

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
March 18-19, 2008**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, March 18, 2008, 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 approximately 1:00 p.m. Present on Tuesday, in addition to Chairman Vigil, were Vice Chairman William H. Cleveland and Regents James A. Bishop, Hugh A. Carter Jr., Robert F. Hatcher, Felton Jenkins, W. Mansfield Jennings Jr., James R. Jolly, Elridge W. McMillan, Donald M. Leebern Jr., William H. NeSmith Jr., Doreen Stiles Poitevint, Willis J. Potts Jr., Wanda Yancey Rodwell, Kessel D. Stelling Jr., and Benjamin Tarbutton III, and Richard L. Tucker.

Chairman Vigil congratulated the University of Georgia basketball team for their fine run through the Southeastern Conference ("SEC"). He also thanked the Georgia Institute of Technology for providing the facility, adding that the System's institutions were well-represented.

INVOCATION

Regent James A. Bishop gave the following invocation. "Grant, oh God, that we may engage our responsibilities as members of the Board of Regents with a sense of humility and a sense of gratitude. Help us, dear God, to understand that our ultimate role is not to control but to empower, not simply to celebrate our achievements, but to inspire an even greater future. Enable us, oh God, to conduct our deliberations with gratitude for those who advance learning and research, gratitude for those who devote their lives to the education of the young, and gratitude for those who labor to discover new knowledge. Let us never become so preoccupied with details of our deliberations that we overlook the nobility of our work. We ask that your spirit be present with us today so that our decisions will be marked by thoughtfulness and wisdom. We pray in the name of the one who is the source of all knowledge and wisdom, our Lord and Savior Jesus Christ. Amen."

At this time Chair Vigil opened the floor to Regent Leebern for comments. Regent Leebern thanked everyone for their cards, telephone calls, loving thoughts and prayers while he was convalescing. He assured everyone that they made a difference.

SAFETY BRIEFING

The Assistant Vice Chancellor for Compliance and Operations, Sandra L. Neuse, gave the Regents and audience a briefing of basic safety information in the event of an emergency. Ms. Neuse also gave a report on the emergency preparedness displayed by the System's institutions during the

tornado. She stated that during the approximately 130 years since weather has been recorded, no tornado had ever hit downtown Atlanta. The tornado that hit on Friday, March 14, 2008 carved a path about six miles long and 200 yards wide through downtown Atlanta. Many of the buildings at Georgia State University (“GSU”), including Student Housing were in the path of destruction. The tornado damaged four roofs on the buildings of the GSU campus and caused significant cosmetic damage such as broken windows and doors at several other buildings. The University Lofts was the most seriously affected with significant damage to the top two floors. A full damage assessment was provided to the Board. Ms. Neuse gladly announced that there were no reported injuries on campus from the tornado and GSU was open and fully operational the following Monday, a phenomenal accomplishment considering the amount of damage. During the tornado all students living in the University Lofts were quickly and safely evacuated by on-duty police officers and Residence Life staff to a more secure location for the weekend. The GSU response team which included University Police, Building Services, Maintenance and Operations, Safety and Risk Management, and members of the housing program, worked together both during and after the tornado to focus on the most critical needs. Among other things, they established an emergency operations center, increased the on campus patrols, assessed and documented all damage, and prepared initial estimates of recovery expenses. Chief Bruce Holmes, the University System Office’s Director of Safety and Security remained on call with the State Emergency Operations Center throughout the weekend to monitor and assist with Systemwide response and recovery activities. During a briefing with federal and state emergency management (“FEMA” and “GEMA”) officials that Saturday, one of the FEMA representatives offered the following praise of the Georgia State team. “We see a lot of organization in similar situations and your group is definitely in the top 5% of those we have dealt with in the pass.” In closing, Ms. Neuse credited President Carl V. Patton, University Police Chief Connie Sampson, Emergency Management Director Mike Raderstorf, and the staff of the Georgia State University Housing program for their leadership and hard work. She stated that thanks to the efforts of these individuals and many others, Georgia State University did not skip a beat and is well positioned to fully recover from this natural disaster. As a final note, she mentioned that her presentation took approximately seven minutes and that the average warning before a tornado hits is approximately 12 minutes. She then asked the audience to think about whether or not they could have evacuated the building within the time it took her to complete her presentation.

RECOGNITION OF NEWEST REGENT: WILLIAM “DINK” H. NESMITH

Following the safety briefing, Chair Vigil welcomed Mr. William “Dink” H. NeSmith, as the newest Regent, to the Board. Mr. NeSmith is the Chief Executive of Community Newspapers and a long-time supporter of the University System. Chair Vigil stated that the Board looked forward to Regent NeSmith’s leadership and thanked him for his service. Regent Bishop added that he has known Regent NeSmith for many years and share similar backgrounds hailing the same region of the state and having parents who were both in the mortuary business among other things. He then welcomed Regent NeSmith, stating that it was an outstanding and excellent appointment.

ATTENDANCE REPORT

The attendance report was read on Tuesday, March 18, 2008, by the Secretary to the Board, J. Burns Newsome, who announced that Regent Kenneth R. Bernard Jr. had asked for and been given permission to be absent on that day.

APPROVAL OF MINUTES

Motion properly made and duly seconded, the minutes of the Board of Regents meetings held on February 12-13, 2008 were unanimously approved with minor corrections.

REMARKS FROM THE CHANCELLOR

“Thank you Mr. Chairman. Let me begin by adding my welcome, Regent NeSmith, to that of the Board. As your family background was just announced, you will be pleased to know that last month the Board did take action to allow people to be buried in school colors. Perhaps that was done in anticipation of your arrival. I also want to take this opportunity to formerly, on behalf of the team thank both Regent Hatcher and Regent Jennings for their participation in the Southern Association of Colleges and Schools (“SACS”) reaffirmation process at Albany State University. Based on the early indications, their visit clearly had a great impact and the university is going to get a good outcome from that visit. And, I would be remiss if I did not personally welcome back Regent Leebern. I did miss him last month, as no one beat me up during the meeting. I am happy to report that he is back and in full form this month.

I will be brief. Let me begin my report today with some comments on “the winds of change.” You just heard Sandra Neuse report on Georgia State’s response to the tornado which hit downtown Atlanta and the campus last Friday night. Based on the pictures, I should point out to the members of the Board who happen to be lawyers that Mother Nature did come after the law building with a bit of a greater vengeance. The fast reaction of Georgia State officials is a testament to the people and processes Dr. Patton has put in place. It also points up the wisdom of our Systemwide project to review emergency management procedures on all 35 campuses. We have been at this for over a year, led by Dr. Freeman from Albany State University. As you can see, it was put to the test and the team at Georgia State passed that test with flying colors.

On a side note, the winds also created an unusual synergy between UGA and Georgia Tech. Due to damage at the Georgia Dome, the SEC basketball championships had to be moved to Tech’s Alexander Coliseum. And playing on Tech’s home court, the Dawgs were unstoppable and unbeatable! The problem is now they want to play all of their home games there next season. That is, of course, subject to negotiation at the System Office. The change in venue was even more interesting in that, if you remember, earlier in the season, a game at Alexander had to be canceled due to a leaky roof caused by storm damage. So we had multiple examples last Friday that point out the (a) importance of emergency preparedness, (b) the importance of institutional collaboration and (c) the need to support funding for the adequate maintenance of our facilities.

The other “wind of change” blew in on Saturday was the announcement that the Smithsonian’s Board of Regents had selected our own G. Wayne Clough to be its next secretary. The 12th, I believe, since the beginning of the institution. This is a very high and wonderful honor for Dr. Clough and a testament to both his leadership and the growing international reputation of Tech. Wayne will be a very difficult act to follow. His departure will be a tremendous loss for Tech, the University System and the state of Georgia. He will still be contributing to the nation, but we will certainly miss him. We will move swiftly to select an interim president. Our timetable is to have this done over the next month. We are going to gather a lot of names and sift through them because we clearly need to, not only protect, but to advance Tech’s national stature and we fully intend to do that.

Let me now highlight some current activity within the System and several key agenda items for your meetings today and tomorrow. Our front burner issue is the current amended budget and the upcoming fiscal year budgets. As you know, last week, the Governor announced lower FY08 revenue estimates for the state. February revenues were essentially flat from the same period one year ago. The Governor has acted with prudence and speed to revise his FY09 budget recommendations for the state to incorporate these data. As he noted, “We are taking proactive steps to make sure that Georgia’s state government remains fiscally responsible.” While the University System is included in the Governor’s recommended FY09 adjustments, the areas targeted do not jeopardize our core mission. The formula funding was not touched. Neither was the funding for medical expansion and for Georgia Gwinnett College. I believe this is a reflection of the Governor’s position that public higher education is a strategic investment for this state. The Governor and budget director Trey Childress are to be commended for their approach. We appreciate their recommendations in regard to our budget. We also continue to work closely with the General Assembly as both houses move into serious discussions on the state budget. Tom Daniel will give you an update tomorrow on legislative activity.

Immediately following my report, you will hear Ron Stark’s summation of the audit we conducted on P-Cards. You received the report several weeks ago. There has been extensive media coverage. Hopefully, it is also now clear that we and state and federal authorities are treating the identified cases of fraud very seriously. As I have noted, going forward, we are establishing much clearer processes to significantly reduce the opportunity for fraud. You will never eliminate it but we are trying to minimize it. We also are addressing the larger issue of people simply not understanding or following the rules. We will not let the issue of P-Cards rest with the release of this audit. It is now that the real work begins of creating the processes and the climate that encourage a strong culture of operational risk management throughout the System. You will start to hear more about our total enterprise risk management efforts as the year develops.

Another key element in the creation of a strong risk management culture in the System is our Shared Services project. This project provides us the opportunity to reduce the risk potential at institutions that, due to size, have very lean back office operations. This year, for example, when we were about to announce how many students we had enrolled, we were delayed because of the back office operations of one of our smallest institutions. The entire System was held hostage because of that. The smaller institutions cannot afford the redundancy that some other institutions have, but we are going to provide that redundancy through our Shared Services Operation. Under the direction of

Usha Ramachandran, we are moving forward on this project, with the issuance of needed RFPs. Usha will be providing a full briefing on Shared Services during Wednesday's meeting.

Let me take a moment to note the passing of two former institutional presidents -- Dr. Billy C. Black, president of Albany State University from 1981 to 1996 his funeral is occurring this afternoon at 2:00 p.m. in Albany. I also want to note Dr. Noah Noel Langdale Jr., who was president of Georgia State University from 1957 to 1988. Time will not permit me to list all of the accomplishments of these two individuals, nor all of the changes and impacts they have had on the System, but they are profound. I would encourage you to read the materials on them. If you have not had the opportunity, I am sure you will want to join me in extending your condolences to the families of these two fine individuals.

Let me conclude my report with recognition of Chairman Vigil. In many ways, public service can be a somewhat thankless task. Each of you, as a regent, and in many other aspects of your life, has made the decision to give back to society through your volunteer efforts. For that, we are most thankful. You understand the challenges as well as the opportunities involved in serving others. But, it is always nice to see some recognition for your work and your accomplishments. So, I want to call your attention to a recent and well-deserved award given by the Ford Motor Company, to Regent Vigil and it wasn't for selling the most vehicles. He was one of only nine North American dealers who were given Ford's "Salute to Dealers" award in a ceremony held on February 8, 2008, in San Francisco. This award is given for those dealers who have a record of distinguished corporate citizenship. Regent Vigil certainly is deserving. Regent Vigil was selected for his work on the Board of Regents, for his work with Clayton State University, and for his many, many efforts to improve the opportunities available to residents in the communities of Morrow, Fayetteville, and the surrounding area. This is a great honor, and, on behalf of the entire University System, Regent Vigil, we salute you for your outstanding service. I'm sure your colleagues will join me in a round of applause.

Mr. Chairman, that concludes my report. As always, I will be happy to take any questions."

There were no questions.

PRESENTATION: PURCHASING CARD (P-CARD)

Chairman Vigil called the Chief Audit Officer & Associate Vice Chancellor for Internal Audit, Ronald B. Stark, to the podium. Mr. Stark thanked his staff who spent many hours on the road reviewing the data for the audit. He commended the System Office auditors and the campus auditors for doing a great job. Mr. Stark stated that after four months of work, the report had been issued and now they are in the aftermath of what happened. Through this presentation, Mr. Stark answered numerous questions regarding the audit such as "what happened," "how did it happen," "who is responsible," and "have the perpetrators been punished."

Mr. Stark explained that there must be three elements for a fraud to be successful. First, the person must justify it in their own mind or something must happen for them to think it is essential; second, they must be in a position to be able to commit the fraud; and third, they must believe that they can

cover it up. Mr. Stark discussed these elements in the major purchasing card (“P-Card”) frauds that took place.

The case that received the most media attention was at the Georgia Institute of Technology’s (“GIT”) Institute of Bioengineering and Biosciences where the perpetrator stole over \$300,000. During the audit it was determined that the perpetrator filed for bankruptcy in 2000. Shortly afterward is when the fraudulent activity started. It started off small and grew. She determined that when she made a purchase and nobody noticed it that she could do it again and again. The amounts were small enough that nobody noticed it in the budgeted expenditures. The auditors also noted that she previously had a history of good appraisals and had endeared herself to the P-Card approver. She then apparently noticed that approval of her purchases was lax and she could forge the approver’s signature. In this case, all three elements were met: justification or need (the bankruptcy), the ability to commit the fraud (lack of oversight and a trusting environment), and the ability to cover it up (forgery of approvers signature). Mr. Stark noted that some would then ask the question “why didn’t accounting catch it?” considering she did purchase a diamond ring and a personal watercraft. He stated that 98% of accountants or even auditors would have missed it, and that it took excellent audit work and a new P-Card coordinator to find the clues to the fraud.

When looking at the document turned into accounting, most would see a believable invoice, signed and approved. What they would not notice is one of several clues: the copyright date on the invoice was the wrong year, or the invoice did not have the imprint at the top of the page to indicate its authenticity, or, in one case, she typed the wrong year of the purchase (2008 instead of 2007). Once these clues were identified, the GIT auditors had a starting point. They confiscated her computer where they found original invoices with the “real” description of the purchase and the fake invoice with the fake description. For example, a personal water craft could become lab supplies. Next they started looking at all invoices processed by her and asked the vendors for copies of the original invoices. Mr. Stark stated that this fraud was not the result of a poor process or poor internal controls or of accounting being asleep at the wheel, but resulted from excellent fraudster intent on stealing. He added that if the persons responsible for budget oversight of the funds and the person responsible for approval of the purchases had done their job, it would have been caught earlier or may not have happened at all. This fraud resulted from a people problem, not a process problem. Ultimately, she was caught and is now being prosecuted for embezzlement and mail fraud.

The second case was similar, the person who committed the fraud had a criminal past, she falsified documents and she forged invoice approvals. Again, if the persons charged with oversight had performed their jobs, perhaps it would not have happened or maybe it would have been caught earlier. The facts behind “Why” on the other cases are not yet known, and Mr. Stark did not want to speculate on it. He did state that some of the cases were poor oversight, some poor controls, and some were just too much trust given to the perpetrators.

Next, Mr. Stark summarized the audit findings. He stated that all 612,000 P-Card transactions were audited, although they did not actually look at documentation for all transactions. Instead the teams used data mining techniques to identify the more probable improper transactions. They then used a two-pronged approach to determine what they would review. They used a transaction analysis to look for questionable items. When questionable transactions were found, they expanded their sample

to cover all expenditures for that cardholder. Ultimately they looked at 28,446 transactions and interviewed 361 faculty and staff. It took Mr. Stark's staff 4,500 hours to do so. He added that the research universities looked at 21,507 transactions.

There were four major areas of findings. They are as follows.

- 1. Supervisory review, approval, and management were lacking.**
 - a. Many transactions were not appropriately approved. Auditors noted that 2,600 of 28,500 (9%) transactions in their sample lacked an approving official's signature. Twenty-two (22) institutions had an error rate of 5% - 15% and 3 institutions had an error rate of greater than 15%.
 - b. Individual cardholders on several campuses shared assigned P-Cards with other employees so it would be difficult to assign responsibility. Twelve (12) institutions had an error rate of 5% - 15% and 14 institutions had an error rate of greater than 15%.
 - c. Training was not consistently provided to cardholders and approving officials. Fifteen (15) institutions did not require both initial and refresher training and 22 institutions did not mandate training for approving officials.
- 2. Documentation was inadequate or insufficient.**
 - a. It was not uncommon for receipts to be missing or lacking itemization. Six percent (6%) of all transactions lacked either a receipt or an itemized receipt. Twelve (12) institutions had an error rate of 2% - 5% while 17 had an error rate of greater than 5%.
 - b. A very significant number of purchases lacked documentation sufficient to validate the business purpose.
- 3. Both institutional and University System of Georgia policies were often lacking in detail, did not provide sufficient guidance to cardholders/approving officials, or did not address applicable purchasing guidelines.**
- 4. Other governing policies and regulations often were not integrated with P-Card policies. For example, some cardholders would use the P-Card to obtain cell phone services, IT software and equipment, etc. without following the separate governing policies applicable to those purchases.**

Mr. Stark stated the type of findings and the depth of exposure demonstrated by these four categories are simply unacceptable. Although some changes have been made, it is crucial that they continue to make improvements. The Attorney General's Office and the Georgia Bureau of Investigation ("GBI") are investigating all 22 cases. They or other law enforcement officials will be filing charges as appropriate on all cases. Mr. Stark's department, as well as campus auditors, will continue to audit purchase cards going forward. Also, procedures are being developed, training is being implemented, and processes are being improved on System campuses. Although these are all steps in the right direction, Mr. Stark stated that is was not enough and listed three other process and procedural enhancements that should greatly improve the use of P-Cards and the System's general use of resources.

