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

406.04 ALCOHOL AND DRUGS ON CAMPUS

The Board of Regents recognizes and supports Georgia laws with respect to the sale, use, distribution and possession of alcoholic beverages and illegal drugs, as well as the Drug-free Postsecondary Education Act of 1990 with respect to the manufacture, distribution, sale, possession or use of marijuana, controlled substances or dangerous drugs on college campuses and elsewhere. To this end, the Board has encouraged its institutions to adopt programs designed to increase awareness of the dangers involved in the use of alcoholic beverages, marijuana or other illegal or dangerous drugs by students and employees of the University System. Such programs shall stress individual responsibility related to the use of alcohol and drugs on and off the campus.

To assist in the implementation of such awareness programs, and to enhance the enforcement of state laws on the campuses of the University System, each institution shall adopt and disseminate comprehensive rules and regulations consistent with local, state and federal laws, concerning the manufacture, distribution, sale, possession or use of alcoholic beverages, marijuana, controlled substances or dangerous drugs on the campus and at institutionally approved events off campus. Disciplinary sanctions for the violation of such rules and regulations shall be included as a part of each institution's disciplinary code of student conduct.

Disciplinary sanctions for students convicted of a felony offense involving the manufacture, distribution, sale, possession or use of marijuana, controlled substances or other illegal or dangerous drugs, shall include the forfeiture of academic credit and the temporary or permanent suspension or expulsion from the institution. All sanctions imposed by the institution shall be subject to review procedures authorized by the Board of Regents (Article VIII of the Bylaws).

The rules and regulations adopted by each institution shall also provide for relief from disciplinary sanctions previously imposed against one whose convictions are subsequently overturned on appeal or otherwise.

An appeal to the Board of Regents shall not defer the effective date of the adverse action against the student pending the Board's review unless the Board so directs. Any such stay or suspension by the Board shall expire as of the date of the Board's final decision on the matter.

~~A copy of the rules and regulations adopted by each institution shall be filed with and approved by the office of the Associate Vice Chancellor for Student Services of the Board of Regents and shall be reviewed and approved by said office annually thereafter~~ A copy of the rules and regulations adopted by each institution shall be filed with the office of the Associate Vice Chancellor for Student Services. (BR Minutes, 1989-90, p. 383).

This policy amendment is intended to implement The Drug-Free Postsecondary Education Act of 1990 (Ga. Laws, 1990, p 2037).

10. Revision of The Policy Manual, Section 603.01, Preamble

Approved: The Board approved revisions to the Policy Manual, Section 603.01, concerning the preamble.

Change in policy clarifies that presidents are responsible for management of institution-specific or institutionally-identifiable intellectual property.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

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603.01 PREAMBLE

The University System of Georgia is dedicated to teaching, research, and the extension of knowledge to the public. The personnel at its institutions recognize as two of their major objectives, the production of new knowledge and the dissemination of both old and new knowledge. Inherent in these objectives is the need to encourage the development of new and useful devices and processes, the publication of scholarly works, and the development of computer software. Such activities (1) contribute to the professional development of the faculty, staff or students involved, (2) enhance the reputation of the institutions concerned, (3) provide additional educational opportunities for participating students, and (4) promote the general welfare of the public at large.

Patentable inventions and materials often come about because of activities of University System faculty, staff or students who have been aided wholly or in part through the use of resources of the University System. It becomes significant, therefore, to insure the utilization of such inventions for the public good and to expedite their development and marketing. The rights and privileges, as well as the incentive, of the inventor or creator must be preserved so that his or her abilities and those of

other faculty, staff or students of colleges and universities of the University System may be further encouraged and stimulated.

The University System recognizes and encourages the publication of scholarly works as an integral part of the processes of teaching, research and service. The Board of Regents acknowledges that faculty, staff or students regularly prepare for publication, usually through individual effort and initiative, articles, pamphlets, books and other scholarly works which may be subject to copyright and which may generate royalty income for the author. Publication may also result from work supported either partially or completely by the institution. With the advent of innovative techniques and procedures, the variety and number of materials which might be created in a university community have increased significantly, causing the ownership of such copyrightable materials to become increasingly complex.

The University System recognizes the need for enhanced development and dissemination of software technology as a means of expressing both old and new knowledge. Inasmuch as the Board is aware of the dynamic nature of software and that the value of intellectual property comes from the ability of its owner to control its use and that such value is directly related to the degree of protection it enjoys under the law, the Board encourages institutions of the University System to protect such expressions of knowledge by the utilization of appropriate intellectual property laws and the creation of comprehensive software technology transfer policies and procedures.

In many instances, Intellectual Property will become, in whole or in part, the property of the Board of Regents. When this policy speaks to ownership of Intellectual Property by institutions, the Board shall be the owner, and unless ownership has been transferred by the Board to an affiliated nonprofit organization, authority to further allocate or to dispose of rights in such Intellectual Property is hereby delegated to the presidents of the institutions. **Management of the Board's institution-specific or institutionally-identifiable intellectual property is entrusted to the presidents.**

The foregoing considered, the Board of Regents of the University System of Georgia does hereby establish the following policy with respect to the development, protection, and transfer of rights to Intellectual Property resulting from the work of its faculty, staff or students.

11. Revision of The Policy Manual, Section 704.022, Elective Fees and Special Charges

Approved: The Board approved revisions to the Policy Manual, Section 704.022, concerning elective fees and special charges.

Item 1 – Change in policy delegates the establishment of housing fees to institution presidents unless they are proposed to support debt service and operating costs for housing projects funded with private funds.

Item 2 – Change in policy delegates the establishment of food service fees to the institution presidents.

Item 3 – Change in policy requires the institution to notify the Chancellor annually of approved housing and food service fees.

Background: In the past these housing and food service fees required approval of the University System Office. Frequently the fees were not approved or approved at a level lower than requested. This resulted in many auxiliary services organizations not having funds to operate efficiently or effectively. Several of the organizations currently have deficit balances. This change will allow the intuitions to establish fees appropriate to their need. The System Office Business Procedures Manual will require five year plans on all auxiliary services organizations to monitor appropriateness of fees.

These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

704.022 ELECTIVE FEES AND SPECIAL CHARGES

704.0223 HOUSING FEES

Housing fees are defined as fees paid by students who elect to live in institutional residential facilities. ~~All housing fees shall be approved by the Chancellor or his/her designee in April of each year. Exceptions to this requirement may be granted by the Chancellor if warranted by special circumstances.~~ All housing fees, except for housing fees that are proposed to support debt service and operating costs on new housing projects funded with private funds, shall be approved by the institution president in April of each year. The housing fees that support debt service should be approved by the Board. Each institution shall notify the Chancellor annually of all approved housing fees.

704.0224 FOOD SERVICE FEES

Food service fees are defined as fees paid by students who elect to choose an institutional food service plan. ~~All food service fees shall be approved by the Chancellor or his/her designee in April of each year. Exceptions to this requirement may be granted by the Chancellor if warranted by special circumstances.~~ All food service fees shall be approved by the institution president in April of each year. Each institution shall notify the Chancellor annually of all approved food service fees.

704.0225 OTHER ELECTIVE FEES AND SPECIAL CHARGES

Other elective fees and special charges are defined as those fees and charges which are paid selectively by students. These fees and charges may include, but are not limited to, resident hall deposits, penalty charges, non-mandatory parking fees and parking fines, library fines, laboratory fees, post office box rentals, and course fees. Institutional presidents are authorized to establish and adjust these fees, as appropriate. Prior to implementation of such fees institutions shall be required to

report to the Chancellor ~~annually on all such fees and~~ any adjustments made thereto under procedures established by the Vice Chancellor for Fiscal Affairs and Treasurer.

12. Revision of The Policy Manual, Section 704.0501, Military Service Refunds

Approved: The Board approved revisions to the Policy Manual, Section 704.0501, concerning military service refunds.

Change in policy authorizes presidents, rather than the Chancellor, to take or cause action to enforce this policy.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

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704.0501 MILITARY SERVICE REFUNDS

Subject to institutional policies, full refunds of tuition and mandatory fees and pro rata refunds of elective fees are hereby authorized for students who are:

A. Military reservists (including members of the National Guard) and who receive emergency orders to active duty after having enrolled in a University System institution and paid tuition and fees;

B. Active duty military personnel and who receive an emergency reassignment after having enrolled in a University System institution and paid tuition and fees;

C. Otherwise unusually and detrimentally affected by the emergency activation of members of the reserve components or the emergency deployment of active duty personnel of the Armed Forces of the United States and who demonstrate a need for exceptional equitable relief.

Tuition and fees awarded by scholarship or grant from an agency or authority of the State of Georgia on behalf of a student receiving a refund under this policy shall be reimbursed to such agency or authority.

~~The Chancellor is authorized and empowered to take or cause to be taken any and all such other and further action as, in the judgment of the Chancellor, may be necessary, proper, convenient or required in connection with the execution of this policy. Such authority may be further delegated to the President of the institution.~~ The presidents are authorized and empowered to take or cause to be taken any and all such other and further action as may be necessary, proper, convenient or required in connection with the execution of this policy.

