

**MINUTES OF THE MEETING OF THE  
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA  
Held at  
Atlanta, Georgia  
June 8-9, 2010**

**CALL TO ORDER**

The Board of Regents of the University System of Georgia met on Tuesday, June 8, and Wednesday, June 9, 2010, in the Board Room, 270 Washington St., S.W., Atlanta, Georgia. The Chair of the Board, Regent Robert F. Hatcher, called the meeting to order at approximately 1:00 p.m. on Tuesday and approximately 9:40 a.m. on Wednesday. Present in addition to Chair Hatcher were Vice Chair Willis J. Potts, Jr. and Regents Kenneth R. Bernard, Jr., James A. Bishop, Frederick E. Cooper, C. Thomas Hopkins, Jr., Felton Jenkins, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., William H. NeSmith, Jr., Doreen Stiles Poitevint, Wanda Yancey Rodwell, Benjamin J. Tarbutton, III, Richard L. Tucker, and Larry Walker. Regent Larry R. Ellis was excused on both days. Regent Kessel D. Stelling, Jr. was present on Tuesday and excused on Wednesday, and Regent James R. Jolly was excused on Tuesday and present on Wednesday.

**INVOCATION**

The invocation was given by Regent Kenneth R. Bernard.

**SAFETY BRIEFING**

The safety briefing was given on Tuesday by Chief Bruce Holmes and on Wednesday by Ms. Sandra Neuse, Assistant Vice Chancellor for Compliance & Operations.

**ATTENDANCE REPORT**

The attendance report was given by Secretary to the Board Burns Newsome.

**APPROVAL OF MINUTES**

The minutes of the Board of Regents meetings held on May 11-12, 2010, were unanimously approved.

**ELECTION OF OFFICERS**

On motion properly made and seconded, the Board elected Regents Willis J. Potts, Jr. and Felton Jenkins, as Chair and Vice Chair of the Board, respectively, for Fiscal Year 2010-2011.

## **COMMITTEE REPORTS**

### **EXECUTIVE AND COMPENSATION COMMITTEE**

The Executive and Compensation Committee met on Tuesday, June 8, 2010, at approximately 11:34 a.m. in Room 7019. Committee members in attendance were Chair Robert F. Hatcher, Vice Chair Willis J. Potts, Jr., Regents Felton Jenkins, and W. Mansfield Jennings, Jr., as well as ex-officio members, Regents Donald M. Leebern, Jr. and Richard L. Tucker. Members of the University System Office senior staff were also in attendance. Chair Hatcher reported to the Board that the Committee reviewed several informational items in executive session but took no action.

#### **1. Proposed Schedule for Future Board of Regents Meetings**

The Board reviewed the proposed scheduled Calendar Year 2011 and the remainder of the 2010 meeting schedule. The Board will vote on the proposed dates at a future meeting.

#### **2. Executive Session: Personnel Matters**

At approximately 11:39 a.m., Chair Robert F. Hatcher called for an executive session for the purpose of discussing personnel matters and litigation. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. Those Regents are listed above. Chancellor Erroll B. Davis, Jr. and the following members of the University System Office senior staff also were present: Chief Operating Officer Robert E. Watts, Senior Vice Chancellor for External Affairs Thomas E. Daniel, Chief Academic Officer and Executive Vice Chancellor Susan Herbst, and Secretary to the Board and Vice Chancellor for Legal Affairs J. Burns Newsome. 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 in the Office of the Secretary to the Board.

Chair Hatcher reconvened the Committee in its regular session at approximately 11:49 a.m. and announced that no actions were taken during the executive session.

The committee meeting was adjourned at approximately 11:51 a.m.

### **COMMITTEE ON ACADEMIC AFFAIRS**

The Committee on Academic Affairs met on Tuesday June 8, 2010, at approximately 1:55 p.m. in Room 5158. Committee members in attendance were Chair Benjamin J. Tarbuton, III, Vice Chair Wanda Yancey Rodwell, and Regents Kenneth R. Bernard, Jr., C. Thomas Hopkins, Jr., William H. NeSmith, Jr., Doreen Stiles Poitevint, and Larry Walker. The Vice Chair of the Board, Willis J. Potts, Jr., Chief Academic Officer and Executive Vice Chancellor Susan Herbst, Assistant Vice Chancellor Linda Noble, and institutional representatives also were in attendance. Chair Tarbuton reported to the Board that the Committee reviewed 15 items, 12 of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. **Revision of Institutional Mission Statement, Georgia Institute of Technology**

The Board approved the request of President G. P. Peterson that the Georgia Institute of Technology be authorized to revise its mission statement based on an update of the institutional strategic plan and to coincide with the 150<sup>th</sup> anniversary of its founding.

*Revised Mission Statement*

*A Shared Vision*

**Technological change is fundamental to the advancement of the human condition. The Georgia Tech community – students, staff, faculty, and alumni – will realize our motto of “Progress and Service” through effectiveness and innovation in teaching and learning, our research advances, and entrepreneurship in all sectors of society. We will be leaders in improving the human condition in Georgia, the United States, and across the globe.**

*A Common Mission*

As a unit of the University System of Georgia, our mission is clear: “to provide the state of Georgia with the scientific and technological base, innovation, and workforce it needs to shape a prosperous and sustainable future and quality of life for its citizens.” It is achieved through educational excellence, innovative research, and outreach in selected areas of endeavor.

Georgia Tech’s mission in education and research will provide a setting for students to engage in multiple intellectual pursuits in an interdisciplinary fashion. Because of our distinction for providing a broad but rigorous education in the multiple aspects of technology, Georgia Tech seeks students with extraordinary motivation and ability and prepares them for lifelong learning, leadership, and service. As an institution with an exceptional faculty, an outstanding student body, a rigorous curriculum, and facilities that enable achievement, we are an intellectual community for all those seeking to become leaders in society.