The Office of Internal Audit:

1. Has implemented a Hotline for people to report fraud, waste and abuse;
2. Are in the process of creating a Systemwide Ethics Policy that will be required reading with compliance verification annually; and
3. Are rewriting, expanding, or clarifying the Business Procedures Manual on Purchasing Cards, Agency Funds, Non-Employee Travel Reimbursement, Relocation Expenses and Food Purchases.

Lastly, Mr. Stark clarified one final point regarding the audit reports overall observations. The report stated that “senior management was not providing institutional control regarding establishment of appropriate P-Card procedures, enforcing compliance with applicable rules and regulations, and monitoring of P-Card activity. This lack of institutional control appears to have resulted from a focus only on financial risk without consideration of enterprise risk including reputational, compliance, and operational risk.” He explained that the classical definition and implementation of internal controls is along these lines: “Internal controls are a process which ensures that the things management wants to happen will happen and that the things that management does not want to happen will not happen. The controls should be cost efficient and the cost should not exceed the benefit.” This definition, he said, only considers “costs” in financial terms. Most campuses thought they had done this. There was, however, little consideration as to the effect on the University System’s reputation if a major fraud occurred, what the funding impact on the System would be (both State and Federal), and how a fraud would affect the laws, rules and regulations in the System’s operations. An Enterprise Risk Management process should have considered these factors. Consequently, the University System will be implementing an Enterprise Risk management program to address this and many other risks in the organization. The Chancellor, the presidents and others in leadership positions have been taking this seriously. Mr. Stark assured the Regents, “You can sleep well tonight knowing that we are fixing this problem.”

There were no questions for Mr. Stark.

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Wednesday, March 19, 2008, 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 approximately 9:05 a.m. Present on Wednesday, 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, Elridge W. McMillan, Donald M. Leebern Jr., William H. NeSmith Jr., Doreen Stiles Poitevint, Willis J. Potts Jr., Wanda Yancey Rodwell, Kessel D. Stelling Jr., and Benjamin Tarbutton III, and Richard L. Tucker.

INVOCATION

Regent James A. Bishop gave the following invocation. “Our gracious and loving heavenly Father, our God of all our human hopes, we ask that you enable us to become wise and good stewards of the trust that has been placed upon us as members of this Board of Regents. We know that the history of our nation, and closer to our home, the future of our great state, will be shaped by the quality of education that we provide for each of our citizens. Teach us that learning is the one force that can overcome ignorance and fears, and that our good work as Regents reaches far beyond policies and procedures, far beyond the approvals and assessments of our System’s progress. Our higher calling is to foster human understanding, to advance human discovery and to help those we teach to be guided by the power of reason and thought. So remind us, oh God, that colleges and universities we serve turn out the true reservoirs of hope for those who study within them. We ask that you will under-gird our work with your sweet and Holy Spirit. We pray in the name of the teacher, our Lord and Savior, Jesus Christ. Amen.”

SAFETY BRIEFING

The Director of Safety and Security, Bruce Holmes, gave the Regents and audience a briefing of basic safety information in the event of an emergency.

ATTENDANCE REPORT

The attendance report was read on Wednesday, March 19, 2008, by the Interim Secretary to the Board, J. Burns Newsome, who announced that Regent Kenneth R. Bernard Jr. had asked for and been given permission to be absent on that day.

COMMITTEE OF THE WHOLE: STRATEGIC PLANNING

Chair Vigil, turned the floor over to the Board Vice-Chair, William H. Cleveland, who, as Chair of the Committee, convened the Strategic Planning Committee as a Committee of the Whole. Chair Cleveland announced that the Board would hear four presentations. He asked the Associate Vice Chancellor for Planning and Implementation, Shelley C. Nickel, to begin the presentations.

STRATEGIC PLANNING WEBSITE

Ms. Nickel thanked Chair Cleveland and unveiled the new strategic plan website, which was launched publicly following the Board meeting. This new website serves as a valuable communications and accountability tool as the strategic plan is implemented. She then gave the Regents a demonstration of the website, which features links to the related state and System institution websites. The website shows all of the goals of the strategic plan and how the System-level projects tie into the goals of the plan. Ms. Nickel stated that the website also keeps the System accountable to the plan and will evolve and grow as the implementation of the plan moves forward. In closing, Ms. Nickel thanked System Support Specialist John “Jay” G. Forbes, Planning and Implementation Specialist, Jennifer Fairchild-Pierce, and the Special Assistant to the Associate Vice Chancellor for Media and Publications, John Vanchella for helping develop the website.

Following the demonstration, Chancellor Davis thanked Ms. Nickel and the team. He also informed that Regents that their past comments regarding the challenges of maintaining the larger System website had been heard. He added that the maintenance of the website was restructured so that there is a single point of accountability for keeping the website up-to-date on an ongoing basis and that the information on the main site will also be changing a lot more than it has in the past. In response to Regent Carter's question about the strategy to publicize the website, Ms. Nickel stated that there would be a press release about the website following the meeting. She also said that the Senior Vice Chancellor for External Affairs, Thomas E. Daniel, had done several activities with related to improving awareness with General Assembly and that Chancellor Davis has asked each of the presidents to do different things to introduce the Strategic Plan on campus. Hence, there are a lot of different ways they are connecting the dots throughout the System. There were no further questions.

INTERNATIONAL EDUCATION

Next, Ms. Nickel introduced the Assistant Vice Chancellor for International Programs & Senior Advisor for Academic Affairs, Richard C. Sutton who discussed the System's progress in international education as well as the challenges. International education is a critical part of Goal One of our Strategic Plan especially as it relates to preparing students to perform successfully in a global society. Dr. Sutton also introduced the proposed Principles of International Education in the University System of Georgia.

Dr. Sutton stated that during his last discussion on international education he focused primarily on the research that the System and others around the country are doing to investigate the impact of study abroad on graduation and retention rates. For more than a decade this Board's strategic plans have called for more students to go overseas and the System's institutions have responded to that challenge. Additionally, they have documented the tangible academic benefits that accrue from those experiences. Dr. Sutton stated that all of the evidence so far indicates that students who study abroad have significantly higher retention and graduation rates than students who do not. This holds true across socio-economic lines, for students with low entering test scores, and among students of color.

There is a perception that students abroad sometimes seem to spend as much time in their pursuit of local culture as they do in their classrooms or as Chairman Vigil described it last year, "pub studies". But there is actually a significant learning process going on that produces some remarkable results. Dr. Sutton stated that they are in the final stages of crunching the numbers on a database of 31,000 Georgia students who have studied abroad in this century, and they believe they will have some powerful findings to release in the coming months. He added that the Board's initiative is paying huge dividends in terms of academic productivity, achievement, and leadership. He also mentioned that Georgia has been nationally recognized for its work on the assessment of learning outcomes in study abroad.

Ten years ago this Board adopted a set of Principles for the Preparation of Teachers—an innovative, rigorous blueprint to strengthen the quality of teacher training. At this meeting Dr. Sutton presented the Board with a set of Principles for International Education in the form of an information item. He stated that the Board would be requested to vote to approve the principles at the April meeting. Like

the Teacher Education principles, this document is intended to be a fundamental framework to guide the System's institutions for the next decade.

There are international implications throughout all six of the plan's major goals, but the renewal of the System's commitment to excellence in undergraduate education provides the central focus for its international initiatives. In addition to these new Principles, the Board also asked for some key deliverables to monitor progress and strengthen operations. This is important because both the competition and the opportunities in almost every field are driven by factors that start or extend outside the borders of the United States. As a result, the System staff needs to think about how it can develop competencies in the core curriculum and in disciplinary majors that will make Georgia's students globally competitive. The University System's peer institutions are no longer in the Southern Regional Education Board ("SREB") or even in the US, but at leading universities around the world. All System institution academic programs have to meet these new standards and a framework is needed to help guide them in addressing these challenges in a thorough, systematic way.

There are five key principles that capture the essence of international education and provide this framework. These principles were developed by the System International Council during the past year and have been under active discussion and review by institution presidents and vice presidents for both academic and student affairs since they were put forward to those groups at the International Education Summit at The Carter Center last October. They were shared with the Regents Oversight Committee for Goal 1 last month.

The Principles lay out five core values:

- All students should acquire global knowledge, skills, and attitudes as part of their undergraduate education;
- International education should infuse all aspects of campus life;
- Faculty and staff should be global players in their professions at every level;
- The University System should work in concert with other state agencies to help move Georgia forward as a leader in the world economy; and
- The University System needs to do all of this with a clear sense of ethics and integrity.

Each of these five principles includes three action steps that move them from mere declarations to meaningful initiatives. Institutions are expected to focus attention on these specific areas in a sustained, deliberate plan that is appropriate for each school. Perhaps the most intriguing feature of these principles and action steps is the diverse array of implementation strategies that they open up for our institutions. There is no single way in which the Principles must be approached. Instead, there are dozens of strategies that campuses can employ, depending on mission, character of student body, faculty strengths, and local resources. There will be many different and interesting initiatives at each of our 35 institutions. Dr. Sutton stated that although the Chancellor has reminded him that the words "different" and "interesting" are the ones he uses to describe ugly babies, the diversity of these campus efforts will be a thing of beauty. Best of all, the System can share what its doing with each other, demonstrating the true value of the University System as a community where institutions help one another.

Dr. Sutton stated that the System can boast of some outstanding, cutting-edge innovations in International Education. This year the Georgia Institute of Technology (“GIT”) won the country’s most prestigious International Education award; Kennesaw State University (“KSU”) has been nationally recognized for its campus programs; and the System developed the country’s most innovative approach to online learning of foreign languages. These are just a few of the many examples the System community has to share with each other. These new Principles, the action steps, and the implementation strategies will be the foundation for our progress going forward. No other public university system in the country has embraced such an ambitious platform. Dr. Sutton stated that the Board also identified a series of quantitative, measurable metrics to track this progress. These give additional specificity to the strategic plan. He stated that the Regents should note from the international briefing books that his office prepares each year and that were distributed with the Board materials, that his staff are big believers in benchmarking their progress and using that information to drive decision-making. He stated that the Board asked the System to grow the international expertise of its faculty. His office estimates that it will need to support 50-60 new faculty each year to reach this target. They will increase their output of students with degrees completed in international studies and foreign languages by 10% and 50%, respectively. This translates to about 200 new majors in these fields. Georgia will desperately need this pool of talent by 2012 and beyond.

Increasing study abroad participation has been one of the Board’s priorities since 1995. The System will move this from its current level of 5700 students each year to approximately 7200 by 2012. This will equal 25% of all baccalaureate degrees awarded, based on anticipated enrollment growth and improved graduation rates. The plan calls for bringing more of the world’s best and brightest students to Georgia, so that every Georgia student goes to global classrooms. To reach 10% of its projected student population in 2012, the System will need to attract 8000 more international students in the next five years. With so many other countries and states vying for this talent pool, The University System will need to make sure that it is offering the best programs and services to make Georgia their destination of choice.

Dr. Sutton stated that when he came to Georgia nine years ago, the chancellor at that time, Stephen Portch, asked him how long he thought it would take to bring the System to a premier position of leadership in the international arena. Regents McMillan and Leebern were the only current members on the Board at that time. Dr. Sutton told Dr. Portch that it would take a decade, and the System is right on schedule. He added that hard work by good people at the institutions has brought the System to this point.

In closing, Dr. Sutton stated that the Board’s strategic plan provides ambitious direction and strong standards of accountability to guide the System going forward. He added that the Board’s approval of the Principles next month would set a national standard that other states will envy and eventually follow.

As there were no questions for Dr. Sutton, Ms. Nickel thanked him for his presentation. She noted that it is critical that our students have global knowledge and skills not only for their own benefit, but also for the health of Georgia’s economy in the global marketplace.

The International Education Principles presented by Dr. Sutton are as follows.

**PRINCIPLES of INTERNATIONAL EDUCATION
in the University System of Georgia**

1: Preparing students for success in the 21st-century economy and society requires providing them with global knowledge, skills, and attitudes.

To fulfill this principle, USG institutions will endeavor to:

- A: articulate global learning outcomes and establish assessment plans to ensure the acquisition of global competencies for all undergraduate students through international and intercultural coursework and experiences.
- B: internationalize general education and core curriculum requirements to ensure that all undergraduate students have knowledge and appreciation of world cultures and global environments.
- C: ensure that all undergraduate students complete degree requirements that include international and cross-cultural knowledge, skills, and attitudes.

2: International education achieves optimal impact on students, faculty, and staff when it infuses all aspects of campus life and culture.

To fulfill this principle, USG institutions will endeavor to:

- A: develop international education mission statements that articulate their commitments to prepare students for the global environment of the 21st century.
- B: develop and implement international education plans that integrate international education into all aspects of the institution's core functions.
- C: build and support campus communities of faculty, staff, and students that reflect the global diversity of the 21st-century economy and society.

3: The globalization of knowledge, research, and education requires active international networks, partnerships, and programs that engage and reward faculty and staff in the global practice of teaching, research, and service.

To fulfill this principle, USG institutions will endeavor to:

- A: build international networks, partnerships, and programs that collectively embrace and connect Georgia to all world regions.
- B: encourage and reward the international work of faculty and staff.
- C: offer programs and services that demonstrate world-class standards of excellence for teaching, research, and global citizenship.

4: Successful state strategies for global commerce integrate the international education programs of public universities with related international activities of other state and local

agencies.

To fulfill this principle, the University System of Georgia and its institutions will endeavor to:

- A: work in collaboration with other state and local agencies to place Georgia in the most competitive position within the global economy.
- B: work in collaboration with other state agencies, businesses, and organizations to determine the knowledge, skills, and attitudes necessary for Georgia graduates to compete successfully in the global economy.
- C: work in collaboration with the Georgia Department of Education and the Department of Technical and Adult Education to develop integrated approaches to international education that benefit students at all levels of public education.

5: The effective and ethical practice of international education requires appropriate governance policies, exemplary standards of practice, and adequate financial support to ensure the integrity of programs and procedures.

To fulfill this principle, the University System of Georgia and its institutions will endeavor to:

- A: establish appropriate policies to guide its institutions in the ethical conduct of their programs and partnerships.
- B: establish policies and procedures to ensure accountability and transparency in their international activities.
- C: provide adequate and consistent financial support to maintain the academic and professional integrity of their international programs and operations.

SHARED SERVICES

Ms. Nickel introduced the Interim Vice Chancellor for Fiscal Affairs, Usha Ramachandran for her presentation on Goal 6 of the strategic plan, which calls for best-in-class efficiencies of the System's administrative support functions. This is in concert with the state's goal of being the best-managed state. The Board of Regents and the University System Office are focused on increasing efficiency and effectiveness in the University System through a shared services initiative. Ms. Ramachandran added that the Accenture report, of which the Regents received a copy, showed there is some legislative interest as well on this topic. She stated that this initiative is a work in progress, which would be revisited at the next Board meeting. At that time, Ms. Ramachandran will present a more detailed plan and a strategy for the Board's consideration.

Shared services is the consolidation of common functions from various locations into a single place with an eye toward maximizing service to the customer. It is different from a consolidation in two ways: first, there is a shared responsibility with institutional representatives overseeing the operations; and, second, it is client-centered with a heightened sense of customer satisfaction. An example of a shared service would be centralizing payroll for all System institutions.

Accenture and the Hackett Group did a benchmarking study of the Human Resources ("HR")/Payroll and Finance processes for the state of Georgia, last summer. The University System of Georgia participated in this project to determine the efficiency and effectiveness of these operations. The

study showed that the University System has an opportunity to improve efficiencies to provide the world class services that its faculty, staff, and students deserve. In September 2007, the University System of Georgia contracted with Accenture to continue the project and look for opportunities to improve services and ways in which the System could be more efficient. The Accenture report was completed in January 2008 and recommended a shared services approach. There are many long-term benefits to be achieved by considering a shared services model. In using this model the System hopes to:

- Increase the quality and consistency of services,
- Leverage technology to our advantage,
- Achieve economies of scale to reduce costs, and
- Reduce risk, especially in smaller institutions that have only one person performing critical functions.

The design, implementation and physical location of the shared services center is still in the planning stages. In the future, however, there will be a shared services center somewhere in the state of Georgia to provide a range of services for the institutions of the University System. Institutions must have ownership, and, therefore, when the shared services center is up and running it will have a governing board made up of institutional representatives. The location will be determined based on various factors including cost of operations, availability of skilled labor and the ability to provide to distributed services to campuses. There are a variety of services that are being explored for a shared services center such as HR, payroll, benefits, purchasing, and accounts payable. There may be other candidates that lend themselves to this concept as well.

Presently, to achieve the strategic goals of increasing efficiency and effectiveness, Ms. Ramachandran stated that they are pursuing one strategy for HR/Payroll and one for financials. For the HR/Payroll, a request for proposals (“RFP”) was issued in February to find a best-of-breed technology that will meet and exceed the System’s current complement of services, in the context of a shared services environment. Ms. Ramachandran stated that responses were due the following week. The financials strategy will have two steps: the first is to issue an RFP to consolidate the many databases across the System. Instead of each institution having its own separate database, they will be integrated into one. This is a prerequisite for the second step. Staff is currently working on the RFP, and it will be issued in the coming weeks. The second step will be to work on the shared services strategy for the financials.