13. Revision of The Policy Manual, Section 802.0804, Educational and Professional Leave

Approved: The Board approved revisions to the Policy Manual, Section 802.0804, concerning educational and professional leave.

Change in policy authorizes presidents, rather than the Chancellor and the Board, to grant leaves of absence for one year or less, rather than one term or less. Leaves of greater than one year require approval of the Chancellor.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

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802.0804 EDUCATIONAL AND PROFESSIONAL LEAVE

~~The president of an institution may, with the approval of the Chancellor and the Board, grant leaves of absence, with or without pay, to employees of the institution. Leaves of absence of one academic term or less, with or without pay, may be granted by the institution's president. Extensions of such leaves require the approval of the Chancellor and the Board.~~ Leaves of absence of one year or less with or without pay may be granted by the institution's president and reported to the Chancellor. Extensions of such leaves, or the initial granting of leaves of more than one year, require the approval of the Chancellor or his/her designee.

In considering a request for leave with pay, the president should bear in mind that it is the policy of the Board that such leave shall be granted only for the purposes of promoting scholarly work and encouraging professional development. The president should examine carefully the program or project on which the employee proposes to work, and he/she should also consider the likelihood of the employee's being able to accomplish the purposes for which leave is requested. (It is expected that scholarly and professional leaves shall be granted without pay where the leave is supported by an external grant or stipend).

In considering a request for a leave, the president should take into consideration the effect that the granting of the leave will have on the institution or on the department of which the employee is a member. If the employee's work cannot be handled by other employees and if funds are not available for the employment of a substitute, the president will be justified in refusing to recommend that the leave be granted or in deferring action upon the request for a leave.

~~If, after careful consideration, the president feels the interests of the institution and of the employee will be served by the granting of the leave requested, the president shall submit a recommendation through the Chancellor to the Board of Regents to this effect, together with a statement of the reasons supporting his/her recommendation.~~

The president ordinarily should not approve a request for a leave with pay if the applicant for leave has been employed at an institution for the period of less than three years. ~~nor should the president ordinarily approve a leave with pay for a person in an academic position who has not already completed the requirements for a master's degree.~~ The University System chief academic officer will promulgate guidelines regarding educational and professional leave.

Any employee who has been granted a leave of absence with pay shall be required, before beginning the leave, to sign an agreement indicating that:

1. for a leave with pay of less than one year, the employee will return to the institution at the termination of the leave for a period of at least one year;
2. for a one-year leave with pay, the employee will return to the institution at the termination of the leave for a period of at least two years; and that
3. if the employee does not return to the institution for the full amount of time specified in the agreement, the employee will reimburse the institution for the amount of compensation received while on leave, as well as any other expenses paid by the University System of Georgia during the leave including all benefit costs.

A faculty or staff member who returns from an authorized leave which enhances professional study and development shall be entitled to a salary which will include, as a minimum, the mandated across-the-board salary raises which occurred during the period of leave. (BR Minutes, 1980-81, p. 191).

No leaves of absence will be granted to persons in the University System who are retired and who are drawing retirement benefits from the Teachers' Retirement System of Georgia or from the University System. Approved leave shall allow employees the right to elect to continue group insurance benefits with institutional participation (BR Minutes, 1949-50, pp. 452-53; 1990-91, pp. 298-299).

14. Revision of The Policy Manual, Section 802.15, Garnishment of Pay

Approved: The Board approved revisions to the Policy Manual, Section 802.15, concerning garnishment of pay.

Change in policy clarifies that employees who fail to meet their personal financial obligations are subject to termination and eliminates the requirement to report garnishments to the University System Office.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

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802.15 GARNISHMENT OF PAY

Each institution shall establish procedures to counsel with employees who fail~~ures~~ to meet their personal financial obligations. ~~cause discredit to the institution. Repeated instances of default in payment by employees of the University System, after appropriate counseling, shall be considered sufficient grounds to terminate for cause. Institutions shall report biannually to the Associate Vice Chancellor for Legal Affairs any garnishments on the wages of senior administrators and faculty members.~~ **Repeated instances of default in payment by employees of the University System shall be considered sufficient grounds to terminate for cause.**

15. Revision of the Policy Manual, Section 803.03, Employment of Full-Time Lecturers

Approved: The Board approved revisions to the Policy Manual, Section 803.03, concerning employment of full-time lecturers.

Change in policy authorizes institutions to develop their own procedures for reappointment of lecturers, rather than the Chancellor.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. This change was proposed by the co-chairs of the Approvals and Authorities Task Force. The change was reviewed by the subject matter experts on the University System Office staff.

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803.03 EMPLOYMENT OF FULL-TIME LECTURERS

To carry out special instructional functions such as basic skills instruction, universities may appoint instructional staff members to the position of lecturer. Lecturers are not eligible for the award of tenure. Reappointment of a lecturer who has completed six consecutive years of service to an institution will be permitted only if the lecturer has demonstrated exceptional teaching ability and extraordinary value to the institution. The reappointment process must follow procedures outlined by the ~~Chancellor~~ **institution**. Not more than 10% of an institution's FTE corps of primarily undergraduate instruction may be lecturers and/or senior lecturers (BR Minutes, 1992- 93, p. 188).

16. Revision of The Policy Manual, Section 803.07, Evaluation of Faculty

Approved: The Board approved revisions to the Policy Manual, Section 803.07, concerning evaluation of faculty.

Change in policy allows each institution to develop its pre-tenure review policies, additionally it authorizes institution president, rather than the University System chief academic officer, to review and approve institutional post-tenure review policies.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

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803.07 EVALUATION OF FACULTY

Each institution shall establish definite and stated criteria, consistent with Regents' policies and the statutes of the institution, against which the performance of each faculty member will be evaluated. The evaluation shall occur at least annually and shall follow stated procedures as prescribed by each institution. Each institution, as part of its evaluative procedures, will utilize a written system of faculty evaluations by students, with the improvement of teaching effectiveness as the main focus of these student evaluations. The evaluation procedures may also utilize a written system of peer evaluations, with emphasis placed on the faculty member's professional development. In those cases in which a faculty member's primary responsibilities do not include teaching, the evaluation should focus on excellence in those areas (e.g., research, administration) where the individual's major responsibilities lie. Institutional policies and procedures shall ensure that each faculty member will receive a written report of each evaluation and that the results of the evaluation will be reflected in the faculty member's annual salary recommendations. Institutions will ensure that the individuals responsible for conducting performance evaluations are appropriately trained to carry out such evaluations (BR Minutes, 1979-80, p. 50; 1983-84, p. 36; May, 1996, p. 52).

Each institution shall conduct in-depth pre-tenure reviews of all faculty in their third year of progress toward tenure. The criteria established for promotion and tenure, emphasizing excellence in teaching, shall be used as the focus for these reviews. The ~~Senior Vice Chancellor for Academic Affairs~~ institution shall **develop** review and approve institutional pre-tenure review policies, as well as any subsequent revisions (BR Minutes, April 1996, p. 39-47; May 1996, p. 52).

Institutions employing graduate teaching and/or laboratory assistants shall develop procedures to (a) provide appropriate training to support and enhance these assistants' teaching effectiveness, (b) conduct regular assessments, based on written procedures and including results of student and faculty evaluations, of each assistant's teaching effectiveness and performance, and (c) assess competency in English and, if needed, provide training in English language proficiency.

Senior administrators shall be evaluated by the administrator's supervisor, using a performance management instrument which emphasizes leadership qualities, management style, planning and organizing capacities, effective communication skills, accountability for diversity efforts and results,

and success at meeting goals and objectives. All senior administrators shall be evaluated by their subordinates (one level down) at least once every five years. Evaluation results will be the basis for the senior administrator's development plan.

Each institution shall conduct post-tenure reviews of all tenured faculty members. Each faculty member is to be reviewed five years after the most recent promotion or personnel action, and reviews shall continue at five-year intervals unless interrupted by a further review for promotion. The ~~Senior Vice Chancellor for Academic Affairs~~ **institution president** shall review and approve institutional post-tenure review policies, as well as any subsequent revisions. These institutional policies must conform to the institution's mission and to System procedures for post-tenure review. Institutional policies also shall address cases in which a tenured faculty member's performance is deemed unsatisfactory (BR Minutes, April 1996, p. 39-47; May 1996, p. 52).

17. Revision of The Policy Manual, Section 803.1001, Academic Professionals

Approved: The Board approved revisions to the Policy Manual, Section 803.1001, concerning academic professionals.

Item 1 – Change in policy authorizes institution presidents, rather than the Chancellor, may assign academic professional titles.

Item 2 – Change in policy authorizes institutions establish non-tenure track professional positions whose duties may be involved in duties of a managerial, research, technical, special, career, public service, or instructional support nature.