Georgia Tech values its position as a leading public research university in the United States and understands full well its responsibility to advance society toward a proper, fair, and sustainable future. By seeking to develop beneficial partnerships with public and private sectors in education, research, and technology, Georgia Tech ensures relevance in all that it does and assures that the benefits of its discoveries are widely disseminated and used in society. Georgia Tech pursues its mission by giving the highest respect to the personal and intellectual rights of everyone in our diverse community. In return, we expect that all members of our community will conduct themselves with the highest ethical principles.

2. **Establishment of an External (site-based) offering of the Existing Doctor of Education with a major in Educational Leadership at the UGA Gwinnett Site, University of Georgia**

The Board approved the request of President Michael F. Adams that the University of Georgia be authorized to offer its existing Doctor of Education with a major in Educational Leadership at the UGA Gwinnett Site, effective June 9, 2010. The program would offer professional educators within the Gwinnett County Public Schools and other Atlanta metropolitan area school districts with an accessible, commute friendly doctoral level program that enables pursuit of a leadership certificate.

3. **Establishment of an External (site-based) offering of the Existing Bachelor of Business Administration with majors in Accounting and Marketing at the Alpharetta Site, Georgia State University**

The Board approved the request of President Mark P. Becker that Georgia State University be authorized to offer two majors, accounting and marketing, under the Bachelor of Business Administration at the Alpharetta site, effective June 9, 2010. The site houses a building for Georgia State University and Georgia Perimeter College. The proposed program would offer Georgia Perimeter College students access to baccalaureate programs. In addition, the program would be open to students who sought to shorten their commute from the northern Atlanta area.

4. **Establishment of an External (online) offering of the Existing Bachelor of Arts and Master of Science with majors in Criminal Justice, Valdosta State University**

The Board approved the request of President Patrick J. Schloss that Valdosta State University be authorized to offer its existing Bachelor of Arts and Master of Science with majors in Criminal Justice as an online degree, effective June 9, 2010. The programs meet the needs of various employees working in state agencies such as the Department of Public Safety, Corrections, Drivers Services, and other entities. The online program would also meet local demands given that the Valdosta area has three Department of Corrections facilities.

5. **Establishment of an External (online) offering of the Existing Specialist in Education with a major in School Counseling, Valdosta State University**

The Board approved the request of President Patrick J. Schloss that Valdosta State University be authorized to offer its existing Specialist in Education with a major in School Counseling online, effective June 9, 2010. The program developed out of a survey of students who completed their master's degrees and indicated an interest in pursuing the degree. The program has evolved over time such that the campus has found that by summer 2010 it can now offer 50% or more of the curriculum online.

6. **Establishment of an External (online) offering of the Existing Master of Science in Nursing, Clayton State University**

The Board approved the request of President Thomas J. Hynes that Clayton State University be authorized to offer its existing Master of Science in Nursing in an online format, effective June 9, 2010. Online delivery of the master's level nursing program would help to increase enrollments in a graduate level nursing program. The program, if approved, will be supported through a University System's ICAPP Health Professions grant.

7. **Establishment of a Master of Science with a major in Early Childhood Education / Special Education, Fort Valley State University**

The Board approved the request of President Larry E. Rivers that Fort Valley State University be authorized to offer a Master of Science with a major in Early Childhood Education/Special Education, effective June 9, 2010. The program would enable teachers to have skills in two areas and thus obtain dual certification. The program will meet a local need and respond to the University System's "Double the Numbers, Double the Diversity" initiative.

**8. Substantive Change of the Bachelor of Fine Arts with a major in Art to separate majors in Art and Graphic Design, Georgia Southern University**

The Board approved the request of President Brooks A. Keel that Georgia Southern University be authorized to substantively change and modify its existing Bachelor of Fine Arts with a major in Art, effective June 9, 2010. The Department of Art proposes to split the existing major into two separate major degree programs: a Bachelor of Fine Arts with a major in Art and a Bachelor of Fine Arts with a major in Graphic Design. The proposed changes more accurately reflect the different programs of study as well as trends in the discipline.

**9. Establishment of the Harold R. and Mary Anne Nash Professorship, Georgia Institute of Technology**

The Board approved the request of President G. P. Peterson that Georgia Institute of Technology be authorized to establish the Harold R. and Mary Anne Nash Professorship, effective June 9, 2010. The professorship was established through the generosity of the Nash Family. The professorship will be established in the School of Industrial and Systems Engineering. The Georgia Tech Foundation has confirmed that funds are available to support the endowed position totaling \$500,000.

**10. Establishment of the Amanda and Greg Gregory Chair in the Civil War Era, University of Georgia**

The Board approved the request of President Michael F. Adams that the University of Georgia be authorized to establish the Amanda and Greg Gregory Chair in the Civil War Era, effective June 9, 2010. The Chair will be housed in the Franklin College of Arts and Sciences. Amanda and Greg Gregory through a desire to strengthen programs in the Department of History have made a gift to establish the Chair. The individual named to this position must have an outstanding national reputation and be a full professor. The holder shall be engaged in teaching, research, public service, or a combination of such duties consistent with the purpose of the Chair. The Arch Foundation has confirmed that funds are available to support the endowed position totaling \$1,035,704.

**11. Named Faculty Positions**

The administrative and academic appointments were reviewed by the Chair of the Committee on Academic Affairs. The full list is hereto attached as Appendix I.