Ms. Ramachandran stated that she would bring an implementation strategy and timeline to the next Board meeting for the Regents’ review and consideration. She added that an implementation team of chief business officers from the System’s institutions would also be needed moving forward. Ms. Ramachandran than thanked former Vice Chancellor for Fiscal Affairs William R. Bowes and the steering committee that worked with Accenture last fall, and the following System Office staff members for all of their efforts: the PeopleSoft Financials Business Process Manager, Debbie Lasher, the University System Purchasing Director, Mike McLeran, the Budget Information Systems Specialist, Tracie Dixon, the Executive Director for Business & Financial Affairs, Vikki Williamson, the Chief Information Officer & Vice Chancellor, Information and Instructional Technology, Thomas L. Maier, and the Associate Vice Chancellor for Information and Instructional

Technology Operations, Reid Christenberry.

Ms. Nickel thanked Ms. Ramachandran for her leadership on the Shared Services project, adding that they looked forward to hearing from her again during implementation. Because much of what was discussed regarding the Shared Services was in the planning stages and somewhat abstract, Chancellor Davis asked Ms. Nickel to give the Board a sense of potential savings by describing the small scale financial services project that is being implemented at one institution. Ms. Nickel stated that they did a project at Gainesville State College (“GSC”), mapping the financial aid loan process. This included looking at how long it took from the time a student had all of their paperwork into the office until they actually received the money in their account. At that time it was 59 days. They then did the re-engineering planning increment (“RPI”), which is the re-engineering of the process, and took out everything that was not value added. Once this was complete, it showed that the process would take only two days. This shows that there is a lot of low-hanging fruit that can be worked on in that process. From a student perspective, the student is not getting value added when three people review the same document just to ensure the first two people did their jobs correctly. This project is a way to increase efficiency in the financial aid process. She added that several institutions have taken on this project as their customer service initiative.

INCREASING CAPACITY

Ms. Nickel introduced the Chief Operating Officer, Robert E. Watts, who presented on the second strategic goal, Creating Enrollment Capacity to Meet the Needs of 100,000 Additional Students by 2020. In June 2007, Mr. Watts and President John Randolph Pierce of Georgia Highlands College made a presentation on the System’s overall projected capacity needs. Mr. Watts began his presentation by thanking the Vice Chancellor for Facilities, Linda M. Daniels, the Director of Planning for Facilities, Alan Travis, the Vice Chancellor for Research and Policy Analysis, Cathie Mayes Hudson, and Frank Howell for their assistance with the presentation. He then discussed the System’s options for increasing capacity specifically in the metro Atlanta area, which is expected to see 75% of the state’s projected population growth in this period.

One of the Board’s strategic goals is to increase the share of students attending two-year and state colleges. Georgia is somewhat unusual in making less use of these cost-effective institutions than most other states. Last fall 27% of University System of Georgia students attended a two-year or state college. The goal under this action item in the plan is to increase that to 32% over five years. In a presentation to the Board last year, Mr. Watts and President John Randolph Piece of Georgia Highlands College tentatively identified some areas of greater metropolitan Atlanta that are—or will be—under-served by two-year and state colleges, looking out to 2020. Since that time, a more detailed analysis has been done. As information only, Mr. Watts updated the Regents on the new analysis and advised them that upon receiving their feedback, the staff would return with recommended future actions.

For this presentation Mr. Watts used a more elastic definition of greater Atlanta than usual. Going out to 2020, more counties will be pulled into the Atlanta statistical area, and most of the institutions in north Georgia will feel the effects of this expansion. Projections currently indicate that the System must prepare to serve 100,000 additional students by 2020. If the greater Atlanta region maintains its

current share of University System enrollment, the System would add nearly 70,000 students of the 100,000 total at the 17 North Georgia institutions. This will be very difficult to accommodate, given cost, land, transportation constraints, and the like. There are three strategies the System Office is focusing on to prepare for this growth:

1. Continue to invest in high-demand areas to optimize use of existing resources and where we already have land and infrastructure and it is cost-effective to do so: Georgia Gwinnett College (“GGC”), Georgia Perimeter College (“GPC”) Newton, Georgia Highlands College (“GHC”) Cartersville, Gainesville State College (“GSC”) Oakwood, Clayton State University (“CLSU”), the University of West Georgia (“UWG”), and Gordon College (“GC”).
2. Work toward accommodating demand in other areas of the state: Georgia Southwestern State University (“GSWU”), Middle Georgia College (“MGC”), South Georgia College (“SGC”), the HBCUs: Albany State University (“ALSU”), Fort Valley State University (“FVSU”), and Savannah State University (“SSU”), and Coastal Georgia Community College (“CGCC”).
 - In fall 2007, 25% of students from the 29 county greater Atlanta study area attended USG institutions elsewhere in the state, up four points from 21% in 2000.
 - At Albany State, FVSU, Georgia College, Georgia Southern, Savannah State, and Valdosta roughly half or more of the first-time freshmen are from the Atlanta area.
 - The Goal Two Strategic Planning Oversight Committee will be discussing shifting some of the demand at its meeting in June.
3. Create additional capacity in metro-Atlanta in under-served areas.

Mr. Watts showed a slide which indicated the System Office staff’s initial attempt to define the under-served areas in metro-Atlanta, with respect to access institutions, looking out to 2020. These are areas with dramatic population growth that are not currently served by a two-year of state college. He stated that increasing access involves not only where to do it, but when, how, and by whom. He drew their attention to a slide which showed the attendance pattern of high school graduate age students at University System institutions in northern Georgia by census tract. The graphic showed that there are some areas of metro-Atlanta that draw few students to area System institutions.

He showed a series of maps that demonstrated enrollment rates at local two-year and state colleges, at local comprehensive universities, and at the research universities. One of the themes that emerges from these maps is the importance of proximity. If they can meet the admission standards, students near West Georgia and Kennesaw, for example, will go there in large numbers. If they cannot, they tend to go to a USG access institution at significantly lower rates if one is not close. Given traffic trends, proximity may become more important in the future. Drive time is more important than distance in some areas.

Mr. Watts used another map to illustrate the projected population density in 2020. It showed that the

population density of some of the earlier suburban counties—Cobb, Gwinnett, and Clayton, for example—will approach the urban center. He added that the enrollment at Kennesaw State University (“KSU”) is already large. GGC will be large, and CLSU has that same potential. Another map illustrated the population increase, along with the increase in density on the left-hand side. Douglas, Paulding, and Forsyth will be at approximately 200,000. Henry’s population will be at 300,000, while Fulton, DeKalb, Cobb, and Gwinnett will continue to grow by substantial amounts. Mr. Watts then reviewed the county data for the areas originally identified as under-served in more detail.

For Douglas County, the vectors show that 10% or more of county first-time freshmen now go, mainly to UWG and KSU, and a few to GHC and GPC. Douglas has had a high growth rate, and its population density will increase by 50% by 2020. If two-year or state college programs are offered in closer proximity to Douglas County, there is the opportunity to move the needle on the percentage of students attending these institutions. In the future, this area will need more attention from the University System of Georgia.

Paulding County has many of the characteristics mentioned before with Douglas County. It sends its students to KSU, UWG, and a smaller number to GHC/Cartersville and Georgia State University (“GSU”). It will almost double in population by 2020. It has transportation challenges. Better proximity to programs from two-year and state colleges will also move the needle here. Given the increasing population density, the future need is clear.

The challenge in Cobb County is a bit different. Cobb sends its students to KSU, to the University of Georgia (“UGA”), to GHC at Southern Polytechnic State University (“SPSU”), to the Georgia Institute of Technology (“GIT”) and Georgia State University (“GSU”). Cobb already has a large population base, and its density continues to increase. If KSU continues to develop in the direction it is going, increasing in quality and emphasizing its role as a comprehensive university, then additional opportunities for students at a two-year college will be needed. There are sections of southern Cobb that do not draw many students to the University System. There is an opportunity to move the needle here in the future by closer proximity of two-year programs.

Forsyth County students are now attending System institutions in large numbers—Gainesville state, UGA, North Georgia College & State University (“NGCSU”), GIT, KSU, and GPC Alpharetta. Your current capital plan calls for enlarging the GSU/GPC operation in Alpharetta in Fiscal Year (“FY”) 2009. Forsyth offers a more moderate opportunity to move the needle on participation at two-year and state colleges at present. However, its increasing population growth and density and its transportation challenges create a future need for a closer proximity of two-year programs in this area.

Henry County is already large and growing larger. Its population density will increase by more than 50% by 2020. It currently sends students to Gordon College, CLSU, GSU, and GPC/Newton. Closer proximity of two-year programs will have a moderate effect on the needle today, but the need is high for the future.

In-town Atlanta generates a large number of freshman and sophomore credit hours, but almost all at

the research university level at GIT and GSU. The urban core has a large and growing population. Participation in System institutions is low. There is an opportunity to move the needle with closer proximity to two-year programs. Atlanta Metro definitely has potential to meet a larger need. Based on the ability to move the needle in increasing the use of two-year and state colleges, the staff would recommend approaching the under-served areas in phases. It makes sense to think about Douglas, Paulding, and Cobb together for this exercise. There may be opportunities to find a solution that works across lines. The staff is still doing some analysis of South Fulton County.

In the metro area in the past, the University System of Georgia has expanded first through modest leased space to test student demand. This occurred in Gwinnett, GHC/Cartersville, and GPC/Newton. This is a good, low-risk, cost-effective approach to take, and it would be our recommendation for the future. Aligning these leased sites with existing institutions allows us to take advantage of efficiencies. GPC is the System's most efficient institution with respect to expenditures per full-time enrollment equivalent ("FTE"). Other institutions can similarly expand at lower marginal costs.

At this time, the System Office staff is not recommending new permanent sites or campuses. Depending upon demand, that will be an item for the future. There is always a tendency for topics like this to get caught up in turf matters. Given the expected enrollment increase, though, we have the opportunity to avoid win-lose arguments and to search for win-win scenarios. All institutions in the metro area must be part of the solution.

Mr. Watts stated that the staff would appreciate the Regents' feedback about whether they are on the right track so that they can return with recommendations for action. He added that the team's next steps would be to refine analyses, share information and work collaboratively with institutions and other system staff, and present recommendations at the April meeting.

As there were no questions, Ms. Nickel turned the floor back over to Chair Cleveland who adjourned the Strategic Planning Committee of the Whole. Chair Vigil reconvened the full Board in its regular session to discuss Committee Reports.

COMMITTEE REPORTS

EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee met on Tuesday, March 18, 2008, at approximately 11:00 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, James R. Jolly, Elridge W. McMillan, and Richard L. Tucker. University System of Georgia staff members who were also present included Chancellor Erroll B. Davis Jr., the Vice Chancellor for Legal Affairs, J. Burns Newsome, the Chief Operating Officer, Robert E. Watts, the Senior Vice Chancellor for External Affairs, Thomas E. Daniel, the Chief Academic Officer & Executive Vice Chancellor, Susan Herbst, and the Assistant Vice Chancellor for Legal Affairs, Kimberly Ballard-Washington. Chair Vigil reported to the Board that the Committee reviewed five items including an executive session and one walk-on item. Only two of these required Board action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Information Item: Presidential Search Policy

It is recommended that Policy 202 of The Policy Manual of the Board of Regents (Presidential Search Procedures) be amended as indicated below:

Revised Policy

202 PROCEDURE FOR SELECTION OF PRESIDENTS FOR UNIVERSITY SYSTEM INSTITUTIONS

The policy of the Board regarding the selection of presidents for University System institutions shall be as follows:

Research Universities

A presidential search is initiated by the Chancellor, with the agreement of the Board. For research universities, the Presidential Search Committee shall consist of Regent and non-Regent members. The Chair shall appoint seven Regents as voting members to serve on the Presidential Search Committee, one of whom shall be the Board Chair and one of whom shall be the Regent residing in closest proximity to the institution. The Board Chair shall appoint a Chair of the Presidential Search Committee from among the Regents appointed to the Presidential Search Committee. Any vacancies of Regents occurring after the formation of the Presidential Search Committee may be filled by the Board Chair.

The Chancellor, in consultation with the Committee Chair, shall select the non-Regent members of the Presidential Search Committee. The non-Regent voting membership of such committee shall consist of six faculty representatives from the institution, one representative of the administration and staff, one student, one representative of the institution's foundation, one representative of the

institution's alumni association, and three representatives of the state-at-large, in addition to seven Regents, as provided above. For each committee position which the Chancellor requests its advice, the respective institution, foundation, or alumni association shall provide two nominations. Any vacancies of non-Regents occurring after the formation of the Presidential Search Committee may be filled by the Chancellor.

The Presidential Search Committee shall identify to the Chancellor and the Board Chair from three to five unranked candidates to be presented to the full Board of Regents for consideration. The Board of Regents may request a further search for applicants, or further consideration by the Presidential Search Committee of any applicant in addition to the candidates recommended. The Board of Regents may interview candidates and shall select the president. At the discretion of the Chancellor and the Board Chair, site visit(s) also may be undertaken prior to final selection.

Regional Universities, State Universities, and Colleges

A presidential search is initiated by the Chancellor, with the agreement of the Board. For regional universities, state universities, and colleges, a Special Regents' Search Committee shall be appointed by the Chair of the Board and will consist of three (3) Regents as voting members, selected as follows: The Board Chair shall, at the beginning of his or her term as Chair, identify six Special Regents' Search Committees, each of which shall be chaired by one of the six most senior members of the Board of Regents. The next six most senior Regents shall be assigned to the six Special Regents' Search Committees in reverse descending order of seniority so that the most senior Regent is paired with the least senior Regent of the next six. The remaining Regents shall be assigned to one of the six Special Regents' Search Committees at the discretion of the Board Chair. In the event of a vacancy in the presidency of a regional or state university or a college, the Board Chair shall assign one of the six Special Regents' Search Committees as the Committee with respect to that vacancy. In making such assignments, the Board Chair shall alternate the six Committees in turn so that each Committee has a relatively equal workload. The Chair of the Board and the Regent residing in closest proximity to the institution shall also serve as voting members. The Chancellor shall serve as an *ex officio*, nonvoting member. Seniority shall be determined by date of appointment. In the case of Regents appointed on the same date, seniority shall be determined by alphabetical order. Any vacancies occurring after the formation of the Special Regents Search Committee may be filled by the Board Chair.

The campus Presidential Search and Screen Committee shall be appointed by the Chancellor in consultation with the Board Chair. The voting membership of the campus Presidential Search and Screen Committee shall consist of three faculty representatives from the institution, at least one representative of the administrative staff, at least one student, and at least two representatives of the surrounding community (and region, as appropriate), including the institution's foundation and its alumni association and comprising up to one-third of the total voting membership of the committee. For each committee position upon which the Chancellor requests its advice, the respective institution, foundation, or alumni association shall provide two nominations. The Chancellor will appoint the committee's chair from among the committee's voting members. Any vacancies

occurring after the formation of the campus Presidential Search and Screen Committee may be filled by the Chancellor.

The campus Presidential Search and Screen Committee shall keep the Chancellor and the Special Regents Search Committee informed as to the progress of its deliberations and shall apprise the Special Regents Search Committee of the names of candidates removed from and retained for consideration during each phase of the screening and selection process. The campus Presidential Search and Screen Committee shall identify to the Chancellor and the Chair of the Special Regents' Search Committee from three to five unranked candidates to be presented to the Special Regents' Search Committee. The Special Regents' Search Committee may request a further search for applicants, or further consideration by the campus Presidential Search and Screen Committee of any applicant in addition to the candidates recommended. The Special Regents' Search Committee and the Chancellor shall jointly make a recommendation to the full Board of Regents, which shall select the president. At the discretion of the Chancellor and the Chair of the Special Regents' Search Committee, site visit(s) also may be undertaken prior to the final selection.

All Presidential Searches

The Chancellor shall, in consultation with the Board Chair and Search Committee chair(s), determine when a search warrants the services of an executive search firm, and shall develop any necessary contractual agreement that specifies the particular role and reporting lines for such services, all on a case-by-case basis.

The Chancellor shall confer with Search committee(s) and Regents regarding the position description and any special qualifications that should be considered for the position. The Chancellor shall finalize the position description.

For each search, the committee(s) and executive search firm (if one is contracted) will advertise the position widely to reach a diverse audience of candidates, making all reasonable efforts to attract a pool of well-qualified candidates. The committees, advised and aided by an executive search firm to the extent that such services have been contracted, will receive nominations and applications and undertake an initial evaluation of applicants.

Insofar as is compatible with state law, all parties to the search, screen, and selection process shall maintain strict confidentiality as to the identity of applicants and any considerations of their credentials, while making efforts to keep the campus community and the public appropriately informed as to the general progress of the search. (BR Minutes, September, 2006; March, 2008)

2. Information Item: Secretary to the Board of Regents

The Chief Operating Officer, Mr. Robert E. Watts, facilitated a discussion regarding the Secretary to the Board.

3. Information Item: Board of Regents Per Diem

Chief Operating Officer Robert E. Watts and his staff facilitated a review of current per diem practices and present alternatives.

4. Executive Session: Appointment of Secretary to the Board of Regents

At approximately 11:20 a.m. on Tuesday, March 18, 2008, Chair Allan Vigil called for an Executive Session for the purpose of discussing personnel and compensation issues and possible real estate acquisitions. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into Executive Session. Those Regents are as listed above. University System of Georgia staff members who were also present included Chancellor Erroll B. Davis Jr., the Vice Chancellor for Legal Affairs, J. Burns Newsome, the Chief Operating Officer, Robert E. Watts, the Senior Vice Chancellor for External Affairs, Thomas E. Daniel, and the Chief Academic Officer & Executive Vice Chancellor, Susan Herbst. In accordance with H.B. 278, Section 3 (amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor's Office.

At approximately 11:26 a.m., Chair Vigil reconvened the Committee meeting in its regular session and voted to appoint the Vice Chancellor for Legal Affairs & Interim Secretary of the Board, J. Burns Newsome, as Secretary to the Board of Regents.