Item 3 – Change in policy authorizes career ladders to be established for Academic Professionals, using the following titles: Academic Professional Associate, Academic Professional, and Senior Academic Professional.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

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803.1001 ACADEMIC PROFESSIONALS

~~Academic Professional titles may be assigned to appropriate positions (as defined below) at research and regional universities, and in special circumstances approved by the Chancellor, at other University System institutions.~~ **Academic Professional titles may be assigned to appropriate positions (as defined below). Institutions are authorized to establish non-tenure track professional positions. Persons in such positions may be involved in duties of a managerial, research, technical, special, career, public service, or instructional support nature. Examples of such positions currently existing are Public Service Professional, Research Scientist, Research Associate, Research Engineer,**

and Research Technologist. The title Academic Professional would be similar to those currently in use.

The following stipulations apply to all Academic Professional Positions:

1. The position requires an appropriate terminal degree, or in rare and extraordinary circumstances, qualification on the basis of demonstrably successful related experience, which exception is expressly approved by the ~~Chancellor~~ institution president.
2. The Academic Professional designation may not be assigned to a position where the teaching and research responsibilities total 50% or more of the total assignment.
3. The position is not a tenure-track position, and the holder of the position is not eligible for consideration for the award of tenure, or for probationary credit toward tenure.

The designation Academic Professional would apply to a variety of academic assignments that call for academic background similar to that of a faculty member with professorial rank, but which are distinctly different from professorial positions. Examples include managing instructional laboratories, assuming academic program management roles not suited for expectations applied to tenure-track faculty members, operating instructional technology support programs, being responsible for general academic advising, assuming professional student counseling center responsibilities, providing specialized skill acquisition training as support for academic programs, and working with tenure-track faculty members in course and curriculum development.

General categories for Academic Professionals would include:

1. *Training and Instructional Support.* This includes educational needs assessment, program development and coordination, instructional materials and technology development, delivery of specialized or skill acquisition instruction, and program evaluation. In light of the restriction above, Academic Professionals must be persons whose instructional duties account for less than half of their total time.
2. *Technical Assistance.* An advisory or operating role which provides specialized knowledge appropriate for program support and development. The activities range from a significant or advisory or operating role to managing a technical support unit to development of organizational structures and function.
3. *Specialized Management.* This includes supervision of clinical practice or field experience, or providing services or out-of-class educational opportunities for students.

~~Career ladders may be established for Academic Professionals, using the following titles: Academic Professional Associate, Academic Professional, and Senior Academic Professional. Eligible institutions may establish those titles by presenting for the Chancellor's approval policies and procedures governing appointment and promotions within those titles. Otherwise, they may opt simply to use the title Academic Professional.~~ Career ladders may be established for Academic

Professionals, using the following titles: Academic Professional Associate, Academic Professional, and Senior Academic Professional.

Reappointment of Academic Professionals would be made annually. Notice of reappointment and non-reappointment must be made in a timely manner consistent with Board of Regents policy.

All provisions of Section 803.10 of the Board of Regents' Policy Manual will apply to the employment of Academic Professionals.

18. Revision of The Policy Manual, Section 803.1402, Criteria for Determining Salaries

Approved: The Board approved revisions to the Policy Manual, Section 803.1402, concerning the criteria for determining salaries.

Change in policy eliminates the need for the Chancellor to approve publishing the criteria and method used to determine salaries.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

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803.1402 CRITERIA FOR DETERMINING SALARIES

Consistent with Regents' policy on nondiscrimination and with the approved purpose of the institution, each institution of the University System shall utilize specific criteria for the determination of entry-level salaries for full-time members of the Corps of Instruction employed at the ranks of lecturer, senior lecturer, instructor, assistant professor, associate professor, and professor and for the determination of the extent of salary increases awarded to currently employed full-time faculty members.

A. Each entry-level salary shall be determined on the basis of the specific requirements of the position and the qualifications of the individual employed to fill the position. Position criteria shall include the academic rank, the academic discipline and the nature of the responsibilities to be performed. Criteria related to the qualifications of the individual shall include academic degrees earned, teaching and other relevant experience, research and publication record, academic achievements and honors, and relevant professional achievements or recognitions.

B. Salary increases for full-time teaching faculty shall be awarded on the basis of merit. The criteria for the determination of the extent of such increases shall include teaching ability, completion of significant professional development activities including the attainment of additional academic degrees, promotion in rank, research productivity, academic achievements and

publications, academic honors and recognitions, relevant professional achievements and recognitions, and non-teaching services to the institution. Each institution shall identify specific criteria, consistent with this policy, upon which the determination of the extent of salary increases will be based. The institution shall also identify the methods by which the faculty member's performance will be evaluated for purpose of the determination of salary increases. ~~Upon approval by the Chancellor, both the criteria and the evaluation methods shall be published in the faculty handbook of the institution.~~ **The criteria and the evaluation methods shall be published in the faculty handbook of instruction.** (BR Minutes, January 1982, p. 184).

C. When a fiscal year administrative employee returns to an academic appointment as a faculty member, the salary shall be determined on the same basis as other faculty members with similar rank and experience within the department to which he/she returns or in other similar positions within the institution (BR Minutes, 1986-87, pp. 103-104).

19. Revision of The Policy Manual, Section 803.15, Emeritus Title

Approved: The Board approved revisions to the Policy Manual, Section 803.15, concerning the emeritus title.

Change in policy eliminates the requirement that the Board approves conferring the title of "emeritus" for retired administrative officers.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

803.15 EMERITUS TITLE

The institution may confer, at its discretion, the title of "emeritus" on any retired and tenured professor, associate professor, or assistant professor, or Board-approved non-tenure track faculty of equivalent rank, who, at the time of retirement, had ten years or more of honorable and distinguished service in the University System. Also, the institution may confer, at its discretion, the title of "emeritus" on any ~~Board-approved~~, retired administrative officer who, at the time of retirement, had ten years or more of honorable and distinguished service in the University System. This title may be conferred upon the recommendation of the president of the institution in which the employee has served.

20. Revision of The Policy Manual, Section 912, Names of Facilities or Streets

Approved: The Board approved revisions to the Policy Manual, Section 912, concerning names of facilities or streets.

Change in policy directs the institution president to notify the Vice Chancellor for Facilities, rather than the Board, of naming interior spaces, such as rooms, hallways, etc., within buildings and sports facilities.

Background: This proposal is based upon the premise that decisions should be made at the lowest level where management is given the responsibility to act and is held accountable for their actions. These changes were proposed by the co-chairs of the Approvals and Authorities Task Force. The changes have been reviewed by the subject matter experts on the University System Office staff.

912 NAMES OF FACILITIES OR STREETS

The Board of Regents considers the naming of a University System facility or street in honor of a living or deceased individual, corporation, foundation, or organization to be one of the highest distinctions that it can bestow. In light of the importance and magnitude of this honor, the following policy shall apply to the naming of all physical facilities and streets on all property owned or leased by the University System of Georgia, including facilities constructed by affiliated organizations of the institutions. The term "facility" is intended to include buildings of all types, as well as all sports facilities. It is also intended to include all outdoor areas that may not have physical walls but are nonetheless identifiable areas of campus landscape, such as quadrangles, gardens, lakes, recreation fields, etc. The term "facilities" does not include interior spaces, such as rooms, hallways, etc., within buildings and sports facilities. ~~The Board of Regents delegates authority to the institution presidents to name such interior spaces. The Board of Regents will be notified for informational purposes only on any such interior space naming on a timely basis.~~ The institution presidents are authorized to name such interior spaces. The Vice Chancellor of Facilities will be notified for informational purposes only on any such interior space naming on a timely basis.

The act of naming a University System facility or street is the conferral of not only a high honor, but also a conspicuous honor. It publicly exhibits the judgment and standards of the University System of Georgia and signifies lasting approval of the actions of the honoree. Given the fact that a name may be on display for decades, the task of naming should not be taken lightly. Rather, each institution should carefully consider each name, seek advice, and use the utmost discretion in ensuring that those upon whom such an honor is bestowed are truly worthy.

In order to allow for the individual being honored to enjoy and take part in the honor when it is bestowed, the Board of Regents will allow facilities and streets to be named after a living individual if the person to be honored has provided outstanding service to the institution, to the nation, or to society, and has served with distinction.

When naming is to honor a living person for outstanding and distinguished service as a public servant, that person must have been disassociated from employment by or service to the University System or from state or federal government employment for at least two years prior to the naming.

In light of the fact that every institution within the University System is different, "outstanding service" is intended, to a certain extent, to be a flexible standard. Each naming situation must be

judged on its own merits after taking into account the facts that are relevant to the person being honored and the institution involved. The president of each institution shall endeavor to ensure that the proposed naming is consistent with the interests of the institution and the University System and that the value of service warrants the action proposed. All proposed namings will be submitted to the Chancellor, or his/her designee, who shall then submit the recommendations to the Board of Regents for approval. The Board of Regents must approve the proposed name of a facility or street, whether to honor an individual, corporation, foundation, or organization or to memorialize a deceased individual.

All namings pursuant to this policy should be subject to periodic review to determine that the naming continues to be consistent with the interest of the institution as described in The Policy Manual.

Since naming often occurs in recognition of a gift or commitment to an institution, institutions will develop guidelines for naming opportunities covered by Board of Regents policy at their campuses, including appropriate financial commitments corresponding to such naming opportunities. These guidelines will be submitted to the Board of Regents for review (BR Minutes, May 2004).