**12. Information Item: Update on the Alliance of Education Agency Heads**

The Vice Chancellor for Educator Preparation and Innovation, Dr. Lynne Weisenbach, provided an update on activities concerning the Alliance of Education Agency Heads.

**13. Information Item: Update on Teacher Preparation**

A discussion and informational presentation was shared with members of the committee to update them on USG teacher preparation initiatives. Dr. R. W. Kamphaus, Dean and Distinguished Research Professor of Georgia State University's College of Education provided an institutional specific update.

**14. Information Item: Update on Nursing**

A discussion and informational presentation was shared with members of the committee to update them on USG nursing initiatives. Dr. Lisa Eichelberger, Dean of Clayton State University's School of Nursing provided an institutional specific update.

The committee meeting was adjourned at 3:10 p.m.

**COMMITTEE ON FINANCE AND BUSINESS OPERATIONS**

The Committee on Finance and Business Operations met on Tuesday, June 8, 2010, at approximately 1:53 p.m., in the Boardroom. Committee members in attendance were Chair Felton Jenkins, Vice Chair Kessel D. Stelling, Jr. and Regents James A. Bishop, Frederick E. Cooper, W. Mansfield Jennings, Jr., , and Donald M. Leebern, Jr. The Chair of the Board, Robert F. Hatcher, also was in attendance. Chair Jenkins reported to the Board that the Committee reviewed five items which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

**1. Fiscal Year 2011 Operating and Capital Budgets**

The Board approved the fiscal year 2011 operating and capital budgets for the University System of Georgia as shown in Appendix II, hereto attached.

**2. Revision of Mandatory Fees at Georgia Institute of Technology**

The Board approved the request from President G.P. "Bud" Peterson to revise the FY 2011 mandatory fees at Georgia Institute of Technology ("GIT"). GIT revised its original mandatory fee request to (1) reduce an earlier request in the Health fee from \$6 to \$2 with a corresponding decrease to Special Institutional Fee and (2) to drop the request to increase the Transportation fee. The Transportation fee will remain at \$72. The overall total for mandatory fees is unchanged. The Student Government Association at GIT has expressed support for the proposed changes.

**3. Revision of Out-of-State Graduate Tuition at Georgia College and State University**

The Board approved the request from President Dorothy Leland to increase the out-of-state tuition for graduate programs at Georgia College & State University from \$11,557 to \$11,862 per semester.

**4. Approval of Professional Program Tuition for Master of Science in Organizational Leadership at Columbus State University**

The Board approved the request from President Timothy S. Mescon at Columbus State University for a professional program tuition rates for the new Master of Science in Organizational Leadership, effective fall semester 2010. The approved in-state tuition rate is \$222 per credit hour and the out-of-state tuition rate is \$887 per credit hour.

**5. Addition to The Policy Manual, 7.3.4.5 Partial Waiver for “Move on When Ready” Program**

The Board approved the proposed addition to the Board Policy 7.3.4.4 Partial Waiver of Tuition and Mandatory Fees effective FY 2011. House Bill 149 “Move on When Ready Act” (“MOWR”) will be implemented Fall 2010. The bill allows junior and senior high school students to attend postsecondary institutions fulltime and receive college and high school credit. Eligible students apply to eligible institutions that offer courses that are approved by the State Board of Education for secondary credit. The bill also requires an eligible institution, admitting a high-school student in the MOWR program, to accept the State’s Quality Basic Education flat rate per student as payment in full for tuition and fees. The flat rate per student is \$2,695 for the 2010-2011 school year. The bill allows the MOWR student’s high school to retain \$200 for administrative services. For FY 2011, an institution, regardless of tuition and fees, will receive \$2,495 per student for two terms.

**Approved Policy Addition**

**7.3.4.5 Partial Waiver for “Move on When Ready” Program**

Institutions of the University System of Georgia shall waive that portion of the tuition and mandatory fees not covered by the per student state funds amount reimbursed by the Department of Education for high-school students enrolled in Georgia’s “Move on When Ready” Program.

The committee meeting adjourned at approximately 2:32 p.m.

**COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE**

The Committees on Internal Audit, Risk, and Compliance met on Tuesday, June 8, 2010, at approximately 3:05 p.m. in the Boardroom. Committee members in attendance were

Chair Kessel D. Stelling, Jr., who was present for a portion of the meeting, Vice Chair W. Mansfield Jennings, Jr., and Regents James A. Bishop, Frederick E. Cooper, and Donald M. Leebern, Jr. The Chair of the Board, Robert F. Hatcher and Regent Richard L. Tucker, also were in attendance. The Committee on Real Estate and Facilities recessed its meeting just prior to its executive session to allow the Committee on Internal Audit, Risk, and Compliance to present its open session items. As Regent Stelling was momentarily out of the meeting room, Regent Jennings, as Vice Chair of Internal Audit, called the meeting of the audit committee to order. On Wednesday, Vice Chair Jennings reported to the Board that the committees reviewed three informational items, one of which will require future Board action. The Board reviewed the following:

**1. Policy Addition: 7.15 Risk Management Policy**

It is recommended that the Board approve the proposed addition to the *Policy Manual*, 7.15 Risk Management Policy at a future Board meeting once the Committee and the various institutional representatives have had adequate time to review the policy.