5. Approval of Presidential Search Policy

Approved: The Board approved the Presidential Search Policy as presented in Item 1.

Walk on: This item was added by unanimous consent as a walk-on item to the Committee's agenda.

The Committee meeting adjourned at approximately 11:50.

COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on Tuesday, March 18, 2008, at approximately 1:45 p.m. in the Board Room. Committee members in attendance were Chair Willis J. Potts Jr., Vice Chair Elridge W. McMillan, and Regents. W. Mansfield Jennings, Jr., James R. Jolly, William H. NeSmith, Doreen Stiles Poitevint, and Wanda Yancey Rodwell. The Vice Chair of the Board, Regent William H. Cleveland, the Chief Academic Officer & Executive Vice Chancellor, Susan Herbst, the Chief of Staff for Academic Affairs, Melinda Spencer, and the Director of Academic Program Coordination, Marci M. Middleton were also in attendance. Representatives from system institutions also were in attendance Chair Potts reported to the Board that the Committee had reviewed 25 items, 24 of which required action. Additionally, 55 regular faculty appointments were reviewed and recommended for approval. Out of the aggregate, 53 actions concerned part-time retiree appointments. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

I. Academic Affairs Update

The Chief Academic Officer & Executive Vice Chancellor, Susan Herbst, discussed current activities and projects underway in the academic affairs division. Some topics of discussion included the budget, targeted enhancement funds, the rationale for PhD programs at comprehensive universities, the program review process, and other items.

II. Approval Items

1. Establishment of an International Baccalaureate Policy, Section 402.01.05

Approved: The Board approved an addition to *The Policy Manual*, an International Baccalaureate policy with the following specific language, to be reflected in a new section, Section 402.01.05, effective March 19, 2008. The policy was approved in concept during the February 2008 Board meeting.

THE POLICY MANUAL, SECTION, 402.01.05 COURSE CREDITS FOR INTERNATIONAL BACCALAUREATE DIPLOMA COMPLETION

A. Systemwide Implementation Guidelines

In recognition of the fact that a strong predictor of college success is a rigorous high school curriculum, the institutions in the University System of Georgia will award academic credit for appropriate courses in the USG core curriculum for corresponding subject areas in a completed International Baccalaureate (“IB”) Diploma Program in which the student obtained designated end of course assessment scores. Both Standard Level (college preparatory) and Higher Level (college comparable) courses will be considered for credit in a completed Diploma Program, as the program does not allow students to take all Higher Level courses. Higher Level end of course assessment scores of four or more and Standard Level scores of five or better suggest that the IB Program work is comparable to a college course. The course credit schema in the table below will be used Systemwide, with allowances made for variable credits in each category to account for labs, and on occasion, for depth of material covered in the IB Program subject area that may be comparable to more than one college level course.

<u>Score</u>	<u>Semester Credit Hours Granted</u>	
	<u>Standard Level</u>	<u>Higher Level</u>
4	0	3 - 4
5	0 - 4	3 - 8
6 - 7	3 - 8	3 - 12

The particular courses for which students receive college credit may vary from institution to institution, depending on what courses the institution offers. Determinations of course comparability will be made by the respective departments. Institutions shall, however, attempt to have consistency across the System on common numbered core courses.

The **total college course credits awarded for IB assessments may not exceed 24.**

All institutions shall have a widely disseminated policy governing the award of course credits for IB assessments.

The policy will apply to both resident and non-resident students.

Institutions will collect data on IB students, analyze the data, and recommend revisions to the policy if warranted.

A student may opt not to accept credits if he or she sees that acceptance of credits may disadvantage him or her. Further, if a student believes that the assessment of his or her work from the IB Diploma Program and subsequent awarding of credits for such is in error, he or she may file an appeal with the appropriate department chair and request a re-assessment. As with other academic matters, if the issue is not satisfactorily resolved at the department level, the student may then appeal to the dean of the respective college, with a final appeal to the vice president for academic affairs, whose decision in the matter will be final.

B. Individual Campus Implementation Guidelines

Along with the Systemwide policy, individual campuses may choose to offer additional benefits.

After the appropriate core courses are credited, if the student (diploma completer) has additional acceptable IB assessment scores (4 or better for HL, 5 or better for SL) that have not been awarded course credits, individual institutions may award credit for other lower-division courses outside of the core for up to a maximum of 24 credits (total). Institutions may choose to award other benefits to diploma completers as well (e.g. early registration, parking pass, etc). If that is the case, details will be available on the institution's website.

Institutions may choose to award credit to students who did not complete the diploma program but were awarded a certificate for completion of a specific subject area for Higher Level courses with an assessment score of 4 or better.

2. Ph.D. Programs at Selected Comprehensive Universities and Revision of *The Policy Manual*, Section 306.01, Creation of Academic Programs

Deferred: The Board deferred a revision to *The Policy Manual*, Section 306.01, Creation of Academic Programs to allow time for the change to be vetted among the System's institutions. See details below.

Background and Rationale: The proposed policy revision is introduced to the Board in an effort to enable the selective development of doctor of philosophy programs at comprehensive sector universities that are targeted for growth and advancement. Proposed programs would be analyzed carefully to ensure that the institutions have the requisite resources and foundation to offer quality academic program offerings at this level.

Understandings: The proposed policy, section 306.01: Creation of Academic Programs, constitutes a revision of the previous policy. Proposed revisions follow. Please note that the strikethrough text represent deletions from the current version, and the bold, highlighted text represent additions.

<i>Current Policy</i>	<i>Revised Policy</i>
Policy 306.01 Creation of Academic Programs	Policy 306.01 Creation of Academic Programs
New degree programs or new major programs of academic work shall not be added to curricula of an institution unless recommended by the president of the institution concerned, the Chancellor, and the Committee on Academic Affairs and approved by the Board. Ph.D. programs shall be limited to research universities (BR Minutes, 1954-55, pp. 102-03; July, 1996, p. 17).	New degree programs or new major programs of academic work shall not be added to curricula of an institution unless recommended by the president of the institution concerned, the Chancellor, and the Committee on Academic Affairs and approved by the Board. Ph.D. programs shall be limited to research universities (BR Minutes, 1954-55, pp. 102-03; July, 1996, p. 17).
Programs that provide academic credit but award certificates rather than degrees must be approved based on guidelines issued by the Chancellor. These guidelines will be provided to the presidents and chief academic officers by the Chancellor (BR Minutes, May 2004).	Programs that provide academic credit but award certificates rather than degrees must be approved based on guidelines issued by the Chancellor. These guidelines will be provided to the presidents and chief academic officers by the Chancellor (BR Minutes, May 2004).

The Committee recommended that this item (Item 2) on the agenda be deferred for further discussion and vetting until the April 2008 meeting, particularly with those institutions that comprise the research university sector (e.g., the University of Georgia, Georgia State University, Georgia Institute of Technology, and the Medical College of Georgia).

3. Revised Mission Statement, Georgia State University

Approved: The Board approved the request of President Carl V. Patton that Georgia State University (“GSU”) be authorized to revise its mission statement, effective March 19, 2008

Abstract: GSU sought to clarify and further streamline its current mission statement and reinforce its identity as an urban research university committed to the education of traditional and non-traditional students.

Current Mission Statement

As the only urban research university in the state, the overarching goal of Georgia State University is to achieve a front-rank position among the nation's premier state-supported universities located in an urban setting. Educational opportunities are provided for both non-traditional and traditional students, fostering scholarly interactions among diverse people around compelling ideas and questions and blending the best of basic and applied inquiry, scholarly and professional pursuits, and scientific activity and artistic expression.

While students are attracted from all parts of the state, the nation, and many areas of the world, the downtown and satellite campuses provide access to quality education in particular for residents of the entire Atlanta metropolitan area. The University offers a welcoming academic environment to traditional students as well as working and returning students, with over half the students working full-time. This produces a mature, serious student body with considerable ethnic and international diversity and a high proportion (thirty percent) of graduate students.

Approximately 24,000 students are enrolled in a quarter and over 34,000 different students per year take courses for credit. Several thousand bachelors' degrees are awarded annually in over 200 majors, as well as over 1600 masters' degrees and 170 doctoral degrees. Georgia State University seeks to provide a range of curricular and co-curricular activities which prepare students to think critically, make ethical and informed choices, appreciate diverse cultures and ideas, become creative problem-solvers, and demonstrate responsible citizenship.

Careful selection of doctoral programs in the humanities, the social sciences, and the natural sciences has established strategically positioned centers of scholarly activity to enhance liberal education. Similarly, the University has established strong doctoral programs in business administration, economics, education, and nursing. More recently, the University's commitment to excellence in professional education has been underscored by the establishment of the College of Law, which, in addition to providing a full-time J.D. program, offers the only ABA-accredited part-time legal education in the state.

Certain programs in the natural sciences, the social sciences, the humanities, and professional areas are nationally competitive for research grants from federal agencies. Georgia State University faculties have joined with colleagues from other institutions to enhance economic and scientific development in partnership with the Georgia Research Alliance. Areas of emphasis include vaccine development, design and synthesis of new drugs, protein production, environmental science, and telecommunications. Policy areas, including economics, education, health, crime, poverty, transportation and law, contribute to the base of knowledge and produce information that is useful in making policy decisions. National attention is garnered through programs in the Policy Research Center, the Language Research Center, the Economic Forecasting Center, and the Center for High Angular Resolution Astronomy.

The University's efforts in mathematics education have attracted significant regional and national attention and federal and state funding. Teacher preparation initiatives in this area as well as in the natural and social sciences, which are designed jointly by the Colleges of Education and Arts and Sciences, serve as a model of cross-college collaboration and fulfill national expectations for educational reform.

Georgia State University shares with the other research universities of the University System of Georgia the following core characteristics or purposes:

- within a statewide scope of influence, a commitment to excellence and responsiveness in academic achievements that impart national or international status;
- a commitment to a teaching/learning environment, both inside and outside the classroom, that sustains instructional excellence, serves a diverse and well--prepared student body, provides academic assistance, and promotes high levels of student achievement;
- a commitment to wide-ranging research, scholarship, and creative endeavors that are consistent with the highest standards of academic excellence, that are focused on organized programs to create, maintain, and apply new knowledge and theories, and that promote instructional effectiveness and enhance institutionally relevant faculty qualification;
- a commitment to public service, economic development and technical assistance activities designed to address the strategic needs of the State of Georgia along with a comprehensive offering of continuing education programs, including continuing professional education to meet the needs of Georgia's citizens for life-long learning;
- a range of disciplinary and interdisciplinary academic programming at the baccalaureate, masters and doctoral levels, as well as a range of professional programs at the baccalaureate and post-baccalaureate level, including the doctoral level.

Georgia State University will be characterized by:

- a supportive campus climate, necessary services, and leadership and development opportunities, all to educate the whole person and meet the needs of students, faculty and staff;
- cultural, ethnic, racial, and gender diversity in the faculty, staff and student body, supported by practices and programs that embody the ideals of an open, democratic, and global society;
- technology to advance educational purposes, including instructional technology, student support services, and distance education;
- collaborative relationships with other System institutions, State agencies, local schools and technical institutes, and business and industry, sharing physical, human, information, and other resources to expand and enhance programs and services available to the citizens of Georgia.

Georgia State University's identity as a nationally and internationally recognized advanced research and teaching institution as well as an urban research center will attract students from the metropolitan area, the region, all parts of the nation and around the world. It will offer the residents of Georgia a combination of programs and activities found nowhere else in the University System of

Georgia, and it will be recognized for first-rate undergraduate and graduate education, leading-edge research, and committed public service.

Revised Mission Statement

As the only urban research university in Georgia, Georgia State University offers educational opportunities for traditional and nontraditional students at both the graduate and undergraduate levels by blending the best of theoretical and applied inquiry, scholarly and professional pursuits, and scientific and artistic expression. As an urban research university with strong disciplinary-based departments and a wide array of problem-oriented interdisciplinary programs, the goal of the university is to develop, transmit, and utilize knowledge in order to provide access to quality education for diverse groups of students, to educate leaders for the State of Georgia and the nation, and to prepare citizens for lifelong learning in a global society.

Following the introduction of the item, President Carl V. Patton of Georgia State University indicated that the revised mission statement was succinct, but reflected the institution's urban focus. President Patton further explained that his institution was in the midst of a Southern Association of Colleges and Schools ("SACS") visit and that the action was timely.

4. Establishment of an Executive Doctorate in Business, Georgia State University

Approved: The Board approved the request of President Carl V. Patton that Georgia State University ("GSU") be authorized to establish an Executive Doctorate in Business, effective March 19, 2008.

Abstract: The program was developed for the lifelong learning needs of intellectually active professional adults who already possess advanced degrees in their fields but who wish to continue their education and apply domain knowledge and research skills gained from senior leadership positions. The program is geared toward students who are already senior level, full-time executives. The program will be offered at the J. Mack Robinson College of Business Executive Education facility in Buckhead.

Need: Demands exist from executives who wish to pursue an Executive Doctorate in Business. These executives seek opportunities to apply knowledge in an academic curriculum that merges experiential components with research skills. The present capacity, design, and structure of doctoral business programs serve a different market segment that does not provide a format for study conducive to executive working professionals. The aforementioned program provides a doctoral program in an executive level format commensurate with similar programs offered within the state and around the country.

Objectives: The purpose of the Executive Doctorate in Business is to advance the development and practice of effective organizational leadership by providing senior level executives with the knowledge and expertise required to identify, understand, and successfully tackle the interdisciplinary issues that characterize global business management.

Curriculum: The Executive Doctorate in Business is a lock-step program to be offered in an

executive format. The program is designed to create graduates who understand the research process, have capability in applied scholarship, and use academic research to solve business problems. Courses are broad-based, focusing on issues of global business and leadership. Required courses in the program include, but are not limited to, Emerging Markets and Global Models for Business, Culture & World Politics, Philosophy & Practice of Science & Research, Designing Quantitative and Qualitative Research Studies, the Role of Business in Social Policy, and Laboratory for Business Driven Research.

Projected Enrollment: The institution anticipates cohort enrollments of 20 students during the first three years of the program.

Funding: The program will be supported through a combination of existing and new courses. President Patton has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

5. Establishment of a Doctor of Business Administration, Kennesaw State University

Approved: The Board approved the request of President Daniel S. Papp that Kennesaw State University ("KSU") be authorized to establish a Doctor of Business Administration degree, effective March 19, 2008.

Abstract: The Coles College of Business proposed to establish a Doctor of Business Administration degree. The highly selective program is designed to educate students for leadership positions in business, accounting, government, academics, and/or public service. The curriculum and associated scholarly tasks will engage doctoral candidates in collaborative learning experiences that bring scholars and students from diverse backgrounds together to identify and provide solutions to complex and challenging applied problems in business.

Need: A 2002 report issued by the International Management Education Task Force of the Association for the Advancement of Colleges and Schools of Business ("AACSB") identified one of the foremost concerns as being the emerging shortage of business doctoral faculty. The report noted that in recent years, the production of new business doctorates has decreased and the number of doctorates produced by accredited schools is at its lowest level since 1997.

Objectives: Graduates will develop theoretically-based, applied business/organizational research skills. Students will obtain skills through an innovative curriculum of cohort based education that ensures individuals who earn the degree are globally aware, ethically motivated, knowledgeable experts in their chosen field, and well prepared to function in an analytical, information-intensive environment.

Curriculum: The Doctor of Business Administration provides concentrations in traditional business areas such as accounting, marketing, and management and includes a concentration in entrepreneurship and family business. Core courses offered in this program of study include, but are not limited to, The Evolution of Business, Ownership, Governance and Stewardship, Global Economic, Political and Cultural Forces, Qualitative Research Methods, and Quantitative Research Methods.

Projected Enrollment: The institution anticipates cohort enrollments of 29, 29, and 29 during the first three years of the program.

Funding: The program will be supported through a combination of existing and new courses. President Papp has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

6. Establishment of a Bachelor of Arts with a Major in Dance, Kennesaw State University

Approved: The Board approved the request of President Daniel S. Papp that Kennesaw State University ("KSU") be authorized to establish a major in Dance under the existing Bachelor of Arts degree, effective March 19, 2008.

Abstract: KSU sought approval to establish a Bachelor of Arts with a major in Dance. Currently, three System universities offer dance major degrees (University of Georgia, Valdosta State University, and Columbus State University). The proposed curricular structure of the proposed major with concentrations in ballet, modern, and jazz, distinguishes it from other programs offered in the state. The program was developed based upon robust enrollments in the current dance minor that has experienced significant student interest over the last two years.

Need: The proposed program will give students a comprehensive liberal arts education preparing them with the knowledge and skills they need to be employable past their performance careers. According to Higher Education Arts Data Service for the National Association of Schools of Dance, the past decade has seen a dramatic rise in the number of retired professional dancers returning to universities to receive dance degrees. This trend is in response to the shortage of degreed dancers in positions of arts administration, education, and leadership.

Objectives: Students graduating from this program will have the knowledge, skill and intellect to be employed in a variety of dance and arts related professions. Students will have the ability to develop performance skills in their area of concentration and be employable in areas of arts administration, danced pedagogy, danced notation, dance research, dance journalism, choreography, movement therapy, visual design, and community development projects in dance.

Curriculum: The 123-semester-hour program requires upper division major requirements in Dance Kinesiology, Analysis and Criticism of Dance, and Dance Pedagogy. Concentrations in Ballet, Modern Dance, and Jazz Dance will be provided as part of the program.

Projected Enrollment: The institution anticipates enrollments of 40, 45, and 50 during the first three years of the program.