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, February 13, 2007, at approximately 10:45 a.m. in the Board Room. Committee members in attendance were Chair Robert F. Hatcher, Vice Chair Hugh A. Carter, Jr., and Regents James A. Bishop, Felton Jenkins, Donald M. Leebern, Jr., Benjamin J. Tarbutton III, and Richard L. Tucker. Board Chair Allan Vigil and Regent were also in attendance. Chair Hatcher reported to the Board on Tuesday that the Committee had reviewed two items, one of which required action. Item 2 was withdrawn by the Committee. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Revision of The Policy Manual, Section 702, Budgets

Approved: The Board approved revisions to the Policy Manual, Section 702, concerning budgets and auxiliary enterprises.

Background: The approved changes to policy concern definitions of the University System of Georgia (the “System”) of Georgia budget and auxiliary enterprises. The major changes include:

- Adding definitions of expenditure categories for educational and general budgets. The budget review process revealed inconsistencies among System institutions in their use of these standardized functional categories. Since these are used in the evaluation of institutional budgets, it is recommended that they be incorporated into policy. The definitions follow the National Association of College and University Business Officer (“NACUBO”) guidelines and are used by all higher education institutions across the country.

Concerning Auxiliary Enterprises, the approved policy changes include:

- Require the creation and annual updating of five-year plans for all auxiliary enterprise functions. Concurrent with this change, the Business Procedures Manual will require that institutions identify each auxiliary enterprise function with separate fund codes to allow for evaluation of revenues and expenditures.
- Require institutions to identify their methodology for allocation of physical plant expenses to auxiliary enterprises and include the methodology in their five-year plan.
- Allow institutions to operate certain activities on a loss basis where such activities serve the needs of students but shall require explanation and justification in the five-year plan indicating that there are sufficient revenues from other auxiliary enterprise sources to sustain operations.
- Allow subsidization of certain auxiliary enterprise activities with general fund resources where such subsidization serves the central mission and strategic goals of the institution.

Please note that the strike through text represents deletions from the current version of policy and the highlighted texts represent additions.

702 THE UNIVERSITY SYSTEM OF GEORGIA BUDGETS

The University System of Georgia Budget shall comprise all funds received by System institutions and agencies including, but not limited to, state appropriations, tuition, revenues generated from mandatory and elective fees as defined in Sections 704.021 through 704.0225, federal, state and local grant and contract revenues, revenues from the sales of services, scholarship income, gifts and donations and the income generated therefrom and any other such sources as are used to provide for teaching, research and service and the general and educational activities and functions related thereto in support of the goals, objectives and mission of the system. ~~Financial and budgetary procedure for the University System shall divide financing, accounting, and operation of fiscal affairs into two parts: first, educational and general programs, such as cost of instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, and scholarships and fellowships, and such income as student fees, federal grants, endowment income, vocational funds income from sales, gifts, rentals, and other related items; and, second, auxiliary enterprises, such as dining halls, residence halls, and other related items.~~

702.01 BUDGET CATEGORIES

~~702.0101~~ EDUCATIONAL AND GENERAL REVENUES AND EXPENDITURES

~~The first division—educational and general facilities—will be financed with income derived under this division and with funds provided by the State. Any savings made in operation of this division shall be expended only at the direction of the Board. The Board shall also give due consideration to any loss that may occur in its operation.~~

Education and general revenues and expenditures shall be defined as revenues received and expenditures made to support the teaching, research and public service missions of University System of Georgia institutions, which shall be categorized as follows:

Instruction

The instruction category includes expenditures for all activities that are part of an institution's instruction program. Expenditures for credit and noncredit courses; academic, vocational, and technical instruction; remedial and tutorial instruction; and regular, special, and extension sessions should be included. Expenditures for departmental research and public services that are not separately budgeted should be included in this classification. This category excludes expenditures for academic instruction when the primary assignment is administration – for example – academic deans. However, expenditures for department chairpersons and administrators for whom instruction is an important role are included.

Research

The research category includes all expenditures for activities specifically organized to produce research, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution. Subject to these conditions, the category includes expenditures for individual and/or project research as well as that of institutes and research centers. This category does not include all sponsored programs nor is it necessarily limited to sponsored research, since internally supported research programs, if separately budgeted, might be included in this category under the circumstances described. Expenditures for departmental research that are separately budgeted for research are included in this category. However, the research category does not include expenditures for departmental research that are not separately budgeted.

Public Service

The public service category includes expenditures for activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution. These activities include community service programs (excluding instructional activities) and cooperative extension services. Included in this category are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community.

Academic Support

The academic support category includes expenditures incurred to provide support services for the institution's primary missions: instruction, research, and public service. It includes the retention, preservation, and display of educational materials, for example, libraries, museums, galleries; the provision of services that directly assist the academic functions of the institution, such as demonstration schools associated with a department, school, or college of education; media such as audio-visual services and technology such as computing support; academic administration (including academic deans but not department chairpersons) and personnel development providing administration support and management direction to the three primary missions (instruction, research, public service); and separately budgeted support for course and curriculum development. For institutions that currently charge some of the expenses – for example, computing support – directly to the various operating units of the institution, this category does not reflect such expenses.

Student Services

The student services category includes expenditures incurred for offices of admissions and the

registrar and activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program. It includes expenditures for student activities, cultural events, student newspapers, intramural athletics, student organizations, intercollegiate athletics (if the program is not operated as an essentially self-supporting activity), counseling and career guidance (excluding informal academic counseling by the faculty), student aid administration, and student health service (if not operated as an essentially self-supporting activity). In recent years, some institutions have created an office of enrollment management; expenditures for such an office are best categorized in student services.

Institutional Support

The institutional support category includes expenditures for central executive-level activities concerned with management and long-range planning for the entire institution, such as the governing board, planning and programming, and legal services; fiscal operations, including the investment office; administrative data processing; space management; employee personnel and records; logistical activities that provide procurement, storerooms, safety, security, printing, and transportation services to the institution; support services to faculty and staff that are not operated as auxiliary enterprises; audit services, and activities concerned with community and alumni relations, including development and fund raising. To the extent that fringe benefits are not assigned to other functional categories, those benefits would be charged to institutional support.

Plant Operations and Maintenance

The operation and maintenance of plant category includes all expenditures of current operating funds for the operation and maintenance of the physical plant, in all cases net of the amount charged to auxiliary enterprises, hospitals, and independent operations. It includes all expenditures for operations established to provide services and maintenance related to grounds and facilities. Also included are utilities, fire protection, property insurance, and similar items. It does not include expenditures made from the institutional plant funds accounts.

Scholarships and Fellowships

The scholarships and fellowships category includes expenditures for scholarships and fellowships – from restricted or unrestricted current funds – in the form of grants to students, resulting from selection by the institution or from an entitlement program. The category also includes trainee stipends, prizes, and awards. Trainee stipends awarded to individuals who are not enrolled in formal course work should be charged to instruction, research, or public service.

702.0102 AUXILIARY ENTERPRISES REVENUES AND EXPENDITURES

~~The second division—auxiliary enterprises—shall be placed on a self-supporting basis, and the state will not make appropriation to finance its operation. Funds collected from these enterprises will be used to provide the best possible services that can be provided for the amount charged without subsidy or support from the funds of the institutions for maintenance and utility services. Accounting records for auxiliary enterprises will be maintained on the full accrual basis of accounting, therefore, funded depreciation will be required for all auxiliary enterprise service equipment, buildings, infrastructure and facilities, and other improvements. The reserve for depreciation will be used for~~

~~repair and replacement of auxiliary assets according to guidelines provided in the Business Procedures Manual. The funds collected will be left with the institutions.~~

~~Intercollegiate athletics shall be classified as an auxiliary enterprise for financial reporting; however, the provision of this policy prohibiting support from the funds of the institutions for maintenance and utility services shall not apply. Additionally, funds from intercollegiate athletics shall not be commingled with other auxiliary enterprise funds.~~

Auxiliary enterprises revenues and expenditures shall be defined as all revenues received and expenditures made for functions and activities which are related to the mission of University System of Georgia institutions including, but not limited to:

Housing

Food Services

Student Health Services

Student Activities

Intercollegiate Athletics (excluding intercollegiate athletics which are operated under the authority of a separately organized athletic association)

Parking

Transportation

Stores and Shops

Vending and Other Services

Auxiliary enterprise operations shall operate on a self-supporting basis with revenues derived from student fees and other non-state sources, except as provided below. Each auxiliary enterprise operation shall be charged for its share of plant operations and maintenance expense as a direct expense and/or charged on the basis of an allocation methodology such as share of total institutional square footage. University System of Georgia institutions may choose also to charge administrative overhead to recoup general costs expended on behalf of each operation.

Each institution shall develop and update annually a five-year plan for each auxiliary enterprise operation that defines the level and manner of service to be provided, planned expenditures and sources of revenue, including projected fee requirements. The format and content of each plan shall be determined by the Vice Chancellor for Fiscal Affairs, but must minimally contain the following:

A. A statement regarding the role of the enterprise in the context of the institution's academic mission.

B. A statement of goals and objectives to be achieved over the course of the five year plan.

C. A statement on operating strategy including services to be provided and sources of revenue, including student fees.

D. A financial pro forma which projects future revenues and expenditures consistent with stated goals and objectives (The method used to allocate plant operations costs and other indirect costs, if charged, shall also be described in the five year plan.)