Chair Robert F. Hatcher and Chancellor Erroll B. Davis, Jr. have identified the adoption and implementation of Enterprise Risk Management (“ERM”) as a key goal for the University System of Georgia. Chief Audit Officer and Associate Vice Chancellor John Fuchko, III was charged with facilitating several ERM pilots to include a pilot at Armstrong Atlantic State University and the University System Office. With the assistance of Director of Compliance and Enterprise Risk Scott Woodison, a draft Board Policy has been developed that requires the University System Office and System institutions to adopt a risk management framework and procedures modeled on ERM best practices. The policy has been reviewed by the Chancellor’s Cabinet, System Presidents, System audit directors, and the Audit Advisory Committee. The Risk Management Policy will:

1. Define the purpose of risk management;
2. Broadly establish the Board’s risk tolerance;
3. Establish risk management objectives to be met by USG institutions; and,
4. Specify required steps to implement a risk management framework and procedures at each USG institution and within the University System Office.

**2. Information Item: Compliance Pilot Update - Georgia Institute of Technology**

Chancellor Davis previously directed the Office of Internal Audit and Compliance (“OIA”) to spearhead implementation of three major initiatives intended to improve our understanding and management of risk and compliance issues within the University System of Georgia (“USG”). These three initiatives consist of the USG Ethics Policy, the USG Compliance program and the USG Enterprise Risk Management (“ERM”) program. These three initiatives directly support attainment of the OIA strategic priority number two, i.e., “Foster enduring cultural changes that results in consistent and quality management of USG operations and governance, risk management, compliance, and internal control practices.” The Compliance program is initially



being implemented as a pilot program at several institutions to include the Georgia Institute of Technology (“GIT”). This pilot was implemented with the assistance of OIAC and with the strong support of the GIT leadership team. At this meeting, Interim Director of Compliance and Enterprise Risk Scott Woodison updated the Committee on the status of this pilot implementation and the next steps for the Compliance program. Georgia Institute of Technology Associate Vice President for Institute Risk Management Pat McKenna joined Mr. Woodison to present GIT’s lessons learned during the Compliance pilot.

### **3. Executive Session**

At approximately 3:35 p.m. on Tuesday, June 8, 2010, Vice Chair W. Mansfield Jennings, Jr. called for an executive session for the purpose of discussing personnel matters. With motion properly made and seconded, the committee members who were present voted unanimously to go into executive session. Those Regents were Vice Chair W. Mansfield Jennings, Jr., and Regents James A. Bishop, Frederick E. Cooper, Robert F. Hatcher Donald M. Leebern, Jr. and Richard L. Tucker. 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 Office of the Secretary of the Board.

Vice Chair Jennings reconvened the committee in its regular session at approximately 4:09 p.m. and reported that no actions were taken during executive session.

The committee meeting was adjourned at approximately 4:10 p.m.

### **TASK FORCE ON LEADERSHIP DEVELOPMENT**

The Task Force on Leadership Development met on Tuesday, June 8, 2010, at approximately 3:05 p.m. in Room 5158. Committee members in attendance were Chair William H. NeSmith, Jr., Vice Chair Kenneth R. Bernard, Jr., and Regents C. Thomas Hopkins, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and Benjamin J. Tarbutton, III, and Larry Walker. The Vice Chair of the Board Willis J. Potts, Jr. was also in attendance. The Committee reviewed one item, which did not require Board action. The following information item was reviewed by the Committee:

#### **1. Presentation regarding the Evaluation Results of the Executive Leadership Institute**

Ms. Tina Woodard, Assistant Vice Chancellor for Professional Development presented an overview of the evaluation results of the Executive Leadership Institute (“ELI”). Dr. Mark Farmer, Department Head, Department of Cellular Biology, University of Georgia and Dr. Georj Lewis, Dean of Students, Georgia Southern University provided a brief overview of their ELI experience.

The committee meeting was adjourned at approximately 3:25 p.m.

### **COMMITTEE ON ORGANIZATION AND LAW**

The Committee on Organization and Law met on Tuesday, June 8, 2010 at approximately 3:20 p.m. in Room 5158. Committee members in attendance were Chair Kenneth R. Bernard, Jr., Vice Chair Doreen Stiles Poitevint, and Regents C. Thomas Hopkins, William H. NeSmith, Jr., Wanda Yancey Rodwell, Benjamin J. Tarbutton, III, Richard L. Tucker, and Larry Walker. Chair Bernard reported to the Board that the Committee reviewed two items, one of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

## **2. Executive Session**

At approximately 3:29 p.m. on Tuesday, June 8, 2010, Chair Kenneth R. Bernard, Jr. called for an executive session for the purpose of discussing personnel and litigation matters. With motion properly made and seconded, the committee members who were present voted unanimously to go into executive session. Those Regents were Kenneth R. Bernard, Jr., Doreen Stiles Poitevint, C. Thomas Hopkins, William H. NeSmith, Jr., Wanda Yancey Rodwell, Benjamin J. Tarbutton, III, Richard L. Tucker, and Larry Walker. 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 Office of the Secretary of the Board.

Chair Bernard reconvened the committee meeting in its regular session at approximately 3:50 p.m. and announced that the following items were discussed in executive session.

- a. In the matter of Mr. Marvin Reddick, at the Georgia Institute of Technology, concerning his termination, the institution's decision was upheld.
- b. In the matter of Ms. Jennifer Greene, at the Georgia Institute of Technology, concerning her termination, the institution's decision was upheld.
- c. In the matter of file no. 2086, at Fort Valley State University, concerning the suspension of two students for failure to complete the Learning Support Program within the time require, the institution's decision was upheld.
- d. In the matter of Mr. Richard V. Harrison, at Georgia State University, concerning his termination, the institution's decision was upheld.
- e. In the matter of file no. 2088, at Georgia State University, concerning alleged discrimination, the institution's decision was upheld.
- f. In the matter of file no. 2089, at Macon State College, concerning the expulsion of a student, the institution's decision was upheld.
- g. In the matter of file no. 2090, at Savannah State University, concerning the summary suspension of a student, the institution's decision was upheld.