Funding: The program will be supported through a combination of existing and new courses. President Papp has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

7. Establishment of a Bachelor of Science in Nursing, Gordon College

Approved: The Board approved the request of President Lawrence V. Weill that Gordon College ("GC") be authorized to establish a Bachelor of Science in Nursing, effective March 19, 2008.

Abstract: Gordon College sought approval to offer a Bachelor of Science in Nursing, the second of its baccalaureate degree offerings. The institution was approved to offer a Bachelor of Science in Education with a major in Early Childhood Education. In addition to meeting an urgent community need for more highly educated nurses, the program would meet needs of local students who cannot pursue a baccalaureate degree in nursing without either residing at an existing four-year institution or facing an arduous commute. The institution currently offers a robust associate's level degree in nursing.

Need: Strategically located on the boundary between two growing metropolitan areas, Gordon College's students come from one of the fastest growing areas in the state. The current shortage of qualified nurses has been well documented both nationally and statewide. The nonprofit Joint Commission on Accreditation of Healthcare Organizations projects the vacant positions will grow to 275,000 by the time the oldest boomers reach retirement age. Vacancy rates in hospitals, nursing homes, and public sector programs are ranging between 10 percent and 20 percent. Georgia's situation mirrors national profiles. According to a 2002 Health and Human Services study, there will be more than 9,000 nursing job vacancies in Georgia by 2005 and 32,000 unfilled nursing jobs by the year 2020.

Objectives: One means of combating the looming shortages is by increasing opportunities for nurses holding associate's degrees to pursue baccalaureate degrees. Student learning objectives associated with this program include: the utilization of research findings in a special project in the clinical setting; the critique of research and design protocols; demonstration of the regulatory and environmental factors affecting health care and nursing practice; and the application of nursing principles to patient care in institutional and community settings.

Curriculum: The Bachelor of Science in Nursing will conform to standards established by the

Georgia Board of Nursing and the National League for Nursing. The Georgia Board of Nursing requires that the curriculum contain learning activities in research, community health nursing, and management/leadership. The National League for Nursing Accrediting Commission requires the same courses in the curriculum but more specifically identifies how the program will be structured.

Projected Enrollment: The institution anticipates modest enrollments of 12, 15, and 18 during the first three years of the program.

Funding: The program will be supported through the development of new courses. President Weill has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

8. Establishment of a Specialist in Education with a Major in Special Education, Georgia College & State University

Approved: The Board approved the request of President Dorothy Leland that Georgia College & State University ("GCSU") be authorized to establish a major in Special Education under the Specialist in Education degree, effective March 19, 2008.

Abstract: The Department of Special Education & Leadership within the John H. Lounsbury School of Education at GCSU proposed the establishment of a Specialist in Education with a major in Special Education. The degree will be broadly focused on special education while providing opportunities for students to conduct research within their specific area of interest.

Need: Legislation such as the No Child Left Behind Act and the Individuals with Disabilities Education Act emphasizes the implementation of research proven practices to improve education outcomes for children. Federal funding initiatives further underscore this trend. This creates a need in schools for educators who can evaluate research findings and determine applicability to practice. Special education continues to be a high needs area for teacher certification. The HOPE Teacher Scholarship program lists multiple areas within special education as critical shortage fields. The Professional Standards Commission identifies interrelated special education as the most critical teacher shortage area. The proposed program's alignment with National Board standards and expectations make the program attractive to teachers interested in pursuing National Board certification.

Objectives: The primary objective of the program is for students to develop the skills that facilitate their action as change agents in educational settings serving individuals with disabilities. Through sequenced coursework and assessments, students gain skills and knowledge in designing and implementing research-based programs in field-based settings. Graduates of the program will possess the knowledge and skills to become leaders in their schools and to positively impact school and system practices.

Curriculum: The cohort approach will require students to conduct research in an education related setting with individuals with disabilities. Core courses include Trends and Issues in Special Education, Critique of Special Education Literature, Leadership in Collaborative Learning Communities, and Research Design.

Projected Enrollment: The institution anticipates cohort enrollments of 10 to 15 students each year of the program.

Funding: The program will be supported through a combination of existing and new courses. President Leland has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

9. Establishment of a Bachelor Science in Education with a Major in Early Childhood Education/Special Education, Fort Valley State University

Approved: The Board approved the request of President Larry Rivers that Fort Valley State University ("FVSU") be authorized to establish a major in Early Childhood Education/Special Education under the Bachelor of Science in Education degree, effective March 19, 2008.

Abstract: The teacher preparation program at FVSU is a fully integrated early childhood and special education curriculum, incorporating the competencies and knowledge necessary for an accredited program. Candidates in the program will develop knowledge and skills in the following areas: characteristics of learners with disabilities including limited English proficiency; in-depth knowledge of students in early childhood; assessment diagnosis, and evaluation of students with disabilities including knowledge and skills in using a variety of assessment strategies; and planning and managing teaching/learning environments for young children with and without disabilities. The program is aligned with the standards of the National Association for the Education of Young Children, the Council for Exceptional Children, and the National Council for the Accreditation of Teacher Education/Georgia Professional Standards Commission.

Need: A critical shortage of special education teachers exist in the state. Three different school districts have expressed an interest to partner with FVSU. These districts have paraprofessionals who need a degree in early childhood/special education in order to meet the standards of the No Child Left Behind Act, enacted in 2002, that established special requirements for paraprofessionals working in Title I schools. In addition to job openings resulting from growth, a large number of openings will result from the need to replace special education teachers who switch to teaching general education, retire, or change careers.

Objectives: Students will receive instruction in math, science, social studies, language arts, and the integration of art, music, drama, and movement in the curriculum; learn how to use technology in the learning environment; gain experience in urban, rural and suburban schools, including participation

in high-needs districts; receive training on the development of curriculum for the inclusive classroom; spend 425 hours in regular early childhood and inclusive classroom settings working with children of all ability levels in grades P-5 prior to directed teaching; and build a lesson plan portfolio that demonstrates their skills as a curriculum developer and instructional leader.

Curriculum: The 129-semester-hour program will include field experiences and clinical practices. The practices and field experiences are designed to provide teaching experiences in diverse settings and multiple grade levels appropriate to one's certification areas.

Projected Enrollment: The institution anticipates enrollments of 55, 60, and 65 during the first three years of the program.

Funding: The program will be supported through a combination of existing and new courses. President Rivers has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

10. Establishment of a Master of Arts in Teaching English to Speakers of Other Languages, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia ("UGA") be authorized to establish a Master of Arts in Teaching English to Speakers of Other Languages, effective March 19, 2008.

Abstract: The Master of Arts in Teaching English to Speakers of Other Languages ("TESOL") was developed to address the need and demand for qualified teachers in this area. The two-year program is aligned with standards for teacher preparation of the national TESOL organization as well as with the Georgia state framework for teacher preparation. The program builds upon the institution's undergraduate TESOL minor, three TESOL endorsement courses, a Master of Education degree in TESOL designed for educators who already possess or do not require public school certification, and concentrations in TESOL at the Specialist in Education and Doctor of Philosophy levels.

Need: In coming years, Georgia faces a teacher shortage such that the state estimates that it will need 25,000 new teachers annually by year 2010. Accordingly, in 2004 the University System adopted the "double the numbers" initiative to create new programs and increase the number of teachers graduating from Georgia's colleges and universities. One area facing shortage is the teaching of English to speakers of other languages. The number of children who are English learners in Georgia's schools has increased, but the number of teachers qualified to work with these students has not kept pace. In 2003, in response to this demand, the state Professional Standards Commission instituted a new initial teacher certification in TESOL. Current and prospective students have indicated an overwhelming interest in an initial TESOL certification program.

Objectives: The primary objective of the program is to develop the expertise of educators involved in teaching English to speakers of other languages and foster effective communication in diverse settings while respecting individuals' language rights.

Curriculum: The 36-semester credit hour program offers students additional professional training. Students will be trained in the theories of linguistics and second language acquisition; theories of intercultural communication; language teaching methodology; principles of language assessment; language policy and planning; national and state regulations guiding the identification, placement and exiting of English learners from ESOL classes; and professional development for critical and reflective practice.

Projected Enrollment: The institution anticipates enrollments of 25 students each year of the program.

Funding: The program will be supported through a combination of existing and new courses. President Adams has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

11. Establishment of a Master of Science with a Major in Plant Breeding, Genetics, & Genomics, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia ("UGA") be authorized to establish a major in Plant Breeding, Genetics, & Genomics under the existing Master of Science degree, effective March 19, 2008.

Abstract: Plant Breeding, Genetics, & Genomics is the science of creating new and improved plant varieties that are higher yielding, more disease resistant, more nutritious, or simply of greater ornamental value. Programs in this discipline are essential to ensure food security and limit environmental damage caused by traditional agriculture. The value of the discipline can be traced back to the success of crop and ornamental varieties developed by faculty in the College of Agriculture and Environmental Sciences and licensed by the University of Georgia Research Foundation, including turfgrass, soybean, alfalfa and other forages, pearl millet, wheat, blueberry, canola, muscadine, vegetables, and numerous ornamental species.

Need: Agriculture has changed to keep up with population growth and will need to continue to change of the next decades to meet increasing demands. A shortage of students trained in plant breeding, genetics, & genomics has prompted the USDA to name this discipline as a national emphasis area. UGA's broad diversity of plant breeding efforts and expertise in crop genetics, genomics, and biotechnology provide the institution with opportunities to better serve the citizens of Georgia through the release of commercially successful varieties.

Objectives: A primary objective of the program is to create an interdisciplinary major that will provide coherence to the research and resources currently available at the institution for the purposes of student training.

Curriculum: The 30-semester hour program includes core courses in plant breeding, genetics and cytogenetics, biometry, bioinformatics, and molecular genetics.

Projected Enrollment: The institution anticipates steady enrollments of 15, 15, and 15 during the first three years of the program.

Funding: The program will be supported through a combination of existing and new courses. President Adams has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

12. Establishment of an External, Bachelor of Science in Industrial Engineering with the Instituto Tecnológico y de Estudios Superiores de Monterrey ("ITESM"), Mexico, 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 an external, Bachelor of Science in Industrial Engineering with the Instituto Tecnológico y de Estudios Superiores de Monterrey ("ITESM"), Mexico, effective March 19, 2008.

Abstract: GIT sought approval to offer its undergraduate Bachelor of Science in Industrial Engineering with a leading institution in Mexico. The agreement is similar to other arrangements that GIT has developed in order to increase its international presence and provide students with exchange opportunities. GIT has a cooperative agreement with the Instituto Tecnológico y de Estudios Superiores de Monterrey, Mexico. ITESM is the premier industrial engineering program in Mexico. This is a 3/2 program. Students complete three years of study at ITESM. During the semester previous to transfer to GIT, students take two GIT classes offered through distance education. Students then transfer to GIT and complete the degree requirements. Students must meet standard GIT admission requirements.

Funding: President Clough has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

13. Establishment of an External, Dual Degree Program to Award the Master of Science in Electrical and Computer Engineering with the Politecnico di Torino, Italy, 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 an external, dual degree program to award the Master of Science in Electrical and Computer Engineering with the Politecnico di Torino ("Turin Polytechnic"), Italy, effective March 19, 2008.

Abstract: GIT sought approval to establish an external, dual degree program to award the Master of Science in Electrical and Computer Engineering with the Politecnico di Torino to support industrial and academic exchanges and collaborations between Georgia and Italy. The dual degree program between GIT and Turin Polytechnic, in addition to providing academic program education, offers students an international experience to participate with one of the institutions that is a member of the European Cluster Consortium. The consortium consists of top universities in engineering, science, and architecture. The mission of the Cluster Consortium is to facilitate exchanges between various member universities while maintaining high standards. The dual degree program will constitute the first such agreement between GIT and a member of the consortium since GIT's acceptance as an associate member.

Turin Polytechnic recently established an industrial campus in which a number of large international companies (including General Motors, Bosch, Microsoft, etc.) have a presence and provide support for laboratory experiences and internships. Students participating in this program also gain added international exposure which will be valuable to those who seek employment with the aforementioned and other international companies. Turin Polytechnic is currently one of the most active universities in Italy regarding international education. As such, degree requirements can be satisfied entirely in English for non-Italian speaking students who prefer to not take language courses.

Delivery: The program will be offered both on the campus of GIT and Turin Polytechnic. The external, dual degree program is part of the ATLANTIS program (Action for Transatlantic Links and Academic Networks for Training and Integrated Studies), a joint U.S. Department of Education and European Union grant to support the development of new dual degree programs between the U.S. and Europe. Students will spend one year in Atlanta and one year in Turin, Italy. All courses will be offered on their respective campus locations. Each student will be required to meet the admission requirements of their respective institutions.

Projected Enrollment: The institution anticipates enrollments of 5 to 10 students during each year of a five year period for the program.

Funding: President Clough has provided reverification that funding for the program is available at

the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

14. Establishment of Several External Degrees, Georgia Southern University

- a. Doctor of Education with a Major in Curriculum Studies (>50% online)
- b. Doctor of Education with a Major in Educational Administration (100% in Augusta and Savannah)
- c. Master of Arts in Teaching -- Middle Grades Education (>50% online and in Dublin)
- d. Master of Education with a Major in Teaching and Learning - track one: Middle Grades Education; track six: Instructional Improvement (>50% online)
- e. Master of Education with a Major in Reading (>50% online)
- f. Bachelor of Science in Justice Studies (>50% in Dublin)
- g. Reading Endorsement (100% online)
- h. Bachelor of Science in Education with a Major in Early Childhood Education (>50% in Dublin)
- i. Bachelor of Science in Education with a Major in Middle Grades Education (>50% in Dublin)
- j. Specialist in Education with a Major in Educational Leadership (>50% in Savannah and Dublin)
- k. Specialist in Education with a Major in School Psychology (>50% in Savannah and Dublin)
- l. Master of Education with a Major in Educational Leadership (>50% in Savannah and Dublin)
- m. Master of Education with a Major in Higher Education (>50% in Savannah and Dublin)
- n. Master of Accountancy (>50% in Savannah)
- o. Master of Business Administration (>50% in Savannah) *Withdrawn*
- p. Bachelor of Business Administration with a Major in Management (>50% in Dublin)

Approved: The Board approved the request of President Bruce Grube that Georgia Southern University ("GSO") be authorized to establish several external degrees as listed above, excluding sub-item o which was withdrawn by Committee, effective March 19, 2008.

Modified: This item was modified during the Committee to withdraw sub-item o, Master of Business Administration (>50% in Savannah), from consideration. Georgia Southern University and Savannah State University will discuss this matter in concert with System Office administrators.

Abstract: Georgia Southern University has submitted a detailed plan outlining resources, faculty expertise, instructional design plans, and student support services to enable the external delivery of the external degree programs listed above.

Need: After assessing local and regional needs and determining the extent to which existing programs are offered in an external format, both online and external face-to-face instruction, Georgia Southern University has submitted a list of programs that will be submitted for substantive change with their accrediting body. The programs listed meet specific needs in the specific disciplinary areas of education and business.

Funding: President Grube has provided reverification that funding for the program is available at the institution.

Assessment: The Office of Academic Affairs will work with the institution to measure the success and continued effectiveness of the proposed program. The program will be reviewed in concert with the institution's programmatic schedule of comprehensive program reviews.

15. Establishment of the Milton B. Satcher Jr., M.D. Chair in Musculoskeletal Disease Research, Medical College of Georgia

Approved: The Board approved the request of President Daniel Rahn that the Medical College of Georgia ("MCG") be authorized to establish the Milton B. Satcher Jr., M.D. Chair in Musculoskeletal Disease Research, effective March 19, 2008.

Abstract: The Medical College of Georgia sought approval to establish the Milton B. Satcher Jr., M.D. Chair in Musculoskeletal Disease Research in the Section of Rheumatology. If approved, the special faculty position will be used to recruit and maintain a Chair for research in the field of musculoskeletal disease, primarily, but not limited to, rheumatoid arthritis. Funds are in place within the Medical College of Georgia Foundation in excess of \$615,000. The funding amount exceeds the minima requirement of \$500,000 for chairs established at the research and regional university levels as stipulated in *The Policy Manual*, Section 803.04.02.

Biosketch: Dr. Milton B. Satcher Jr. graduated from the Medical College of Georgia in 1956. He became an orthopedic surgeon and worked in private practice in Atlanta for almost forty years before retiring in 2004. Dr. Satcher is a generous supporter of the Medical College of Georgia.

16. Establishment of the University of Georgia Foundation Professorship in the Arts, 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 University of Georgia Foundation Professorship in the Arts, effective March 19, 2008.

Abstract: The University of Georgia Foundation Professorship in the Arts is funded from unrestricted operating surplus from the fiscal year ending 2006 to support the arts departments: art, music, theatre, and dance. The individual appointed to this professorship shall have an outstanding national reputation; shall be a full professor with tenure; shall hold the professorship as long as her or his performance warrants in the sole judgment of the Franklin College; and shall be engaged in teaching, research, public service, or a combination of such duties. The funds are in place within the

University of Georgia Foundation in the amount of \$303,337. The funding amount exceeds the minima requirement of \$200,000 for professorships established at the research and regional university levels as stipulated in *The Policy Manual*, Section 803.04.02.

17. Establishment of the John Bekkers Professorship in Poultry Sciences, 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 John Bekkers Professorship in Poultry Sciences, effective March 19, 2008.