Exceptions to the requirement that institutions operate their auxiliary enterprises on a self-supporting basis shall be recognized as follows:

E. Institutions may choose to operate some auxiliary enterprise activities on a loss basis but must indicate in their five-year plans how the costs of such activities will be covered by revenues generated through other auxiliary operations. It shall be the Board of Regents' determination as to whether such losses are sustainable based on the institution's five-year plan.

F. Institutions may apply general fund resources to auxiliary enterprise operations where such expenditures can be justified as supporting the primary mission of the institution. In no instance may general fund revenues be used to support athletic scholarships. The use and amount of general revenues applied to the support of auxiliary enterprise operations shall be included in the five-year plan.

Accounting records for auxiliary enterprises will be maintained on the full accrual basis; therefore, funded depreciation will be required for all auxiliary enterprise service equipment, buildings, infrastructure and facilities, and other improvements. The reserve for depreciation will be used for repair and replacement of auxiliary assets according to guidelines provided in the Business Procedures Manual. The funds collected will be left with the institutions.

702.302 OPERATING BUDGETS

Each institution of the System shall prepare an operating budget for educational and general activities and an operating budget for auxiliary enterprises of the institution for the fiscal year within the limit of funds allocated plus estimated internal income of the institution. Operating budgets of separately incorporated athletic organizations are specifically excluded from this process, although the transfer of student fees to those separately incorporated organizations must be reflected as a single item in the budget submitted to the Chancellor (BR Minutes, 1946-47, pp. 214-15).

2. Revision of The Policy Manual, Section 704, Tuition and Fees

Withdrawn: This item was withdrawn by the Committee.

3. Information Item: Second Quarter Revenue and Expenditure Report, Fiscal Year 2007

The Vice Chancellor for Fiscal Affairs, William R. Bowes, presented a report on the University System of Georgia second quarter revenue and expenditure report for fiscal year 2007. The report covered all revenue and expenditures for the period ending September 30, 2006, and is on file with the Office of Fiscal Affairs.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, February 13, 2007 at approximately 11:15 a.m. in the Board Room. Committee members in attendance were Chair Richard L. Tucker and Regents James A. Bishop, Hugh A. Carter, Jr., Robert F. Hatcher, Felton Jenkins, Donald M. Leebern, Jr., and Benjamin J. Tarbutton III. Board Chair Allan Vigil and Regent Doreen Stiles Poitevint were also in attendance. Chair Tucker reported to the Board that the Committee had reviewed ten items, seven of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Naming of the J. Fleming Norvell Golf House, Augusta, Augusta State University

Approved: The Board approved the naming of the new Golf Practice Facility, Golf House (“Golf House”), which is currently under construction on the Forest Hills campus at Augusta State University (“ASU”), the “J. Fleming Norvell Golf House” in recognition of J. Fleming and Sandra Norvell.

Understandings: The Norvell’s have played a significant role financially over the years in the golf programs at ASU. They were Founding Patrons in establishing the women’s golf program and played a major role in raising the necessary funds in creating ASU’s state-of-the-art Golf House.

The new Golf House is being built by ASU Jaguar Ventures, LLC and will be gifted to the Board of Regents when construction is complete. The total project budget is \$810,000 and is funded by private donations. Mr. Norvell has contributed over \$250,000 of his own funds to this new facility and his friends have contributed well over \$500,000 as well.

Mr. Novell attended the Junior College of Augusta (ASU’s forebearer) and has been a constant supporter and benefactor. This action, if approved, will honor the Norvells for their financial support as well as the major role they have played over the years in the golf programs at ASU.

2. Naming of Anderson Hall, Cochran, Middle Georgia College

Approved: The Board approved the naming of the new Georgia Academy of Mathematics, Engineering and Sciences (“GAMES”) residential hall, which is under construction at Middle Georgia College (“MGC”), “Anderson Hall” in recognition of retired University System of Georgia Board of Regents member, Mr. John Henry Anderson, Jr.

Understandings: Mr. John Henry Anderson, Jr. was the Regent representing MGC’s district during the founding of the GAMES program. Mr. Anderson graduated from MGC in 1959 and from the University of Georgia with a B.B.A degree in 1961. After graduation, he returned to Hawkinsville and assisted in the management of his family enterprises.

Mr. Anderson ran for State Representative and was elected to the House in 1963, representing Bleckley and Pulaski Counties. He was elected a total of five times, in varying districts, with his

final year of service in 1970. In 1972, Mr. Anderson was elected Sole Commissioner of Pulaski County and took office in January 1973. He served in this capacity for a total of 24 years.

During the intervening years, Mr. Anderson was appointed to the Board of Regents of the University System of the State of Georgia by Governor Joe Frank Harris. He served two terms for a total of 14 years as a member of the Board of Regents. During his service, he served as Vice Chairman for 2 years and also as Chairman for 2 years. Mr. Anderson also served as Chairman of the Georgia Democratic Party from 1985 to 1991.

3. Naming of Welch Hall, Cochran, Middle Georgia College

Approved: The Board approved the naming of the new Georgia Academy of Mathematics, Engineering and Sciences (“GAMES”) Academic Center, which is currently under construction at Middle Georgia College (“MGC”), “Welch Hall” in recognition of Dr. Joe Ben Welch.

Understandings: Dr. Welch began as the president of MGC in July 1989 and oversaw many changes and much progress during his tenure.

Dr. Welch received a B.S. degree in mathematics and science education from Louisiana Tech University, an M.A. degree from Lamar University-Beaumont, and an Ed.D. from McNeese State University in Lake Charles, Louisiana.

He began his career at Lamar University-Orange in 1969 as a math instructor. In 1970, he became the Director of the Orange Extension Center and in 1975, assumed the position of dean. He became the provost of the college in 1981 and was named president in 1983. As president, he helped raise \$400,000 for the further development of Lamar University-Orange, and the college enrollment reached 1,200 students under his leadership.

During Dr. Welch’s presidency of MGC, he was successful in securing funding for an addition to Roberts Memorial Library. In 1992, he helped develop an educational program for prisoners, added women’s softball as an intercollegiate sport, and established the Academic Support Center. The following year, Dr. Welch played a major role in establishing distance education programs at MGC. In 1994, under his leadership, new Allied Health career programs were added to the MGC curriculum and the football program was re-established.

Dr. Welch established the GAMES program at MGC in the fall of 1997. The program is a premier residential program for gifted high school students, whereby the students complete their high school graduation requirements and an associate’s degree simultaneously.

Dr. Welch ended his tenure at MGC in 1998, and currently serves as Chancellor of River Parishes Community College.

4. Naming of Alderman Community Hall, Cochran, Middle Georgia College

Approved: The Board approved the re-naming of Community Hall (also known as the “Barn”), a historic building renovated for large group functions at Middle Georgia College (“MGC”),

“Alderman Community Hall” in recognition of Dr. Louis C. Alderman, Jr.

Understandings: Dr. Alderman was named president of MGC on August 1, 1964, after the death of the prior president, Dr. Lucien E. Roberts, in 1963. Dr. Alderman served as the president of MGC until his death in 1987.

Dr. Alderman was salutatorian of his class at Douglas County High School in 1941. After graduating from South Georgia College in 1942, he obtained a B.A. degree from Emory University in 1946, an M.A. degree from the University of Georgia in 1949, and an Ed.D. from Auburn University. He also performed graduate work at Columbia University and at Harvard University.

He was a member of Sigma Nu Fraternity and during World War II served as a sergeant in the United States Army Medical Division, 1944-45 assigned to Manila, Philippine Islands, General Hospital. Dr. Alderman served as Director and Professor of Biology for the University of Georgia Centers at Rome, Columbus, and Savannah.

During Dr. Alderman’s 23 years as president of MGC, eleven major structures were built, which significantly upgraded the capabilities and amenities of the college. His tenure was marked by significant commitments to academic, artistic, and athletic endeavors, including several world tours by the MGC Vocal Ensemble and several baseball national championships.

Dr. Alderman’s commitment to MGC was equaled only by his commitment to his family and the community of Cochran. He served as District Governor for Rotary International and was a Rotary Paul Harris Fellow. He served as a deacon at First Baptist Church of Cochran and taught Sunday school class at the church, which was named after him. He was and continues to be revered by many in the community as a leader of outstanding character and achievement.

5. Rental Agreement, 6 West 10th Street, Parcel A, Columbus, Columbus State University

Approved: The Board authorized the execution of a rental agreement between Foundation Properties, Inc., Landlord, and the Board of Regents, Tenant, for approximately 60,569 square feet of office space located at 6 West 10th Street, Parcel A, Columbus, for the period December 1, 2006, through June 30, 2007, at a monthly rent of \$1 (\$12 per year annualized) with options to renew on a year-to-year basis for 24 consecutive one-year periods at the same rent rate, for the use of the Columbus State University (“CSU”).