The committee meeting adjourned at approximately 4:15 p.m.

### **COMMITTEE ON PERSONNEL AND BENEFITS**

The Committee on Personnel and Benefits met on Tuesday, June 8, 2010 at approximately 10:35 a.m. in Room 5158. Committee members in attendance were Chair Rodwell, and Regents Frederick E. Cooper, Felton Jenkins, Doreen Stiles Poitevint, and Kessel D. Stelling, Jr. Board Chair Robert F. Hatcher and Board Vice Chair Willis J. Potts, Jr. also were in attendance. Chair Rodwell reported to the Board that the Committee reviewed one item which did not require action. The following information item was reviewed by the Committee:

1. **Presentation Recapping the Special Meeting of the Committee on Personnel and Benefits held on June 3, 2010, and an Update on Formalizing the Healthcare Plan for 2011 and Beyond**

Mr. Wayne Guthrie, Vice Chancellor for Human Resources, and Mr. Thomas Scheer, Associate Vice Chancellor for Life and Health Benefits, provided a recap of the special meeting of the Committee on Personnel and Benefits held on June 3, 2010, and an update on formalizing the healthcare plan for 2011 and beyond. During the special called meeting, System Office staff reviewed the strategic and tactical healthcare options that have been under consideration for calendar year 2011 and the Committee heard from the consulting actuary from Mercer as well as various institutional representatives before engaging in a robust discussion of the issues. Mr. Guthrie stated that there was a consensus that a longer term focus was needed on the strategic items, and those items should be separated from the tactical items to allow further study on both financial and competitive data. This will include the continued use and collection of data from vendors, further actuarial studies, and continual, long-term involvement from the Total Rewards Steering Committee. Secondly, the Total Rewards Steering Committee would be expanded to include more institutional representation in order to foster information sharing during plan development. Finally, the System needs to aggressively work with healthcare vendors to continue to manage the healthcare plans.

Following the overview of the June 3, 2010, meeting, Mr. Scheer discussed the development process for the strategic and tactical items. He explained that the thrust of the Total Rewards Task Force meetings is to develop the items for the Committee's consideration and approval at that August meeting. He also noted the four goals guiding the development of the strategic plan. They are as follows.

1. To ensure University System health plans support all USG organizational goals
2. To fully leverage the System's relationships with outside entities to obtain the best prices and services
3. To continue movement towards wellness and positive health outcomes while continuing to provide institutions with the ability to attract and attain faculty and staff
4. To insure prudent risk and proper financial management

The committee meeting adjourned at approximately 10:57 a.m.

## **COMMITTEE ON REAL ESTATE AND FACILITIES**

The Committee on Real Estate and Facilities met on Tuesday, June 8, 2010, at approximately 2:32 p.m. in the Boardroom. Committee members in attendance were Vice Chair James A. Bishop, and Regents Frederick E. Cooper, Felton Jenkins, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., and Kessel D. Stelling, Jr. The Chair of the Board, Robert F. Hatcher, Regent Richard L. Tucker, the Vice Chancellor for Facilities, Linda M. Daniels, and representatives from System institutions were also in attendance. Vice Chair Bishop reported to the Board that the Committee reviewed 11 items, 10 of which required action. Staff modified one item, Item 5, prior to the meeting. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

### **1. Rental Agreement, 110 East Clayton Street, University of Georgia**

The Board authorized the execution of a rental agreement between Humanism Investments, Inc., Landlord, and the Board of Regents, Tenant, for approximately 24,864 square feet of administrative support space located at 110 East Clayton Street, Athens, for the period July 1, 2010, through June 30, 2011, at an annual rent of \$380,005.96 (\$15.28 per square foot per year) with options to renew on a year-to-year basis for four consecutive one-year periods with rent increasing 3% per year, for the use of the University of Georgia (“UGA”).

Understandings: In August 2005, the Board authorized renting approximately 24,088 square feet ("sf") of administrative support space in this facility. In May 2007, approximately 776 sf of basement storage space was added. All option periods under this rental agreement have now been exercised. This space will continue to be used by the UGA Office of Diversity/Office of Strategic Planning, the UGA Office of International Education Studies Abroad, the UGA Office of Institutional Research, and the UGA Terry College of Business, Selig Center for Economic Growth in support of the mission of UGA. Operating expenses, including electricity and janitorial expenses are estimated to be \$62,000 per year annualized.

### **2. Intergovernmental Sub-Rental Agreement, 1800 Century Place, Georgia Public Library System**

The Board authorized the execution of an intergovernmental sub-rental agreement between the Technical College System of Georgia (the“TCSG”), Sub-Landlord, and the Board of Regents, Sub-Tenant, for approximately 11,260 square feet of administrative support space located at 1800 Century Place, Suite 150, Atlanta, for the period July 1, 2010, through June 30, 2020, at an initial monthly rent of \$15,294.84 (\$183,538.08 per year annualized/\$16.30 per square foot per year) with no increases in rent until Fiscal Year 2015 at which time rent will increase 3% per year, for the use of the Georgia Public Library Service (“GPLS”).

Understandings: GPLS has sub-rented space from TCSG in this building since 1997. The term of the existing agreements ends at the end of the fiscal year. Space is being consolidated to enhance GPLS use and to reduce the amount of space rented. All operating expenses are included in the rent rate.