Abstract: The University of Georgia sought approval to establish the John Bekkers Professorship in Poultry Sciences. Creation of the position is supported by a donation from the Gold Kist Foundation. The position was established for a distinguished faculty member with an outstanding national reputation who will engage in teaching, research, public service or a combination of such duties within the area of poultry science. The professor will also be expected to develop and maintain a highly productive, extramurally funded research program that supports the interests of the Georgia poultry industry. The funds are in place within the University of Georgia Foundation in the amount of \$275,410. The funding amount exceeds the minima requirement of \$200,000 for professorships established at the research and regional university levels as stipulated in *The Policy Manual*, Section 803.04.02.

Biosketch: The donor of the Bekkers Professorship was the Gold Kist Foundation. The Gold Kist Foundation was the charitable arm of the Gold Kist Company that was founded by D.W. Brooks, a long time friend to both the University of Georgia and the College of Agricultural and Environmental Sciences. The Gold Kist Company was bought by Pilgrims Pride in late 2006.

18. Establishment of the James E. and Patricia W. Copeland Deloitte Chair in Accountancy, Georgia State University

Approved: The Board approved the request of President Carl V. Patton that Georgia State Chair University (“GSU”) be authorized to establish the James E. and Patricia W. Copeland Deloitte in Accountancy, effective March 19, 2008.

Abstract: Georgia State University sought approval to establish the James E. and Patricia W. Copeland Deloitte Chair in Accountancy. The Copeland Chair shall be engage in highly visible teaching, research, and service activities consistent with the purpose of the professorship and her or his own academic interests. The activities of the Copeland Chair will benefit the Atlanta business community, as well as engage accounting practitioners and academics from across the country. The funds are in place within the Georgia State University foundation in the amount of \$980,146. The funding amount exceeds the minima requirement of \$500,000 for chairs established at the research and regional university levels as stipulated in *The Policy Manual*, Section 803.04.02.

Biosketch: For decades Jim and Patricia Copeland have been generous supporters of Georgia State University. They are particularly supportive of the activities of the J. Mack Robinson College of

Business and its School of Accountancy as well as the Georgia State University Foundation and Georgia State University Alumni Association.

James Edwin Copeland was born in Chamblee, Georgia. Patricia Watson Copeland is also a native of the Norcross area. Jim has served as a trustee of the Georgia State University Foundation, president of the Georgia State University Alumni Association, and the Board of Advisors of the J. Mack Robinson College of Business. Patricia has been a great advocate of the institution and has supported Jim's many volunteer and leadership roles at the university.

After his graduation from Georgia State in 1967, Mr. Copeland joined Deloitte, Haskins & Sells, and remained with the firm through its various iterations until his retirement as CEO of Deloitte Touch Tohmatsu in 2003. Upon retirement, Mr. Copeland became a Global Scholar at the Robinson College of Business. In this capacity, he has given executive lectures to a variety of audiences and serves as advisor to the college's Center for Enterprise Risk Management and Assurance Services. Mr. Copeland has remained involved in the corporate world through directorships with many organizations such as Coca-Cola Enterprises, ConocoPhillips, and Equifax.

19. 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 Affairs.

20. Termination of the Master of Health Education, Medical College of Georgia

Approved: The Board approved the request of President Daniel W. Rahn that the Medical College of Georgia ("MCG") be authorized to terminate a Master of Health Education degree, effective March 19, 2008.

Abstract: The School of Allied Health Sciences has shifted its programmatic array toward a Masters of Health Sciences with disciplines in specific majors. The School has not enrolled students for the past two years in the Master of Health Education program. During that time, all students have successfully matriculated and been awarded the degree. This degree termination request will not adversely impact any faculty or students. The request is part of an effort by the institution to streamline academic program offerings and better reflects the strategic mission of the institution.

21. Termination of the Master of Education with a Major in Health Promotion and Behavior, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia ("UGA") be authorized to terminate the Master of Education with a major in Health Promotion and Behavior, effective March 19, 2008.

Abstract: The Department of Health Promotion and Behavior requests termination of the Master of Education with a major in Health Promotion and Behavior. The graduate faculty of the department voted in favor of terminating the aforementioned degree. The program has not admitted any students for the degree over the last two to three years and the last student graduated in May 2007. Students with an interest in this area have been advised of the Master of Public Health degree with a concentration in Health Promotion. Termination of the program will not adversely impact students or faculty.

22. Substantive Change of the Bachelor of Science in Mathematics, Columbus State University

Approved: The Board approved the request of President Frank D. Brown that Columbus State University (“CSU”) be authorized to substantively change the existing Bachelor of Science in Mathematics, effective March 19, 2008.

Abstract: Columbus State University sought approval to substantively change existing mathematics degree programs such that the Bachelor of Arts in Mathematics with teacher certification would become a track within the Bachelor of Science in Mathematics program. By creating a track within the Bachelor of Science in Mathematics program, Columbus State University will be able to add elective mathematics courses to the program that prepares future teachers. The change will further consolidate the Department of Mathematics. The Bachelor of Arts in Mathematics will be deactivated to enable current matriculants to graduate before the program is terminated.

23. Council for Accreditation of Counseling and Related Educational Programs Degree Waivers

Approved: The Board approved a request to increase credit hours associated with counseling programs, effective March 19, 2008.

Abstract: Board of Regents approval was sought to approve a Systemwide increase in credit hours for all counseling programs offered at University System institutions. The Council for Accreditation of Counseling and Related Educational Programs (“CACREP”) 2007 Accreditation Standards include a new credit-hour requirement for community counseling programs. Institutions must require 54 semester hours by year 2009 and then increase to 60 semester hours by year 2013. Current Board of Regents policy has a credit-hour cap of 48 hours for community counseling programs. Approval was sought to allow institutions to offer counseling programs up to 60-semester credit hours.

24. Establishment of the Georgia Southwestern State University and South Georgia College South Georgia College Entry Program (“SGCEP”)

Approved: The Board approved the request of President Kendall A. Blanchard of Georgia Southwestern State University (“GSW”) and Interim President Virginia Carson of South Georgia College (“SGC”) to establish the South Georgia College Entry Program (“SGCEP”), effective March 19, 2008.

Abstract: GSW and SGC sought approval to enter into a formal agreement to enable student admission and transfer between the two institutions. To meet the needs of students in the area served by Georgia Southwestern State University who are unable to enroll due to inadequate grades or test scores, students will be able to enroll in the South Georgia College Entry Program (“SGCEP”). Students will take courses that will prepare them for eventual transfer to and acceptance at Georgia Southwestern State University. Students enrolled in the South Georgia College Entry Program will be able to live on the GSW campus and participate in student life activities with the following exceptions: students will not be eligible to participate in intercollegiate athletics or Greek organizations.

The program will offer learning support courses, orientation courses, and courses needed to fulfill College Preparatory Curriculum (“CPC”) deficiencies, as well as 30 semester hours of core curriculum courses. The classes will be taught on the GSW campus by instructors who are employed by South Georgia College. Students will pay South Georgia College tuition rates and work with South Georgia College on all matters pertaining to records and financial aid. Simultaneously, SGCEP students will pay specific fees (e.g., athletic, technology, activities, etc.) to the GSW in its role as host institution. Both campuses have worked cooperatively to set aside space on the GSW campus for the SGCEP program. The cooperative space arrangement includes offices, a consultation room, and classrooms. It is anticipated that the program will attract approximately 100 students in its first year.

GSW and SGC sought approval to establish this program in order to increase opportunities for persons in southwest Georgia who want to pursue a college education.

At the close of the meeting, Regent Potts expressed special congratulations for the newest terminal degreed staff member, Dr. Marci M. Middleton.

The Committee meeting adjourned at approximately 2:30 p.m.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, March 18, 2008, at approximately 1:48 p.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., Kessel D. Stelling Jr., Benjamin J. Tarbuton III, and Richard L. Tucker. The Chair of the Board, Regent Allan Vigil the Interim Vice Chancellor for Fiscal Affairs, Usha Ramachandran, and the Chief Audit Officer & Associate Vice Chancellor for Internal Audits, Ronald B. Stark, were also in attendance. Chair Hatcher reported to the Board that the Committee reviewed three (3) items, one (1) of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Acceptance of Gift for East Georgia College

Approved: The Board accepted on behalf of East Georgia College (“EGC”) a monetary gift of \$1.2 million from A.D. Correll and Ida Lee Correll for the Community Learning Center.

Background: The gift of \$1.2 million in cash will enable EGC to construct a new Community Learning Center for the benefit of the students, faculty, staff and community in Swainsboro. The 5,000-square-foot facility will have a total cost of \$1.6 million, of which \$400,000 will be paid from institutional funds and \$1.2 million from the gift. The project authorization (Project No. BR-86-0801) is Item 1 on the Real Estate and Facilities March agenda.

The gift of \$1.2 million will be made in seven increments beginning with \$100,000 in March 2008 and expected to be completed by July 1, 2009.

2. **Approval of the Associate Vice Chancellor for Life and Health Benefits as Plan Administrator for the Board of Regents of the University System of Georgia's Healthcare, Dental, and Life Insurance Plan Options**

Approved: The Board designated the Associate Vice Chancellor for Life and Health Benefits, John Grovenstein, as plan administrator of the healthcare, dental, and life insurance plan options of the Board of Regents of the University System of Georgia.

Background: The Board of Regents is vested with the legal responsibility to serve as the plan administrator for its respective Systemwide healthcare, dental, and life insurance plan options. The Board of Regents is currently responsible for the administration of two self-insured health benefit plans, two fully insured health maintenance organization ("HMO") health benefit plans, a fully insured high deductible health benefit plan ("HDHP"), a self-insured dental benefit plan, a self-insured basic life insurance plan, and a self-insured supplemental life insurance plan pursuant to authority granted in the Georgia Constitution in O.C.G.A. §20-3-31 and in O.C.G.A. §20-3-51.

The Board, which is the plan administrator for purposes of the code, has all powers and authority expressly conferred upon it. The Board has the sole right to interpret and construe the plans as well as to determine any disputes that may arise there under. In exercising these powers and authority, the Board will at all times exercise good faith, apply standards of uniform application, and refrain from arbitrary action. The Board may employ attorneys, agents, and actuaries, as it finds necessary or advisable, to assist in carrying out its duties.

The Board may designate an individual to serve as the plan administrator for its healthcare, dental, and life insurance benefit programs and carry out any of the Board's powers, authority, or responsibilities. Any delegation must be set forth in writing.

3. **Information Item: Update of Fiscal Year 2008 Tuition Revenue**

The Interim Vice Chancellor for Fiscal Affairs, Usha Ramachandran, provided an update of the University System of Georgia's Fiscal Year 2008 tuition revenue.

4. **Consent to the Issuance Of Bonds Related To MCG Health, Inc.'s Project 2008**

Approved: Pursuant to Section 9.5(2) of the Master Affiliation Agreement between the Board and MCG Health, Inc. ("MCGHI") the Board consented to the issuance of the bonds related to MCGHI's

Project 2008, a project to update facilities and equipment for the benefit of the Medical College of Georgia (“MCG”) Academic Programs. The total bond issuance is approximately \$135 million.

Background: In January 2000, the Board of Regents approved the Master Affiliation Agreement between the Board of Regents and MCGHI. At that time, the parties acknowledged that there may come a time in the future when it would be desirable to cause bonds to be issued for the purpose of financing additions and renovations of the MCG Hospital and Clinics. Section 9.5(2) of the Master Affiliation Agreement provides that “[i]n the event that any such Bond financing shall be determined to be desirable by the parties, hereto, it shall be the responsibility of MCGHI to identify the governmental issuer of the Bonds proposed to fund such facilities, to notify and obtain consent of Regents or its designee for the issuance of the Bonds, and to make appropriate arrangements for issuance and sale of such Bonds.” The Master Affiliation Agreement also makes it clear that if and when the Regents consent to the issuance of such bonds, the Regents are in no way accepting any financial or legal responsibility for the bonds.

In January 2008, MCGHI presented an information item to the Finance Committee related to Project 2008. During this meeting, the Finance Committee was provided with an overview of the project plan and a summary of all projects to be funded by the bond issuance, including the construction of a Comprehensive Cancer Center, acquisition of a linear accelerator, construction, renovation and equipping of the Women’s Center, neuroscience facilities, cardiac facilities, orthopedic facilities, endoscopy suites, and expansion of the emergency department.

Having met its obligation to notify the Regents of the proposed Bond issuance in January, MCGHI obtained the Regents’ approval for issuance of the bonds as contemplated by Section 9.5(2) of the Master Affiliation Agreement so that it can close on the bond deal in a timely fashion and take advantage of the favorable interest rate it obtained from the bank financing the bonds.

Walk on: This item was added by unanimous consent as a walk-on item to the Committee’s agenda.

The Committee meeting adjourned at approximately 1:56 p.m.

COMMITTEE ON INTERNAL AUDIT

The Committee on Internal Audit met on Tuesday, March 18, 2008, at approximately 1:56 p.m. in the Board Room. Committee members in attendance were Chair Donald L. Leebern Jr., Vice Chair Felton Jenkins, and Regents James A. Bishop, Hugh A. Carter Jr., Robert F. Hatcher, Kessel D. Stelling Jr., Benjamin J. Tarbutton III, and Richard L. Tucker. The Chair of the Board, Regent Allan Vigil and the Chief Audit Officer & Associate Vice Chancellor for Internal Audits, Ronald B. Stark, were also in attendance. Chair Leebern reported to the Board that the Committee reviewed one (1) item which required no action. The following item was discussed.

1. Information Item: University System Accounting and Reporting Assessment for the Year Ended June 30, 2007

The State Department of Audits and Accounts (“DOAA”) is required to provide adjustments and misstatements to those persons “providing governance” to the audited organization. A copy of the adjustments and misstatements was mailed to each member of the Internal Audit Committee. Chief Audit Officer & Associate Vice Chancellor for Internal Audit, Ronald B. Stark summarized the data, explained what it means and described what the University System of Georgia is doing to mitigate or eliminate future occurrences. Additionally, Mr. Stark evaluates audit findings and reports the overall audit rating of each institution’s audit annually. The process rates each report completed by the DOAA and assigns a Code 1 through a Code 5 rating. Mr. Stark presented the institutional audit ratings and discussed the quality of the accounting and reporting at University System campuses, as assessed by the DOAA and Office of Internal Audit at the Board of Regents.

Mr. Stark reported that 10 of the 13 audited entities, including the System Office rated Code 1, meaning the audit teams found the overall quality of the institutions’ accounting and financial reporting was high for fiscal year 2007. This year, Fort Valley State University (“FVSU”) rated Code 2. Mr. Stark stated that this institution has made significant progress in 2007, including an unqualified opinion from the Department of Audits and a reduction from 7 Total Findings in FY2006 to 2 in FY2007. Although Albany State University’s (“ALSU”) rating slipped from a 3 to a 4 this year, Mr. Stark recognized the institution’s financial staff for making significant progress in tightening up some of the accounting processes that were considered deficient in their last audit. He added that overall, there is still a substantial opportunity for improvement. Savannah State University’s rating remained at a Code 5. Due in large part to the turnover in senior financial management, the University was not able to make significant improvements compared to the prior year, although the total number of findings reduced by two.

Mr. Stark stated that all but one of the remaining 24 institutions that did not receive full audits received an overall rating of Code 1, with only Notable findings. The exception was Georgia Highlands which received a Code 3 due to 4 Notable and 2 Significant findings. They did not have the staff in place to prepare their own financial statements, which were completed in large part by Kennesaw State University staff. Going into this year-end they have a new CBO and a new Controller, both experienced University System employees. Mr. Stark closed by discussing the actions being taken in accordance with this report to improve reporting for Fiscal Year 2008.

Following the presentation, Regent Hatcher asked Vice Chancellor Stark to provide the committee with a list of the Board of Regents University System Office audit responses.

The Committee meeting adjourned at approximately 2:20 p.m.

COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, March 18, 2008, at approximately 2:28 p.m. in room 7059, the University System Office Training Room. Committee members in attendance were Chair James R. Jolly and Regents W. Mansfield Jennings Jr., Elridge W. McMillan, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and William NeSmith Jr. The Board Vice-Chair, Regent William H. Cleveland was also in attendance. Chair Jolly reported to the Board on Wednesday that the Committee reviewed five (5) items, all of which required action. Within Item 5, the Committee had eight (8) applications for review. In accordance with H.B. 278, Section 3 (amending O.C.G.A. § 50_14_4), an affidavit regarding this Executive Session is on file with the Chancellor's Office. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Approval of the Georgia State University Mutual Aid Agreement with the DeKalb County Police Department

Approved: The Board approved the following Mutual Aid Agreement between Georgia State University and the DeKalb County Police Department, effective March 19, 2008.

Background: Georgia State University has reached an agreement with the DeKalb County Police to provide for the rendering of extraterritorial assistance as defined in Georgia Code 36-69-2 (local emergency) and under the conditions established in Georgia Code 36-69-3 (extraterritorial cooperation and assistance to local law enforcement agencies or fire departments; commander of operations). The mutual aid agreement follows statutory format and has been approved by the Office of Legal Affairs.

2. Approval of the Georgia College & State University Mutual Aid Agreement with Baldwin County

Approved: The Board approved the following Mutual Aid Agreement between Georgia College & State University and Baldwin County, effective March 19, 2008.

Background: Georgia College & State University has reached an agreement with Baldwin County to provide for the rendering of extraterritorial assistance as defined in Georgia Code 36-69-2 (local emergency) and under the conditions established in Georgia Code 36-69-3 (extraterritorial cooperation and assistance to local law enforcement agencies or fire departments; commander of operations). The mutual aid agreement follows statutory format and has been approved by the Office of Legal Affairs.

3. Approval of the Georgia College & State University Mutual Aid Agreement with the City of Milledgeville

Approved: The Board approved the following Mutual Aid Agreement between Georgia College & State University the City of Milledgeville, effective March 19, 2008.