Authorization to execute this rental agreement was delegated to the Vice Chancellor for Facilities.

The terms of this rental agreement are subject to review and legal approval of the Office of the Attorney General.

Understandings: This space in Uptown Columbus will be used to provide classroom and studio space for the theatre department.

Operating costs, including insurance, utilities, repairs, janitorial services, and pest control, are

estimated to be \$223,400 per year annualized.

At the end of the term of the rental agreement, the land and all improvements will become the property of the Board of Regents, contingent on completion of all required due diligence for acquisition of real property.

6. Rental Agreement, 6 West 10th Street, Parcel B, Columbus, Columbus State University

Approved: The Board authorized the execution of a rental agreement between Foundation Properties, Inc., Landlord, and the Board of Regents, Tenant, for approximately 66,581 square feet of space located at 6 West 10th Street, Parcel B, Columbus, for the period December 1, 2006, through June 30, 2007, at a monthly rent of \$1 (\$12 per year annualized) with options to renew for one one-year period at the same rent rate, for the use of the Columbus State University (“CSU”).

Authorization to execute this rental agreement was delegated to the Vice Chancellor for Facilities.

The terms of this rental agreement are subject to review and legal approval of the Office of the Attorney General.

Understandings: This space in Uptown Columbus will be used to provide classroom, studio, and office space for the art department.

Operating costs, including insurance, utilities, repairs, janitorial services, and pest control, are estimated to be \$234,600 per year annualized.

Further action will be requested of the Board to accept a gift of this improved real property on satisfactory completion of due diligence.

7. Demolition of Buildings AI, AJ, AK and AL, Augusta, Medical College of Georgia

Approved: The Board declared buildings AI, AJ, AK and AL, located on the campus of Medical College of Georgia (“MCG”), Augusta, Georgia, to be no longer advantageously useful to MCG or other units of the University System of Georgia and authorize demolition and removal of these buildings.

The Board also requested that Governor Sonny Perdue issue an Executive Order authorizing the demolition and removal of these buildings from the campus of MCG.

Understandings: This group of buildings which are masonry structures were originally constructed in 1952-53 as doctor’s offices. Building AI constructed in 1952 is 7,439 gross square feet, building AJ constructed in 1953 is 4,646 gross square feet, building AK constructed in 1952 is 4,220 gross square feet, and building AL constructed in 1952 is 3,792 gross square feet Over the years, they have served as offices for various MCG functions.

Currently, the buildings are in poor condition, the HVAC systems are outdated, and the electrical

and data services to the buildings will not support current technology. Restrooms do not meet current plumbing codes or accessibility requirements. The roofs are also in need of replacement, as they are over 25 years old.

The demolition of these buildings will provide a building site for the proposed Clinical Research Center that will be developed by MCG Health, Inc., and is consistent with MCG's master plan.

A Georgia Environmental Policy Act evaluation and Environmental Site Assessment report has been completed and indicates no adverse environmental conditions other than asbestos-containing floor tile which will be removed and disposed of in accordance with federal and state regulations prior to demolition.

8. Information Item: Operating Agreements, Student Learning Center, Griffin Site, University of Georgia

The Vice Chancellor for Facilities, Linda M. Daniels, presented an update to the Committee on Operating Agreements for the Student Learning Center to be constructed at the University of Georgia ("UGA"), Griffin Site.

Ms. Daniels stated that in October 2005, the Board of Regents gave conceptual approval for the Student Learning Center Project. In April 2006, the Board formally authorized the project and approved the appointment of the architect. The facility is being designed as a classroom building of approximately 33,000 square feet. Construction is expected to begin in June 2007 with a final completion date of August 2008. UGA plans to hold classes in this new building in the fall of 2008.

Ms. Daniels indicated that the Student Learning Center is being funded from a Special Purpose Local Option Sales Tax ("SPLOST"), which was implemented by Spalding County on April 1, 2006. UGA will monitor the sales tax collection on a monthly basis to ensure that an adequate amount of funding is available for the project. Once the SPLOST tax expires on December 31, 2008, the building will be deeded over to the Board of Regents.

9. Information Item: Public-Private Ventures, Planned Projects Update

The Vice Chancellor for Facilities, Linda M. Daniels, presented an update on planned Public-Private Venture Projects at Clayton State University; Georgia College & State University; Kennesaw State University; Valdosta State University; and Georgia Gwinnett College.

Clayton State University ("CLSU"): Student Housing and Recreation/Activity Center

Ms. Daniels stated that the university does not have a student union or recreation center. Students' sentiments are that the center will enhance the quality of campus life and they voted to approve a new student union/recreation center fee. In addition, Ms Daniels also presented information on CLSU's proposed student housing project. Ms. Daniels stated that a market study indicated a demand for 825 on-campus beds. This will be the first on-campus housing in the University's history, and its focus will be on the first-year freshman experience.

Georgia College & State University (“GCSU”): Student Housing Refinancing

Ms. Daniels stated that in 2000, GCSU’s housing stock was the oldest in the USG (average age 53 years) and in poor condition. New housing construction was started in 2002 and completed in 2005, which resulted in 1420 suite style beds on central campus and 833 apartment beds on the west campus. In fall 2006, occupancy for the central campus housing was at 100% and at 62% in the west campus housing. The off-campus housing market has impacted GCSU occupancy at the west campus. In an effort to address the impact of the increased competition in the student housing market, Ms. Daniels indicated that the consultants recommended a restructuring of the University’s housing operations by creating a Department of Housing, changing housing policies, making physical improvements at west campus and enhancing customer service. The repositioning strategy is to refinance existing debt to produce savings and remove covenants, execute rental agreements for housing, and provide funds to construct a student academic support building at the west campus with enhanced amenities. This strategy will provide funds to reconfigure spaces in the building at the west campus to create common spaces and enhance the public areas of the buildings. Other strategies will include, adjusting rents and/or terms to stay competitive, launching extended residential learning communities, and permitting upper classmen to live on the central campus.

Kennesaw State University (“KSU”): Student Housing, Dining Hall, and Parking Deck Facilities

Ms. Daniels stated that the existing student housing stock at KSU is 2,163 beds and that fall 2006 occupancy was at 100%. The waiting list was cut off at 800 students. A recent market study indicated demand for 1600 new beds. Plans for Phase II of the existing University Village Student Housing are to build up to 950 new beds. The new housing will be used for the freshman experience program. Ms. Daniels also discussed plans for a proposed state-of-the-art (750-seat) dining facility, which will be located in the central part of the campus. KSU may consider implementing a mandatory meal plan for the residents without kitchens, and limited mandatory options for other residents. In addition, there will be various meal plans for commuter students and staff. Ms. Daniels further discussed a new proposed parking deck. The parking deck will provide approximately 2,500 spaces on the site of the existing central parking lot. Students have approved a parking fee increase to help fund the project. The parking deck will be located adjacent to the new Health Sciences Building.

Valdosta State University (“VSU”): Student Housing, Parking Decks, Athletic Complex, Health Center, and Student Union

Ms. Daniels discussed VSU’s need for enhanced student services, support, and a strategy which involves replacing several outdated existing facilities and constructing several new facilities. New student residential housing will include 1,100 beds, creating a net gain of 600 beds. New proposed Parking Decks will include 2,000 parking spaces, creating a net gain of approximately 1,500 spaces. One of the decks will also include offices for parking and transportation, university police, auxiliary services, and potential revenue generating auxiliary spaces. A new student union would replace the existing University Union, which will be approximately 125,000 square feet. This will be funded by an \$80 per semester student fee and revenue generating auxiliary operations. A new student health center is proposed to meet the needs of the growing student body and is anticipated to be approximately 25,000 square feet. This would be funded through a proposed \$40 per semester student fee.

Georgia Gwinnett College (“GGC”): Recreation Center and Office Building

Ms. Daniels presented information concerning GGC’s proposed plan to establish a rental agreement for the Plumbing Distributors Inc. (“PDI”) Building adjacent to the GGC campus that was purchased in November 2006 by the Georgia Gwinnett College Foundation (“GGCF”). GGCF purchased this building for \$3.8 million from The University Financing Foundation (“TUFF”). TUFF provided a one year interest only loan of 5% to GGCF. GGCF plans to borrow \$7 million to refinance the \$3.8 million existing loan and an additional \$3.2 million to renovate the building. The title will be transferred to the University System when the debt is paid off. The PDI building was built in 1991 on five acres, and will serve as a multi-use facility for the campus. The proposed use for the PDI building includes a welcome/admissions station; registrars’ office, bursar’s office, faculty offices, food service, bookstore facility, and student center/athletic facility.