**3. Rental Agreement, Sports and Recreation Park, Kennesaw State University**

The Board authorized the execution of a rental agreement between KSU Sports and Recreation Park Real Estate Foundation, LLC (the "LLC"), Landlord, and the Board of Regents, Tenant, for a sports and recreation park (the "Sports Park"), for the period July 1, 2010, through June 30, 2011, at no rent, with an option to renew for a one year period at a rent not to exceed \$3,650,000 per year annualized, with further options to renew on a year-to-year basis for 28 consecutive one-year periods (the total not to exceed 29 years from the date the LLC obtains a certificate of occupancy for the entire Sports Park), with rent increasing no more than 3% for each option period exercised, for the use of Kennesaw State University ("KSU").

The Board declared approximately 13.31 acres of the Sports Park (containing the 8,288 seat stadium, an associated parking lot, and a practice field) to be no longer advantageously useful to KSU or other units of the University System of Georgia but only to the extent and for the purpose of granting a sub-lease to KSU Sports and Recreation Facilities Foundation, LLC for forty-five days each year for 29 years for an annual rent payment of not less than \$159,263.

Understandings: In October 2008 and August 2009, the Board received information about the Sports Park. In April 2009 and January 2010, the Board approved a student fee of \$75 that would support the Sports Park. The Sports Park includes approximately 83.94 acres of real property improved with an approximately 8,288 seat stadium, a 15,900-square-foot fitness building, biking, walking, and jogging trails, a 400 meter track, two sand volleyball courts, and eight multi-purpose fields. This comprehensive recreational complex will address a serious shortfall in available recreational space for KSU students. It will also provide a venue for the KSU women's soccer team to play and practice, and will be available for other KSU athletic teams, as well as for other KSU uses. The LLC will be responsible for the management and operation of the entire Sports Park. Operating costs, to be paid by KSU, are estimated to be \$790,000 per year. The LLC has completed the sports stadium and some of the multi-purpose fields. The remaining facilities will be completed no later than June 2011. It is the intent of the LLC to donate the Sports Park to the Board of Regents no later than June 30, 2040.

**4. Ground Lease and Rental Agreement, Student Housing and Student Center, Albany State University**

The Board declared approximately 4.80 acres of unimproved real property on the campus of Albany State University ("ALSU") to be no longer advantageously useful to ALSU 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 the ASU Campus Facilities I, LLC, (the "LLC") for the purpose of providing approximately 626 student housing beds and site amenities (the "Housing"), and an

approximately 59,890-square-foot (“sf”) student center and site amenities (the “Center”).

The Board authorized the execution of ground leases, including necessary access, use, and construction easements and encroachments, between the Board of Regents, Lessor, and the LLC, Lessee, for approximately 3.36 acres of real property on the campus of ALSU for a period not to exceed 32 years (not to exceed 30 years from the date the LLC obtains a certificate of occupancy for the Housing 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 the Housing.

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 approximately 1.44 acre of real property on the campus of ALSU for a period not to exceed 32 years (not to exceed 30 years from the date the LLC obtains a certificate of occupancy for the Center 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 the Center.

The Board authorized the execution of a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for the Housing for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for the Housing but not earlier than August 1, 2011, and ending June 30 2012 at a rent not to exceed \$1,450,000, with an option to renew for a one year period at a rent not to exceed \$2,050,000, with further options to renew on a year-to-year basis for up to 28 consecutive one-year periods (the total not to exceed 30 years from the date the LLC obtains a certificate of occupancy for the Housing) with rent increasing no more than 3% for each further option period exercised.

The Board authorized the execution of a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for the Center for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for the Center, but not earlier than August 1, 2011, and ending June 30, 2012 at a rent not to exceed \$850,000 with an option to renew for a one year period at a rent not to exceed \$1,375,000, with further options to renew on a year-to-year basis for up to 28 consecutive one-year periods (the total not to exceed 30 years from the date the LLC obtains a certificate of occupancy for the Center) with rent increasing no more than 3% for each further option period exercised.

The Board authorized the execution of site licenses between the LLC, Licensee, and the Board of Regents, to allow early site access to mobilize and install erosion control, commence site work including clearing and grading, install access roads, and relocate utilities.

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. ALSU has developed a comprehensive housing plan that is consistent with the policy. In September 2009, the Board authorized the project and appointed a program

management firm for the Housing and Center. In October 2009, the Board appointed an architectural firm for the Center. In November 2009, the Board appointed an architectural firm for the Housing and a construction management firm for the Housing and the Center. In April 2009 and May 2010, the Board approved a student fee of \$100 for the Center. The anticipated schedule is for the LLC to have a bond closing by the end of July 2010, and commence construction immediately thereafter. Construction is expected to be complete in August 2011 to allow occupancy by ALSU at the beginning of fall semester 2011. 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.

**5. Conceptual Authorization of Project and Appointment of Program Management Firm, Project No. PPV-69-1101, Student Housing, Savannah State University (Modified)**

The Board authorized Project No. PPV-69-1101, Student Housing, Savannah State University (“SSU”), with a total budget of \$24,000,000 to be funded by privatized financing.

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 the other listed firms in rank order.

Understandings: In May 2010, the Executive Director for Real Estate Ventures, Marty Nance, presented information concerning the need to obtain student housing on the campus of SSU through a privatized process. Prior to initiating a privatization process, SSU desires to ensure overall coordination of this project. Funding for this will be from SSU Auxiliary Services. This project would consist of demolition of existing Peacock Hall, rehabilitation of existing Adams Hall, and the construction of approximately 600 student housing beds in semi-suite and suite style with single and double occupancy rooms. The project is consistent with SSU’s master plan. It is anticipated that the Board will be requested to take further action concerning this project, including the appointment of design and construction professionals and approval of ground leases and rental agreements. Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

Total Project Cost:	\$24,000,000
Construction Cost (Stated Cost Limitation)	\$19,900,000

Number of firms that applied for this commission: 13

Recommended firms in rank order:

- 1) HGC – Hal Gibson Companies, LLC., West Point, GA.
- 2) Hendessi & Associates, Atlanta, GA.
- 3) Jones Lang Lasalle, Atlanta, GA.
- 4) Woodline Solutions, Atlanta, GA.