Background: Georgia College & State University has reached an agreement with the City of Milledgeville to provide for the rendering of extraterritorial assistance as defined in Georgia Code 36-69-2 (local emergency) and under the conditions established in Georgia Code 36-69-3 (extraterritorial cooperation and assistance to local law enforcement agencies or fire departments; commander of operations). The mutual aid agreement follows statutory format and has been approved by the Office of Legal Affairs.

4. Approval of the Georgia College & State University Mutual Aid Agreement with the Georgia Military College

Approved: The Board approved the following Mutual Aid Agreement between Georgia College & State University and the Georgia Military College, effective March 19, 2008.

Background: Georgia College & State University has reached an agreement with the Georgia Military College to provide for the rendering of extraterritorial assistance as defined in Georgia Code 36-69-2 (local emergency) and under the conditions established in Georgia Code 36-69-3 (extraterritorial cooperation and assistance to local law enforcement agencies or fire departments; commander of operations). The mutual aid agreement follows statutory format and has been approved by the Office of Legal Affairs.

5. Applications for Review

At approximately 2:35 p.m. on Tuesday, March 18, 2008, Chair James R. Jolly called for an Executive Session for the purpose of discussing personnel matters, and academic records of students. With motion properly made and variously seconded the Committee members who were present voted unanimously to go into Executive Session. Those Regents were W. Mansfield Jennings, Jr., Elridge W. McMillan, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and William NeSmith, Jr., and the Board Vice Chair, Regent William H. Cleveland. Also in attendance were the Vice Chancellor for Legal Affairs & Secretary to the Board, J. Burns Newsome, Assistant Vice Chancellor for Legal Affairs, Kimberly Ballard-Washington, Associate Vice Chancellor for Student Affairs Tonya Lam, and Assistant Vice Chancellor for Academic Affairs, Dr. Dorothy Zinsmeister.

At approximately 3:02 p.m., Chair Jolly reconvened the Committee meeting in its regular session and announced that the following items were discussed in Executive Session.

- a. In the matter of file no. 1951, at the Georgia Institute of Technology, concerning expulsion of a student as a result of alleged honor code violations, the application for review has been denied.
- b. In the matter of file no. 1957, at Clayton State University, concerning the dismissal of a student from an English course, the application for review has been denied.
- c. In the matter of file no. 1958, at the Georgia Institute of Technology (“GIT”), concerning a student’s alleged violation of GIT’s Student Code of Conduct (unauthorized collaboration), the application for review has been denied.

- d. In the matter of file no. 1959, at the Georgia Institute of Technology (“GIT”), concerning a student’s alleged violation of GIT’s Student Code of Conduct (unauthorized access), the application for review has been denied.
- e. In the matter of Mr. David C. Hortman, at Georgia Highlands College, concerning termination of his employment, the application has been denied.
- f. In the matter of Dr. Kananur V. Chandras, at Fort Valley State University, concerning discrepancies with grounds for determining his merit raise, the application for review has been granted.
- g. In the matter of file no. 1961, at the University of Georgia, concerning a student’s request to delete a grade for which she was granted a course waiver by the University, the application for review has been denied.
- h. In the matter of file no. 1962, at Fort Valley State University (“FVSU”), concerning the suspension of a student for alleged violation of FVSU’s Student Code of Conduct, the application for review has been denied.

The Committee meeting adjourned at approximately 3:03 p.m.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, March 18, 2008, at approximately 2:20 p.m. in the Board Room. Committee members in attendance were Chair Richard L. Tucker, Vice Chair Benjamin J. Tarbutton III, and Regents James A. Bishop, Hugh A. Carter Jr., Robert F. Hatcher, Felton Jenkins, and Kessel D. Stelling. Chairman of the Board, Allan Vigil, and the Vice Chancellor for Facilities, Linda M. Daniels, were also in attendance. Chair Tucker reported to the Board that the Committee reviewed ten (10) items, all of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Authorization of Project No. BR-86-0801, Community Learning Center, East Georgia College

Approved: The Board authorized Project No. BR-86-0801, Community Learning Center, East Georgia College (“EGC”), with a total project budget of \$1.6 million to be funded by private donor funds (\$1.2 million) and institutional funds (\$400,000).

Understandings: The 5,000-square-foot Community Learning Center will be located at the new main entrance to the campus at Meadow Lake Parkway and Lambs Bridge Road. The center will include an educational technology center, containing three classrooms, a planetarium and resource library, and administrative and career counseling space. The center will enhance EGC’s mission by providing space for tutorial, team studies and learning support services for EGC students and K-12 students, as well as flexible classrooms for meetings, workshops, and small conferences which will be available for use by local community civic and business organizations, and also local elementary school faculty, teachers, and students.

The project is consistent with EGC's master plan.

The estimated construction cost for this project is \$1,300,000.

The University System Office staff and EGC will proceed with design and construction of the project in accordance with the Board of Regents procedures.

2. **Appointment of Program Management Firm, Project No. BR-31-0801, Engineering Technology Center and Renovation of Building I, Southern Polytechnic State University**

Approved: The Board appointed the first-named program management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with other listed firms in rank order.

Following public advertisement, a qualifications-based selection process for a program management firm was held in accordance with Board of Regents procedures. The following recommendation was made:

Project No. BR-31-0801, Engineering Technology Center and Renovation of Building I, Southern Polytechnic State University

Project Description: This project was authorized by the Board in August 2007. The Engineering Technology Center, an approximately 130,000-square-foot facility, will provide laboratory, classroom and office space. The facility will include the Computer Engineering Technology, Electrical Engineering Technology, Industrial Engineering Technology, Mechanical Engineering Technology, Mechatronics Engineering, Systems Engineering, and Telecommunications Engineering Technology programs.

Renovation to Building I, including the renovation of the existing building and a 9,000-square-foot addition, will provide studio space classrooms and support spaces for the architecture program.

The project will be funded from a \$2 million gift, \$2 million fiscal year 2008 General Obligation ("G. O.") Bond funds and anticipated \$38 million G. O. Bond funds.

Total Project Cost:	\$42,000,000
Construction Cost (Stated Cost Limitation)	\$30,800,000

Number of program management firms that applied for this commission: 8

Recommended firms in rank order:

1. Hal Gibson Companies, LLC, West Point
2. Hendessi & Associates, LLC, Atlanta
3. Construction & Property Consultants, Inc., Norcross
4. Heery International, Inc., Atlanta

3. Appointment of Construction Management Firm, Project No. BR-66-0802, Health and Human Science Renovation, Georgia Southern University

Approved: The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with other listed firms in rank order.

Following public advertisement, a qualifications-based selection process for a construction management firm was held in accordance with Board of Regents procedures. The following recommendation was made:

Project No. BR-66-0802, Health and Human Sciences Renovation, Georgia Southern University

Project Description: The project was authorized by the Board in August 2007. Hendricks Hall, a 45-year-old former dormitory, will be renovated for adaptive reuse for general faculty, administrative offices, and support space. Renovations will include new interior finishes, mechanical systems, electrical, networking, fire alarm and security systems, a new entrance, windows and doors, a parking area, and landscaping. The project will be funded from \$1.6 million Georgia Southern University institutional funds and anticipated \$4 million General Obligation (“G. O.”) Bond funds.

Total Project Cost:	\$5,600,000
Construction Cost (Stated Cost Limitation)	\$4,500,000

Number of construction management firms that applied for this commission: 7

Recommended firms in rank order:

1. Garbutt/Christman, Dublin
2. Piedmont Construction Group, LLC, Macon
3. Choate Construction Company, Pooler

4. Appointment of Construction Management Firm, Project No. BR-10-0801 Expansion and Renovation of Georgia Museum of Art, University of Georgia

Approved: The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be

possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with other listed firms in rank order.

Following public advertisement, a qualifications-based selection process for a construction management firm was held in accordance with Board of Regents procedures. The following recommendation was made:

Project No. BR-10-0801, Expansion and Renovation of Georgia Museum of Art, University of Georgia

Project Description: The project was authorized by the Board in November 2007. The original project was approved by the Board in June 1998 as a privately funded companion to Project J-34 Performing and Visual Arts Center Phase II, School of Art. The approximately 28,000-square-foot expansion and renovation will include a second level expansion of the existing galleries, with a connection on the west side of the existing building, as well as an expansion of the storage area on the north side of the existing building. Additionally, a prominent entry, public reception space, and additional gallery space for permanent collections and traveling exhibitions will be provided. Exterior improvements will include outdoor public spaces, display areas, and a sculpture garden.

Total Project Cost:	\$20,000,000
Construction Cost (Stated Cost Limitation)	\$14,750,000

Number of construction management firms that applied for this commission: 11

Recommended firms in rank order:

1. Holder Construction Company, Atlanta
2. McCarthy Building Companies, Inc., Atlanta
3. Brasfield & Gorrie General Contractors, Atlanta

5. Demolition of Building, 888 Hemphill Avenue, Georgia Institute of Technology

Approved: The Board declared the Central Receiving-Property Control Building, 888 Hemphill Avenue on the campus of the Georgia Institute of Technology (“GIT”), Atlanta, Georgia, to be no longer advantageously useful to GIT or other units of the University System of Georgia and authorize demolition and removal of this building.

The Board will request that the Governor issue an Executive Order authorizing the demolition and removal of this building from the campus of GIT.

Demolition and removal of this building is subject to adequate mitigation of all adverse environmental impacts.

Understandings: The 12,000-square-foot Central Receiving-Property Control Building, constructed in 1957, is a one-story wood-frame structure with brick veneer in fair to poor condition requiring structural repairs, roof replacement, fire and life safety upgrades. The GIT 2004 master plan identified this building for demolition.

As required by the Georgia Environmental Policy Act and the appropriate State Stewardship review, the Georgia Historic Preservation Division has reviewed this proposed project.

A hazardous materials survey and assessment has been conducted and has identified recommendations for the proper management and disposal of asbestos-containing materials, lead based paint, and other hazardous materials during demolition to ensure compliance with environmental regulations.

The site is an integral component of the Georgia Tech Eco-Commons and will be used as a student recreation area.

6. Demolition of Building, 799 Marietta Street, Georgia Institute of Technology

Approved: The Board declared the Atlantic Sheet Metal Corporation Building, 799 Marietta Street on the campus of the Georgia Institute of Technology (“GIT”), Atlanta, Georgia, to be no longer advantageously useful to GIT or other units of the University System of Georgia and authorize demolition and removal of this building.

The Board will request that the Governor issue an Executive Order authorizing the demolition and removal of this building from the campus of GIT.

Demolition and removal of this building is subject to adequate mitigation of all adverse environmental impacts.

Understandings: The Board authorized the acquisition of this property in August 2007. The Board was informed at that time that demolition of this 23,000-square-foot office/warehouse building, built in about 1938, was being contemplated.

As required by the Georgia Environmental Policy Act and the appropriate State Stewardship review, the Georgia Historic Preservation Division has reviewed this proposed project.

A hazardous materials survey and assessment has been conducted and has identified recommendations for the proper management and disposal of asbestos-containing materials, lead based paint, and other hazardous materials during demolition to ensure compliance with environmental regulations.

A support services building is proposed for the site. Until developed, the site will be used for surface parking.

7. Acquisition of Real Property, 5881 Trammell Road, Clayton State University

Approved: The Board authorized the purchase of approximately 12.026 acres of improved real property located at 5881 Trammell Road, Morrow, and known as the Atlanta Bible College from the Church of God General Conference (the “CGGC”) for \$2,320,000 for the use and benefit of Clayton State University (“CLSU”).

The legal details involved with this purchase of real property will be handled by the Office of the Attorney General.

Understandings: Acquisition of this real property is consistent with the CLSU master plan.

This real property is improved with three main structures.

- 1) a 15,720-square-foot two-story academic building, built in the early 1980’s, of masonry and wood frame construction in generally good condition,
- 2) an 11,800-square-foot three-story dormitory building, built in the early 1990’s, of masonry and wood frame construction in generally fair condition and
- 3) a 1,400- square-foot split level single family residence in fair condition.

CLSU has conducted a facility condition analysis on all facilities and has identified \$432,000 in repairs or renovations needed for the academic building and dormitory building over the next five years. This work will be performed using institutional funding. The single family residence will be vacant on acquisition, and the intent of CLSU is to demolish it when institutional funding for this purpose is available. Further action by the Board will be required for this demolition.

CGGC will rent the academic building and dormitory building for up to thirty-six months from the date of transfer for \$12,083.00 per month plus all expenses.

The real property and facilities will be used by CLSU for additional classrooms and faculty offices after the initial lease to CGGC has expired or terminated.

Three independent appraisals of the real property are as follows:

<u>Appraiser</u>	<u>Appraise</u>	<u>Average</u>
Fred Ollman, Jr. MAI, Atlanta	\$2,435,000	
M. Donald Poore, MAI, Atlanta	\$2,400,000	\$2,320,000
C. Clayton Davie, MAI, Atlanta	\$2,125,000	

There are no restrictions on the acquisition and no known reversions, restrictions, or adverse easements on the real property.

An environmental site assessment has been conducted and indicates no significant adverse environmental issues.

Funding for the purchase is from institution funds.

8. Rental Agreement for Student Recreation Center, Georgia Gwinnett College

Approved: The Board authorized the execution of a rental agreement between GGC Real Estate Parking I, LLC (the “LLC”), Landlord, and the Board of Regents, Tenant, for a recreation center located at 55 Collins Industrial Way and containing approximately 36,862 square feet commencing on April 1, 2008 and ending June 30, 2008 at no rent with the option to renew for the period July 1, 2008 through June 30, 2009, at a rent not to exceed \$325,000 annualized with further options to renew on a year-to-year basis for up to an additional 2 consecutive one-year periods with rent increasing no more than 3% for each option period exercised, with the further option to renew for a one-year period at a rent not to exceed \$440,000 annualized and then further options to renew on a year-to-year basis for up to 20 consecutive one-year periods (the last such option period ending no later than June 30, 2032) with rent increasing no more than 3% for each option period exercised.

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

Understandings: This facility will serve as the recreation building for the Georgia Gwinnett College (“GGC”) campus. GGC has a shortage of building space to serve the current and projected enrollment.

A recreation fee of \$40 per semester was approved by the Board in May 2007.

It is the intent of the LLC to donate the real property, all improvements and any accumulated capital reserves to the Board of Regents no later than June 30, 2032.

9. Ground Lease and Rental Agreement, Student Housing, Fort Valley State University

Approved: The Board declared an approximately 3 acre tract of unimproved real property on the campus of Fort Valley State University (“FVSU”), no longer advantageously useful to FVSU or other units of the University System of Georgia but only to the extent and for the purpose of allowing this real property to be ground leased to Fort Valley University Foundation Wildcat Commons II, LLC, (the “LLC”) for the purpose of providing housing facilities containing approximately 378 student housing beds and site amenities.

The Board authorized the execution of a ground lease, including necessary access, use, and construction easements and encroachments, between the Board of Regents, Lessor, and the LLC, Lessee, for the above-referenced approximately 3 acres of real property on the campus of FVSU for a period not to exceed 32 years (not to exceed 30 years from the date the LLC obtains a certificate of occupancy for approximately 378 student housing beds and site amenities and providing a construction period of not more than two years) with an option to renew for up to an additional five

years should there be debt outstanding at the end of the original ground lease term, for the purpose of providing housing facilities containing approximately 378 student housing beds and site amenities.

The Board authorized the execution of a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for the above-referenced housing facilities containing approximately 378 student housing beds and site amenities for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for approximately 378 student housing beds and site amenities but not earlier than January 1, 2009 and ending the following June 30 at no rent; with an option to renew for a one year period at a rent not to exceed \$1,000,000 annualized with a further option to renew for an additional one year period at a rent not to exceed \$1,100,000 annualized with further options to renew on a year-to-year basis for up to 27 consecutive one-year periods (the total not to exceed 30 years from the date of the certificate of occupancy) with rent increasing no more than 3% for each further option period exercised.

The Board authorized the execution of a site license between the Board of Regents and the LLC, Licensee, to allow early site access to mobilize, commence site work, and install site utilities.

The terms of these agreements are subject to review and legal approval of the Office of the Attorney General.

Understandings: In October 1997, the Board passed a student housing policy that requires the preparation of a comprehensive plan for student housing together with a financial plan to support housing program objectives. FVSU has developed a comprehensive plan that is consistent with the policy.

In October 2007, the Executive Director of Real Estate Ventures, Marty Nance, presented to the Real Estate and Facilities Committee, as an information item, the need to obtain new student housing at FVSU through a privatization process.

The FVSU plan will provide 378 new student housing beds in suite-style housing units.

The anticipated schedule is for the LLC to have a bond closing by the end of May 2008 and commence construction immediately thereafter. Construction is expected to be complete in December 2008 to allow occupancy by FVSU at the beginning of the Spring 2009 semester.

At the end of the term of the ground lease, the real property, all improvements, and any accumulated capital reserves will become the property of the Board of Regents.