10. Information Item: Executive Session: Potential Real Property Acquisitions

At approximately 11:40 a.m., Chair Tucker called for an Executive Session for the purpose of discussing potential real property acquisitions. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into Executive Session. Those Regents were as follows: Chair Richard L. Tucker and Regents James A. Bishop, Hugh A. Carter, Jr., Robert F. Hatcher, Felton Jenkins, Donald M. Leebern, Jr., and Benjamin J. Tarbuton III. Board Chair Allan Vigil and Regent Doreen Stiles Poitevint were also in attendance. Board of Regents staff present included the Vice Chancellor for Facilities, Linda M. Daniels, the Assistant Vice Chancellor for Development and Administration, Peter J. Hickey, the Assistant Vice Chancellor for Compliance and Operations, Mark Demyanek, the Assistant Vice Chancellor for Legal Affairs, Daryl Griswold, and the Executive Director of Real Estate Ventures, Marty Nance. Other University System personnel present at various points of the executive session included staff from three System institutions, Armstrong Atlantic State University (“AASU”), Georgia Perimeter College (“GPC”), and Georgia State University (“GSU”). AASU was represented by the Assistant to the President for Strategic Initiatives, William L. Megathlin. GPC personnel in attendance included President Anthony S. Tricoli, the Associate Vice President for Facilities, Travis Weatherly, and the Executive Vice President for Financial and Administrative Affairs, Ron Carruth. GSU staff members present were President Carl V. Patton, the Assistant Vice President for Legal Affairs, John D. Marshall, the Vice President for External Affairs, Thomas C. Lewis, and the University Real Estate Officer, J. Mark Lawson.

In accordance with O.C.G.A. § 50-14-4, an affidavit regarding this Executive Session is on file with the Chancellor’s Office.

At approximately 12:10 p.m., Chairman Tucker reconvened the Committee meeting in its regular session and announced no actions were taken in the Executive Session.

The Committee adjourned at 12:15 p.m.

CABINET REPORT

Following the Committee reports, Chair Vigil called on Chancellor Davis to introduce his senior

staff for the Cabinet reports. In lieu of his regular report to the Board, Chancellor Davis asked senior staff members to report to the Board on the functional areas of Academic Affairs, External Affairs, and Administrative and Fiscal Affairs. The Interim Chief Academic Officer and Executive Vice Chancellor for Academic Affairs, Beheruz N. Sethna, Chief Operating Officer, Robert E. Watts, and Senior Vice Chancellor for External Affairs, Thomas E. Daniel each took the podium to update the Board on their respective areas.

CABINET REPORT: DR. BEHERUZ N. SETHNA

Chancellor Davis asked the Interim Chief Academic Officer and Executive Vice Chancellor for Academic Affairs, Beheruz N. Sethna, to discuss items of significance in the Academic Affairs area.

Dr. Sethna thanked the Chancellor for his introduction and expressed his appreciation for the opportunity to present before the Board. He stated that Academic Affairs had several issues that were of significance to the Board, one of which was the System's strategic plan. Dr. Sethna stated that several elements of this new plan would come before the Board including the enhancement of the undergraduate learning experience. The Academic Affairs staff, Dr. Sethna said, is working with President Dorothy Leland, who chaired the strategic planning task force on "enhancing the undergraduate student experience," to flesh out some details of the process, so that the Academic Affairs staff would be better able to respond to Regents' questions when the matter came up for their approval.

Dr. Sethna stated that in the area of Faculty Affairs, the staff has been involved with clarification of the two retirement plans, the Teachers Retirement System ("TRS") and the Optional Retirement Plan ("ORP"), and policies in terms of hiring back faculty who have retired to work on a part-time basis. Additionally, Academic Affairs is working very closely with the Chancellor and the Chief Audit Officer and Associate Vice Chancellor for Internal Audit, Ronald B. Stark, on possible changes in the Board Policy Manual. The staff has been gathering information about post-tenure review, which, Dr. Sethna pointed out, was relative to the question that Regent Jenkins had asked earlier during the Audit Committee of the Whole. Dr. Sethna stated the plan was to make a presentation to the Academic Affairs Committee on the topic at a later meeting. The Academic Affairs Committee would then make the decision as to whether or not their findings on various post tenure review processes would be presented before the whole Board.

Next, Dr. Sethna discussed the "hot topics" in the area of Student Affairs beginning with the "fixed for four" tuition policy Dr. Sethna stated that Academic Affairs is working with the Vice Chancellor for Finance and Operations, William Bowes, and the Chancellor on this policy. He added that they are also developing baseline data in terms of time to degree. Although they have been monitoring graduation rates for many years, Dr. Sethna asserted that there is currently not any good baseline data on time to degree. He further stated that this data is needed so that five years from now when the question arises about whether or not the fixed for four policy has helped, the System office staff should be able to answer it.

Dr. Sethna reported that the Academic Affairs staff is working with the federal Department of Education and the Georgia Student Finance Commission ("GSFC") to reduce the number of student

loan defaulters in Georgia. He emphasized that this is not a trivial problem because Georgia is, unfortunately, one of the top 10 states in terms of defaults. Dr. Sethna and his staff have identified this as an issue and want to be able to address it. Their discussions on this matter include financial aid and how it is handled on campuses. The Academic Affairs staff is also looking at student health insurance at several System campuses. Additionally, campus and University System staff members are working with federal agencies to improve drug and alcohol prevention.

During the October Board meeting, the Associate Vice Chancellor for P-16 Initiatives, Jan Kettlewell, gave the Regents some background on the programs in this area. Dr. Sethna and the Academic Affairs staff are currently working on the double-double initiative to double the number of teachers and the number of minority teachers. The staff is also working with the Georgia Department of Education (“DOE”) and the Department of Technical and Adult Education (“DTAE”) to improve the shared understanding of what their graduation requirements could be to ensure their students graduate college ready. In that regard, Academic Affairs has been involved with the American Diploma Project, which involves not only their staff, but agency heads and representative Board members, such as Regent Poitevint who work at the state level.

Dr. Sethna briefly mentioned that Academic Affairs is working on several issues regarding Academic Programs and Assessment. He echoed the Chancellor’s earlier remark that the work currently being done on the Regents’ Test would be presented to the Board during the March meeting.

Dr. Sethna also reported that he and his staff are working with several Presidential Systemwide task forces. One he specifically mentioned was the improvement of retention and progression rates, an area of high importance to the Board. Specifically, they are linking research findings to initiatives to improve financial aid administration, advising, and curricular review. Dr. Sethna stated that recommendations would be forthcoming. Conversely, Academic Affairs is also working with a similar task force on the preparation of nurses. This task force is setting up systems to monitor retention, progression, and graduation (“RPG”) rates, salaries, and a variety of other issues to improve the nursing programs.

The Academic Affairs staff, Dr. Sethna noted, is working with the Governor’s staff and Board staff to improve the customer service initiative. He stated that here, of course, the involvement of the campuses is absolutely essential.

In regards to the work of the Office of Information and Instructional Technology (“OIIT”), Dr. Sethna said that they have consolidated several projects including moving operation of the BANNER student information system (“BANNER”) from the local campuses to OIIT. Six campuses have completed the first phase of consolidation. The staff is now starting on four new institutions. OIIT is also working on the Academic Data Mart, which is combining two databases into one. Dr. Sethna pointed out that redundancy in management was once considered a bad thing. Now, however, in the world of IT, redundancy is a good thing.

With this final remark, Dr. Sethna concluded his report.

CABINET REPORT: MR. ROBERT E. WATTS

Following the report by Dr. Sethna, Chief Operating Officer, Robert E. Watts, took the podium to address the Board.

Mr. Watts said that this is an active period for the institutions and departments in his area, and he is still in a learning process about many things. In large part, he stated, the Office of Administrative and Fiscal Affairs works to support the academic mission that the Interim Chief Academic Officer, Beheruz N. Sethna, spoke about, and, at this time of year, to support the legislative work that the Senior Vice Chancellor for External Affairs, Mr. Thomas E. Daniel, will speak about later in the meeting.

During his report, Mr. Watts highlighted six key items.

First, he echoed the Chancellor's comments about President James A. Burran of Dalton State College ("DSC"), stating that it is not so common any more for a president to have spent 30 years in the University System. He further stated that President Burran's leadership at DSC has been exemplary, noting that while the University System will try to find an excellent successor to him by next January 1st, it knows he cannot be replaced.

Second, Mr. Watts discussed the merger of the Georgia Aviation and Technical College ("GATC") with Middle Georgia College ("MGC"). Mr. Watts mentioned that President Richard J. Federinko of MGC was in attendance if anyone had any follow-up questions. He then stated that last spring the Board approved two bachelor's degree programs in aviation-related fields for MGC. Following that, he continued, the Chancellor and the former Department of Technical and Adult Education ("DTAE") Commissioner, Michael Vollmer, began discussions about the possibility of a closer relationship between MGC in Cochran and GATC in Eastman. The Chancellor and Commissioner formed a transition team of MGC and GATC officials to work through the details of a merger. President Federinko co-chaired the transition team. The Governor signaled his support by including the transfer of funds in his fiscal year 2008 budget. At the end of last month, the DTAE board voted to transfer the aviation college to the Board of Regents. Mr. Watts advised the Board that they would see this item on next month's agenda with supporting details. He then noted that with this merger, the Chancellor and other state leaders envision a premier aviation college, with a full range of programs from certificates through bachelor's degrees, a college that will serve a special statewide mission and enhance regional economic development.