**6. Authorization of Project No. BR-50-1003, Expansion of the Outdoor Student**

**Recreation Facility, Georgia State University**

The Board authorized Project No. BR-50-1003, Expansion of the Outdoor Student Recreation Facility, Georgia State University (“GSU”) with a total project budget of \$3,542,251, to be funded from a \$1,000,000 gift and Georgia State University student athletic fees.

Understandings: In August 2009, the Board authorized the purchase of improved real property at 188 Martin Luther King, Jr. Drive. In October 2009, the Board ratified the Chancellor’s administrative approval of Project No. J-166, Outdoor Student Recreation Facility, to renovate an existing 20,000-square-foot building to accommodate the support functions for the Outdoor Student Recreation area. This project will replace the roof and add 5,330 square feet for sports medicine, hydrotherapy, a weight room and additional storage space. The estimated construction cost for this project is \$2,206,000. The project is consistent with GSU’s master plan. The University System Office staff and GSU will proceed with design and construction of the project in accordance with Board of Regents policy.

7. **Authorization of Project Budget Modification, Williams Center Renovation, Georgia Southern University**

The Board modified the budget of Project No. BR-66-0902 Williams Center Renovation, Georgia Southern University (“GSOU”), to increase the total project budget from \$3,000,000 to \$4,000,000.

Understandings: The Williams Center Renovation project, approved by the Board in November 2009, is in design. The design team completed a building assessment to determine if additional work would be needed to correct deficiencies in the overall building envelope and systems. A portion of this budget increase is for assessment fees and the resultant additional construction costs as well as additional soft costs related to furniture, equipment and information technology all of which are outside of the project Stated Cost Limitation (“SCL”) construction amount. The Stated Cost Limitation will increase from \$2,245,000 to \$2,710,000. Funding of this project (including the cost increase of \$1,000,000) will be from GSOU institutional funds.

	<u>November 2009</u>	<u>Now</u>
Total Project Cost:	\$3,000,000	\$4,000,000
Construction Cost (Stated Cost Limitation):	\$2,245,000	\$2,710,000

8. **Demolition of Building, 290 South Lumpkin Street, University of Georgia**

The Board declared the building at 290 South Lumpkin Street (Chi Phi, #2203) on the campus of the University of Georgia (“UGA”), Athens, Georgia, to be no longer advantageously useful to UGA or other units of the University System of Georgia and authorize demolition and removal of this building.



The Board requested the Governor to issue an Executive Order authorizing the demolition and removal of this building from the campus of UGA. Demolition and removal of this building be subject to adequate mitigation of all adverse environmental impacts.

Understandings: In January 2009, the Board, through the Committee on Organization and Law, approved a settlement of claims with the Chi Phi Fraternity. This settlement concerned the relinquishing of claims of ownership by the organization. The stated purpose by UGA was to be able to demolish the existing structure in favor of development of the real property for academic purposes as stated in the UGA master plan. The Chi Phi fraternity house, constructed in 1928-1929, is an approximately 13,000-square-foot three story Neoclassical style building. The construction is wood frame with brick veneer on a basement foundation. The building was renovated in the mid-1950's, and again in the mid-1960's. It is currently in very poor interior and exterior condition and is not a candidate for adaptive reuse due to extensive repair and renovation needs including code deficiencies. The UGA strategic plan and UGA master plan have identified the property on which this building is located as necessary for academic use. UGA is adhering to the requirements of the Georgia Environmental Policy Act ("GEPA") and the appropriate State Stewardship review to appropriately mitigate any adverse impact of demolition. 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.

#### 9. Fiscal Year 2011 Major Repair and Renovation Funds

The Board authorized distribution of Major Repair and Renovation ("MRR") funds in accordance with staff recommendations.

Understandings: Major Repair and Renovation funds in the amount of \$60 million are in the Fiscal Year 2011 budget; all \$60 million are in bonds and will be available after the appropriate bond sale takes place. The University System Office of Facilities staff has reviewed project requests from each institution for appropriateness, quality, and cost. The staff's recommendations generally follow institutional priorities; however, all must meet the tests of efficiency, effectiveness, and return on investment. Guidelines are used to screen the institutions' requests for MRR project funding. MRR funds are not used for new construction or land acquisitions. These funds are not used for projects in auxiliary facilities, such as dormitories or dining halls, unless there are bona fide critical conditions that the campus' own auxiliary reserves cannot cover. Institutions are expected to perform routine general and preventive maintenance and upkeep of their facilities. MRR funding is intended to provide for significant non-routine expenditures. Priority is given to building integrity projects and building systems, such as the replacement of roofs and the upgrade or replacement of mechanical and electrical systems over programmatic renovations.

#### MRR Project Category Codes in Priority Order

"X" Critical Life Safety or Code Compliance Issue

"A" Structural and Building Envelope Stabilization (roof replacement, waterproofing or

- glazing systems, retooling and pointing masonry, etc.)
- “B” Utility and Building Systems Replacement and Upgrades
- “C” General Renovations and Rehabilitation
- “D” Regulatory Projects (building code issues, energy/environmental requirements, American Disability Act, and other regulatory issues).
- “E” Other
- “F” Not Eligible for MRR Funds\*
  - \*Some campus requests do not meet the definitional requirements for use of MRR proceeds and are not recommended for MRR funding.