10. Executive Session

At approximately 2:32 p.m. on Tuesday, March 18, 2008, Chair Richard Tucker called for an Executive Session for the purpose of discussing possible real property acquisitions. With motion properly made and variously seconded, the Committee members who were present voted unanimously to go into Executive Session. Those Regents were Chair Richard L. Tucker, Vice Chair Benjamin J. Tarbutton III, and Regents James A. Bishop, Hugh A. Carter Jr., Robert F. Hatcher,

Felton Jenkins, and Kessel D. Stelling. Chairman of the Board, Allan Vigil and Regent Willis J. Potts Jr. were also in attendance. The following staff members were also in attendance: the Vice Chancellor for Facilities, Linda M. Daniels, the Assistant Vice Chancellor for Legal Affairs, Daryl Griswold, the Chief Operating Officer, Robert E. Watts, the Interim Vice Chancellor for Fiscal Affairs, Usha Ramachandran, the Assistant Vice Chancellor for Real Estate and Administration, Peter Hickey, the Executive Director for Real Estate Ventures, Marty Nance, and the Director of Real Estate Services, Joseph Fucile. Others in attendance for a portion of the executive session included President Everett Freeman from Albany State University, President Michael F. Adams from the University of Georgia (“UGA”), and the following UGA staff members: the Senior Vice President for Finance and Administration, Timothy Burgess, the Senior Vice President for External Affairs, Thomas Landrum, the Director of the Georgia Museum of Natural History & Professor of Ecology, Byron “Bud” Freeman, and the Director of Real Estate and Space Management, J. Dorsey. The Associate Curator of History from the Columbus Museum, Mike Bunn, was also present. In accordance with H.B. 278, Section 3 (amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor’s Office.

At approximately 3:40 p.m., Chair Tucker reconvened the Committee meeting in its regular session and announced that the Committee approved the acquisition of real property.

The Committee meeting adjourned at approximately 3:42 p.m.

MEDICAL EDUCATION EXPANSION UPDATE

The Senior Vice Chancellor for Health and Medical Programs & President of Medical College of Georgia, Daniel W. Rahn, updated the Board on the Medical Education Expansion.

Dr. Rahn stated that he is honored to be the spokesperson for this University System of Georgia Initiative. He asked the Regents to let him know whether or not the bi-weekly, two-page updates he has provided about the ongoing progress of the collaborative effort between the Medical College of Georgia (“MCG”) and the University of Georgia (“UGA”) is meeting their needs. He then stated that the overarching intent of the Medical College of Georgia’s Physician Education Expansion Project is to contribute to a healthier Georgia by assuring that Georgia has an adequate health professions workforce to meet the needs of the citizens of the state. In the particular case of physician education, it is to assure that adequate physicians are produced. The magnitude of the challenge and the scope of the proposed expansion are daunting and require simultaneous effort on multiple fronts. The overarching goal for physician education is 1200 enrolled medical students by 2020 by expanding the campus in Augusta, partnering with UGA, and developing clinical educational campuses for student education around the state beginning in Albany and Savannah, and other locations as opportunities arise. This increase in medical student enrollment must be aligned with the expansion of graduate medical education/residency education or the goal of increased physicians for the state will not be achieved. Another component of the plan, however, is to focus on the opportunity for the expansion of research that is presented by a robust partnership between UGA and MCG and by a statewide coordinated approach. That is a key component of the roadmap plan that was presented and has been used as the foundation of planning for the Board of Regents. Dr. Rahn encouraged the Regents to review the research side of that plan as time permits.

There are many different issues and challenges associated with this initiative. One is that in order to succeed, the System must have sound plans. The plans, however, must also be externally vetted and approved for the accrediting body for medical student education, the Liaison Committee on Medical Education (“LCME”). The LCME has 125 standards that must be met for accreditation of a school of medicine. Any expansion of MCG’s medical education program, in Augusta and at sites across the state, must be conducted in close concert with the LCME. Dr. Rahn stated that the staffs at both MCG and UGA are in communication with the LCME. President Michael F. Adams and the Vice President for Academic Affairs and Provost, Arnett C. Mace of the University of Georgia and Dean of the School of Medicine at the Medical College of Georgia, D. Douglas Miller and Dr. Rahn are in the processes of coordinating their schedules to set up a meeting with the LCME representatives to assure that the System’s goals and the LCME’s expectations are aligned.

Another key issue is funding. Governor Perdue’s budget for FY09 includes \$7.2 million in new funding as requested by the Board of Regents to support expansion of public medical education in Georgia through the University System of Georgia and the Medical College of Georgia including the strategic partnership between MCG and UGA. Dr. Rahn stated that it is critical that the budget be approved in order for the plans to move forward.

The primary areas of focused effort at present are developing the facilities requirements, curriculum, recruitment of leadership, developing faculty, and developing clinical affiliations for educational experiences for students. All of this is ongoing. Dr. Rahn stated many Regents have asked when a formal agreement, a memorandum of understanding (“MOU”) or operating agreement, between the University System of Georgia, MCG, and UGA will be established. He stated that since roles change, all parties have to have an understanding of what their role and the role of each partnering institution will be. He said they are currently working on how to approach in concert with the accrediting body so that the agreements that are formed meet the external expectations of the LCME. Dr. Rahn stated that the Regents would continue to receive the bi-weekly updates about the ongoing activities associated with the expansion as well as what is on the horizon.

Dr. Rahn said that a unique opportunity has been afforded to the Board through this project by taking a statewide approach and leveraging the strengths of the state’s health sciences research university and comprehensive research land-grant university. He stated that infrastructure of Georgia’s health system is facing a lot of challenges including increase in demand; workforce shortages in nursing, allied health sciences, pharmacy, dentistry, and medicine; an aging and increasingly diverse population; uneven access to healthcare and a cost trajectory that is unsustainable. At the same time, the cost of ill health is enormous in terms of quality of life of the individuals experiencing ill health; limitations in educational attainment by children who do not have proper dentition or suffer from a chronic disease like asthma; and decreased disease free productive years of life on family and economic development. The fact that Georgia lags in many indices of population health has both a large human toll and an enormous economic toll. The University System has an opportunity to address many of these issues in a significant way in a coordinated fashion. Health is impacted by issues from the micro-level to macro-societal-level. For example, 50% of premature mortality is estimated to be attributable to lifestyle issues such as obesity, exercise, diet, substance abuse, risky behavior and the like. Most diseases begin with a type of abnormality at the genetic or genomic level

including: abnormal genes, abnormal regulation of normal genes, abnormal of translation of gene products to molecules or proteins that affect cellular and organ function. The tools are now available to understand what attributes to diseases such as hypertension, cardiovascular disease and the development of cancers at the genetic, chromosomal level and, through research, identify the potential targets for intervention. This information then needs to be translated through animal models and up to early human trials by developing the interventions to approach these diseases in human beings as well as learning what unintended consequences can occur and the potential for effectiveness. The next level is behavioral, personal habits that affect a person's health. This is followed by societal issues, such as economics and disadvantage to healthcare and education. Another issue is stress and how sustained stress effects molecular pathways and cause disease. At the top of this meter are state and federal policy decisions. This includes decisions regarding adequate funding for trauma care, access for the uninsured and underinsured. In order to have the intended impact on health, the System has to focus on the entire vertical issue from what scientists can do at the basic molecular level, what can be done to create the infrastructure for clinical trials and translational studies, and understanding what is happening at the public health level in order to potentially guide public health interventions or policy decisions. Dr. Rahn believes that this is the opportunity that the Board of Regents and University System of Georgia have in using a statewide coordinated effort to implement the medical expansion project. The University System's institutions do not have the power to exact this type of change on their own, but with the right types of strategic partnerships led by MCG and UGA, it can be done. Organizations Dr. Rahn listed for the partnership includes: UGA, MCG and other institutions throughout the System; regional public health departments; K-12 institutions; and the professionals who will lead in the public health, direct practice, and the health policy arena. This is an extraordinary opportunity to combine strengths, access new research funding, recruit faculty who will be the thought leaders in this arena, producing the professional researchers and academics of the future who will influence policy and knowledge and able the System to take a comprehensive approach to these societal issues will have an enormous impact on health, health related quality of life, and the economy of the region. It is a unique opportunity to do well by doing good. Dr. Rahn added that he believes the University System of Georgia has a national leadership opportunity with this project. As they go through the more mundane tasks of securing facilities and getting agreements in place, Dr. Rahn stated that the Regents and the System staff must keep this higher purpose in mind.

Chair Vigil asked Dr. Rahn to discuss how the expansion will affect the economy. Dr. Rahn responded that though he is not a health economist he could share the findings provided by the Tripp Umbach firm. The Tripp Umbach report showed that much of the impact would be at the health level. It estimated that if the System can provide the physicians needed, particularly in the underserved areas of the state that each physician in a currently underserved area can have an economic impact of \$3.2 million by providing preventive services in the right setting and not having untreated disease present in emergency settings where both the consequences for the individual and the cost are much greater. If the System provides an adequate number of physicians by 2020, that would be 1500 additional physicians in underserved areas with an annual economic swing of \$5 billion. Additionally, UGA and MCG have the opportunity to jointly experience a bump in life sciences research by bringing their complementary strengths together, which could lead to tens of millions of dollars in research. Currently, the combined total funding for both institutions is approximately \$75 million from the National Institutes of Health ("NIH"). The partnership will give

them the opportunity to put programs together and combine strengths to see at least a 15% bump in that funding. The downstream impact of that in terms of technology transfer and business development is very significant. The report estimated that at going from a total economic impact of \$1.6 billion to \$3.2 billion on an annual basis through the research and academic health center engine distributed around the state. The return on investment of tax dollars as detailed in the report, given current tax structure, was estimated to be \$2.45 for every dollar invested.

In response to Regent Bishop's question regarding attracting doctors to the underserved areas, Dr. Rahn explained that the first step is to assure that the System is producing the necessary pipeline. The research has shown that Georgia residents who receive medical student education in state and attend a residency in state are two-thirds more likely to remain in the state. The next step involves a range of policy decisions and incentives and different kinds of intervention to encourage these independently licensed professionals to pursue the specialties of need and work in the areas of need. Regent Tarbutton noted that if, as the report estimated, 10,000 new jobs are created through this expansion, it would be the equivalent of having four Kia Motors Corporation plants in Georgia. This would make a huge impact not just in one concentrated area, but throughout the state. Dr. Rahn responded to Regent Jenkins' questions about the time line for the expansion in Athens by stating that as the timeline states "as early as 2009, no later than 2010," they are proceeding as rapidly as possible, but will learn more when they have their face-to-face with the LCME. He explained that a certain amount of infrastructure, commitments, curriculum development and leadership must be in place before they would be prepared to have a site visit. It is the site visit that determines when they would be approved to move forward. He said that it is a very aggressive timeline with a fall back of fall 2010.

There were no further questions.

LEGISLATIVE UPDATE

Chairman Vigil asked the Senior Vice Chancellor for External Affairs, Thomas E. Daniel to give his legislative update. Mr. Daniel gave a three part presentation which included agency legislation, other bills and resolutions that impact the System, and the Fiscal Year 2008 amended and Fiscal Year 2009 budgets.

The agency legislation, on which the System Office is working in conjunction with the Governor's Office, includes House Bill ("HB") 1183, HB 815, HB891, and Senate Bill ("SB") 514. HB1183 is also called the "Carry Forward" legislation. It allows the University System of Georgia to carry forward continuing education money from one fiscal year to the next with indirect cost recovery associated with federal grants and contracts as well as tuition which is a new addition to the bill. Until this point, the University System has not been able to carry forward tuition from one fiscal year to the next. The fixed-for-four tuition concept makes this bill even more important to the System and System Office staff has been working with the Governor's office and members of the general assembly to bring this about. In the past, System institutions have had the ability to carry forward indirect cost recovery related to technology fees and continuing education but the addition of tuition is most important. This bill, which passed the House of Representatives thanks to Representative Bob Smith has also passed the Senate Higher Education Committee and is now before the Senate

Rules Committee. If passed as expected, it has a sunset clause, expanding it for two more years, at which time the System will have to seek its renewal. Mr. Daniel acknowledged the key role of the Acting Budget Director for Fiscal Affairs, Bruce Spratt who, along with the Interim Vice Chancellor for Fiscal Affairs, Usha Ramachandran, responded without hesitation to assist him with additional information needed for the session. Mr. Daniel stated that this was just one example of the good team work he had been receiving all year.

HB815 is the Optional Retirement Plan. This bill, which was introduced last year, has passed the House of Representatives and has been championed by Representative Carl Rogers. It is currently in the Senate Retirement Committee and Senator Bill Heath has pledged his assistance. HB891 is regarding the transfer of the Georgia Aviation and Technical College employees to the Board of Regents as employees. It addresses the technical issues involved with these employees transferring between retirement systems, ensuring that the employees are treated fairly in the transition. This is a retirement bill with a fiscal impact so it will have to be reintroduced in the 2009/2010 cycle. Representative Jimmy Pruet and Senator Tolleson who continue to work with the System on this bill are aware of this and are in agreement with it. The employees have also been thoroughly briefed.

Regarding SB514 is a bill related to residency issues for in-state, out-of-state and international students. The System has voluntarily decided to hold this bill after it was amended. Senator Seth Harp, who is a sponsor of the bill, is in agreement.

The Chief Academic Officer & Executive Vice Chancellor, Susan Herbst, continue to work with Representatives Tom Rice and Bill Hembree on HB154, which is on Intellectual Diversity. HB 89, a bill which would allow guns in vehicles and HB915, a bill that would make it legal to have firearms on campuses, are both currently in Conference Committee. Although the committee has not yet met, the System's position has been made very clear to all parties.

HB941 deals with the ability of Senior Citizens to attend System institutions. Presently, Georgia residents who are 62 or older may attend System institutions on a space available basis. Legislation has been introduced to reduce the age from 62 to 60. This bill passed the House and is pending in the Senate Higher Education Committee. Mr. Daniel stated that he fully expects HB1113 and SB548 senate government oversight of Purchasing Cards ("P-Card) to pass. The bill is currently in the House Appropriations Committee.

Other bills that affect the University System are as follows.

Bill	Affect	Status
HB1184	Sports for students with disabilities	passed House and passed Senate Higher Education Committees, currently in the Senate Rules Committee
SB196	Scholarships to children of combat veterans have additional scholarships	Passed Senate in House Appropriations Currently in Senate Rules
SB512	grants to NGC&SU for students who accept commission to get additional compensation	Passed Senate In House appropriations subcommittee
SB542/HB817	creates the McPherson Implementing Local Redevelopment Authority	
HR1156	would abolish the Board of Regents	Tabled

HR1627 call for making Georgia #1 in education and involves K-12, technical and adult education and the University System. Some of the goals, however, are similar to those stated in HR1156. Mr. Daniel assured the Board that if the study committee is appointed he and his staff will follow it very closely and work with the author and the powers that be. He also mentioned two additional resolutions urging a focus on teacher education. He noted that this is already a goal for the System.

At last month's meeting, Mr. Daniel reported Fiscal Year 2008 Amended Budget had been adopted by House of Representatives and was pending before the Senate Appropriations Committee. The Governor's only recommendation in the amended budget is the physical transfer of the Olympic Village dorms from the Georgia State Finance and Investment Commission ("GSFIC") to the Georgia Institute of Technology. Mr. Daniel announced that the Conference Committee report had been signed and that the transfer was in the agreement. There were no issues. He stated that the budget for Fiscal Year 2009 was scheduled to be discussed on the floor in the House Appropriations at 2:30 that afternoon. He stated that Thursday, March 20, 2008, would be Day 34 for the Committee, which would recess and reconvene one week later for Day 35. Mr. Daniel stated he would keep the Board posted on any developments. Mr. Daniel concluded his report and asked if there were any questions. There were none.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

Chair Vigil asked the Secretary to the Board, J. Burns Newsome, to present the honorary degree requests to the Board. Secretary Newsome thanked Chair Vigil and stated that the Regents had seen the resumes and the honorary degree proposal from the respective institution presidents and the university Honorary Degree Committees. From the Georgia Institute of Technology, President G. Wayne Clough requested approval for an Honorary Degree to be awarded to Mr. Dean Kamen. From North Georgia College & State University, President David Potter requested approval for an Honorary Degree to be awarded to Mr. Mike Cottrell. Mr. Newsome stated that the Chancellor's staff had reviewed these proposals carefully, and recommended them with enthusiasm. With motion properly made, seconded, and unanimously adopted, the Board approved both requests.

Chancellor Davis: asked for feedback on whether or not the bi-weekly reports on the Medical Education Expansion were helpful. He also asked for feedback on the Operating Summary that was sent them last month. An abbreviated version of the summary is planned to be provided on a monthly basis. Is it a good tool to keep the Board abreast of strategies and a sense of what is being done to put the strategies into operation.

PETITIONS AND COMMUNICATIONS

Secretary to the Board, J. Burns Newsome, announced that the next regular meeting of the Board is scheduled for April 15-16, 2008 on the campus of Columbus State University ("CSU"). He added that President Brown had forwarded the Regents information regarding this meeting and that, if they had not already received the information, they should expect it within the coming days.

EXECUTIVE SESSION

At approximately 11:00 a.m. on Wednesday, March 19, 2008, Chair Allan Vigil called for an Executive Session for the purpose of discussing personnel and compensation issues. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into Executive Session. Those Regents are as listed above. University System of Georgia staff members who were also present included Chancellor Erroll B. Davis Jr., the Vice Chancellor for Legal Affairs, J. Burns Newsome, the Chief Operating Officer, Robert E. Watts, the Chief Academic Officer & Executive Vice Chancellor for Academic Affairs, Susan Herbst, and the Senior Vice Chancellor for Health and Medical Programs & President of the Medical College of Georgia, Daniel W. Rahn. In accordance with H.B. 278, Section 3 (amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor's Office.

At approximately 11:26 a.m., Chair Vigil reconvened the Committee meeting in its regular session and announced that no action had been taken in Executive Session.

The Committee meeting adjourned at approximately 11:28 a.m.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 11:30 a.m. on Wednesday, March 19, 2008.

s/_____
J. Burns Newsome
Secretary, Board of Regents
University System of Georgia

s/_____
Allan Vigil
Chair, Board of Regents
University System of Georgia