Mr. Watts' third item was centered on Georgia Gwinnett College ("GGC"). On September 17, 2005, Dr. Daniel Kaufman began his presidency at GGC. He was the only college employee. Only eleven intense months later, in August, 2006, GGC began teaching its first juniors. Mr. Watts reported that this month, GGC sent out the first acceptance letters to its first class of freshmen for next fall. In addition, before the end of February, GGC will submit its application to SACS for candidacy accreditation status. Mr. Watts emphasized that this is extremely important as GGC cannot provide federal financial aid for its students until candidacy is achieved. Mr. Watts also noted that the Governor has recommended \$10 million in start-up funds for fiscal year 2008 for GGC, as well as a \$28.5 million library building. Both of these are critical elements to GGC's accreditation application.

Mr. Watts then stated that Dr. Kaufman and his staff have come an extraordinary distance since September 17, 2005.

The fourth item Mr. Watts discussed was regarding the Health Care Advisory Committee. He began by stating that the Interim Associate Vice Chancellor for Human Resources, Dorothy Roberts, has formed a health care advisory committee of institution and System-level staff. This committee will examine the System's health care plan design and its efforts to move employees to lower-cost plans. The committee will be making recommendations to the Chancellor in April.

Fifth, Mr. Watts brought to the attention of the Board the recent stories in the newspapers regarding the issue of in-state tuition for undocumented students with respect to the new state law that takes effect on July 1st. He stated that the Associate Vice Chancellor for Legal Affairs, Elizabeth E. Neely, and the Associate Vice Chancellor for Media and Publications, John Millsaps, are organizing three public hearings around the state to offer residents a chance to comment on this issue. These hearings will take place on April 4th at Georgia Perimeter College in Clarkston, on April 5th at Georgia Highlands in Rome, and on April 10th at the UGA campus in Tifton. Mr. Watts informed the Regents that they would receive more detailed information about these hearings closer to April.

Finally, Mr. Watts stated that the System appears to be crossing some critical thresholds this semester among the two-year and state colleges with respect to online education. At both Darton College and Middle Georgia College, more than one-third of the students are now enrolled in one or more distance education classes. At MGC 37% of students are enrolled in these classes. At Georgia Perimeter College, the percentage is lower, but the number of students enrolled in distance education classes has now crossed the 3,000 mark. The presidents of these three institutions have made distance education a priority and have made the appropriate investments in faculty and technology to make it work.

At the conclusion of his report, Mr. Watts said that he would be glad to answer any questions. There were no questions.

CABINET REPORT: MR. THOMAS E. DANIEL

The Senior Vice Chancellor of External Affairs, Thomas E. Daniel, outlined two important areas that would be discussed during his report: "telling our [the System's] story" and "the General Assembly news."

Mr. Daniel began by stating that an important part of the mission the Office of External Affairs is telling the System's story to its various audiences. These audiences include the System's: valued students, wonderful employees, dedicated funding partners, community leaders, the business community, elected officials and, of course, the news media.

One of the important aspects of telling the System's story is to communicate where the System is going to a national audience. Mr. Daniel said that it is important to continue to build national awareness of what is happening in the University System of Georgia because that national awareness can, in turn, drive greater awareness of and appreciation for the System's activities here in Georgia.

Mr. Daniel added that it is also important to continue to set the tone for higher education on the national level by telling the System's story to those in higher education. He then pointed out that the Chancellor had an excellent opportunity in this arena a week ago.

Mr. Daniel reported that on Super Bowl Sunday, while everyone was gathering their hotdogs and Coca-Colas, Chancellor Davis delivered the keynote address to kick off the District Three annual conference for the Council for Advancement and Support of Education ("CASE"). Mr. Daniel said that after speaking to a group of approximately 2,000 leaders in the areas of communications, external affairs, advancement, marketing, alumni affairs, and public relations, the reports were that the Chancellor scored a touchdown.

According to Mr. Daniel, the follow-up from the Chancellor's address revealed that his remarks set the tone and the discussion for the entire conference. In numerous sessions over the three-day meeting, the Chancellor's insights became the subject of discussion and analysis, and the demand for his comments was so great that CASE will be placing them on its website. Mr. Daniel emphasized that this type of recognition positions the University System well in higher education circles. Conversely, he added that as the System moves forward with its strategic plan and related policy issues and initiatives, External Affairs will seek out additional opportunities for such regional and national positioning of the System.

Mr. Daniel continued his report, stating that it is important to not just tell the System's story, but also to understand how it is being perceived. One way to do this is to learn from surveys and polls. For example, the communications survey the System commissioned in 2006 from the University of Georgia's ("UGA") Survey Research Center provided the System office staff with benchmark data. In this survey 92% of the general public reported holding an extremely or somewhat positive view of the University System. In the latest Peach State Poll which is conducted quarterly by UGA's Carl Vinson Institute of Government, 52% of poll participants rated Georgia's higher education system as "good" or "better." Critically, the Peach State Poll found that 60% of the public believe that a college education at a public institution is a right for all Georgians, and 58% view college education as a key for success to be obtained at any cost. Mr. Daniel then compared the latter statistics with the U.S. Census data from its 2005 Survey. The U.S. Census survey indicated that only 27% of Georgia's population age 25 and higher hold bachelor's degrees or higher. From this, Mr. Daniel concluded that while the System clearly commands a high positive image and the public understands the importance of education, the System office staff has much to do in order to translate belief into action.

Next, Mr. Daniel gave a brief update on the actions of the General Assembly. Mr. Daniel said that in addition to defending the Governor's excellent budget recommendations for the System with the General Assembly, the Office of External Affairs also deals with legislation that is introduced that would affect the System. The following is an update on such legislation.

House Bill 72 would create the Georgia Homeland Security in Education Act of 2007. It would require private and public post-secondary institutions to report international students who violate the terms of their student visas by withdrawing from or not attending classes to federal, state, and local authorities. HB 72 replicates federal provisions and the External Affairs staff is working with the

sponsor, Representative Burke Day to perfect this legislation.

House Bill 80 was introduced by Representative Chuck Sims in response to a study committee regarding the Georgia Public Library System. That legislation is currently on hold.

House Bill 141 was introduced by Representative Bill Hembree, regarding sales tax exemptions for textbooks. It's being studied by the Ways and Means Committee.

House Bill 154 would create the Intellectual Diversity in Higher Education Act, requiring all System institutions to report to the Board of Regents and post on their websites annually information about their efforts to ensure intellectual diversity and the free exchange of ideas. The External Affairs staff is working with Representative Tom Rice on this legislation.

Senate Bill 35 would require the Board of Regents to develop a policy regarding home-schooled students. The System has such a practice in place and External Affairs is working with Senator Chip Pearson and others to continue those discussions.

Senate Bill 74 is a proposal having to do with the Returning Hero Education Act that would require the University System to give preferential treatment to veterans who have graduated from a Georgia high school and apply for admission. Senator J.B. Powell from Richmond County introduced this legislation, and External Affairs is working with him.

Senate Bill 111 is a piece of legislation introduced at the Board of Regents' request, allowing the University System to carry forward tuition from one fiscal year to the next. This is part of our "fixed for four" tuition plan. Mr. Daniel said he was delighted to report that this legislation has received a "do pass" recommendation by the Senate Higher Education Committee.

Mr. Daniel noted that following the Board meeting, the Chancellor would meet with Mr. Thomas Hills, the Chief Financial Officer for the Governor's Office, to continue discussions about the optional retirement plan.

Mr. Daniel concluded his report by reiterating the comments made by Representative Ben Harbin and Senator Jack Hill in the morning session, stating that both the Fiscal Year 2007 Amended and Fiscal Year 2008 Budgets are still in the House Appropriations Committee. He said there have been a lot of hearings but no action on either one of those bills. Mr. Daniel reassured the Board that External Affairs would continue to represent the System's in the various meetings.

At the end of his report, Mr. Daniel fielded a question from Regent Robert F. Hatcher. Regent Hatcher asked about the status of Senate Bill 111, which would allow the System's institutions to carry forward tuition. Mr. Daniel responded that the bill received a unanimous vote and would be eligible for action by the Senate Rules Committee later in the week. He also stated that the Office of External Affairs has had good conversations with the Lieutenant Governor's Office, and they are very supportive. Mr. Daniel ended his comments by stating that if the bill receives approval in the Senate, then the process will be repeated in the House of Representatives.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

PETITIONS AND COMMUNICATIONS

Chair Vigil asked the Secretary to the Board, Julia M. Murphy to discuss the petitions and communications.

Secretary Murphy mentioned that the Regents would, under tab 20 of their agenda materials, find information for events over the next couple of days including the dinner at the Georgia Railroad Depot, a legislative event they were all invited to attend. Additionally, the Assistant Vice Chancellor for Georgia Public Library Service, Lamar Veatch, and the Chancellor’s wife, Mrs. Elaine Davis, were representing the Board of Regents at the Library Legislative Day event at the Twin Towers. Secretary Murphy commented that some of the Regents would have been attending those events had there not been a schedule conflict with the Board meeting.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 2:30 p.m. on February 13, 3007.

s/ _____
Julia M. Murphy
Secretary, Board of Regents
University System of Georgia

s/ _____
Allan Vigil
Chair, Board of Regents