**10. Executive Session**

At approximately 3:02 p.m. the Committee recessed its meeting just prior to its executive session to allow the Committee on Internal Audit, Risk, and Compliance to present its open session items. The Committee reconvened at approximately 4:11 p.m. and with motion properly made and seconded, the committee members who were present voted unanimously to go into executive session to discuss possible real property acquisitions and litigation matters. Those Regents were: James A. Bishop, Frederick E. Cooper, Robert F. Hatcher Felton Jenkins, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., and Richard L. Tucker. 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 Office of the Secretary of the Board.

Vice Chair Bishop reconvened the committee meeting in its regular session at approximately 4:37 p.m. and announced that no action was taken in executive session. In open session, with motion properly made and seconded, the committee approved the action presented during the executive session.

**11. Information Item: Periodic Report on Real Estate Acquisitions**

Real estate acquisitions approved in executive session that have closed include:

**August 12, 2009 Board meeting -**

The Board approved the acquisition of the following real property on behalf of Georgia State University:

3.805 Acres 188 Martin Luther King Boulevard, Atlanta

**January 12, 2010 Board meeting -**

The Board approved the acquisition of the following real property on behalf of Georgia Southern University:

0.593 Acres, 1709 Chandler Road, Statesboro

The committee meeting was adjourned at approximately 4:39 p.m.

**REGENTS’ SPECIAL MCG GOVERNANCE COMMITTEE**

The Special Regents MCG Governance Committee met as a Committee of the Whole on Wednesday, June 9, 2010, at approximately 9:45 a.m. in the Boardroom. All Regents, excluding Regents Larry R. Ellis and Kessel D. Stelling, Jr., were present. Chair Jenkins reported to the Board that the Committee took action on two items. With motion properly made and duly seconded, the Board authorized and approved the following:

**1. Approval of Regent Appointees to the MHHS Board**

Upon recommendation by Chair Robert F. Hatcher, the Board appointed the following members of the Board of Regents to serve on the newly formed MHHS Board for the identified terms.

1. Regent W. Mansfield Jennings, Jr. (1 year)
2. Regent Larry R. Ellis (1 year)
3. Regent William H. NeSmith (2 year)
4. Regent C. Thomas Hopkins, Jr. (2 year)

The Board, by unanimous resolution, approved the documents necessary for the creation of a new corporate entity, MCG Health System, Inc., and other documents related to the relationship among the Board of Regents, MCG Health System, Inc., MCG Health, Inc. and the Physicians Practice Group. The Board of Regents' resolution is attached hereto as Exhibit A. All documents and agreements referenced in the Board's resolution are on file and available for inspection in the Office of the Secretary to the Board of Regents.

The committee meeting was adjourned at approximately 10:35 a.m.

**COMMITTEE OF THE WHOLE: STRATEGIC PLANNING**

On Tuesday, June 9, 2010, at approximately 1:05 p.m., the Strategic Planning Committee convened as a committee of the whole under the leadership of Board Vice Chair Willis J. Potts, Jr. All Regents were present for this meeting with the exception of Regents Larry R. Ellis and James R. Jolly. Chair Potts reported to the Board that the committee heard one informational item, which required no action. The Board reviewed the following:

**1. Information Item: Update on Shared Services Initiative, part of Goal Six of the Strategic Plan**

Goal Six of the Board of Regents strategic plan calls for achieving best-in-class efficiencies for our administrative support functions in the University System of Georgia. The goal of a sustainable shared services center is to establish a service-oriented culture, increase the quality and consistency of information, increase functionality and service to customers, facilitate managing and controlling risk, and reduce costs through economies of scale.

Mr. Mac McConnell, Chair of the USG Shared Services Steering Committee and Vice President of Business & Finance at North Georgia College & State University, and Ms. Anita Sales,

Human Resources Team Lead and Director of Human Resources Operations & Payroll at Kennesaw State University, provided an update of the University System of Georgia's Shared Services Initiative.

The committee meeting adjourned at approximately 1:45 p.m.

### **UNFINISHED BUSINESS**

There was none.

### **NEW BUSINESS**

On motion properly made and seconded, the Board authorized Chancellor Erroll B. Davis, Jr., to take those actions necessary to protect the Board's interests between June 10, 2010, and the Board's August meeting. Regent Richard L. Tucker voted in the negative.

### **CHANCELLOR'S REMARKS**

In lieu of his customary report, Chancellor Erroll B. Davis, Jr. took an opportunity to recognize several individuals and an institution. He congratulated President Bloodworth recognizing Augusta State University recently became the NCAA Division I men's golf champion after defeating, ten time winner of the national championships, Oklahoma State University. The team's coach, Josh Gregory, was also named National Coach of the Year.

The Chancellor also recognized the Medical College of Georgia's outgoing interim president, Dr. James Thompson for his excellent leadership. Thompson was cited for his efforts in the reordering of MCG's governance structure and his stewardship of the Board's physician education expansion strategy.

Dr. Laurence V. Weill, president of Gordon College for the past eight years, also was recognized for his tenure. Weill stepped down on June 30, 2010. The Chancellor cited some key accomplishments of Dr. Weill during his presidential tenure, including the College's switch from two-year to state-college status, the addition of three baccalaureate-level programs, as well as four residence halls. Chancellor Davis also noted that Gordon's Student Center and Bookstore have been enlarged, and work has begun on the construction of a state-of-the-art Nursing and Allied Health Building. The college's enrollment has increased nearly 50 percent since Dr. Weill's arrival in 2002.

The Chancellor said that the USG's associate vice chancellor for planning and implementation, Shelley Nickel, has been tapped to serve as interim president until a national search results in the appointment of a permanent successor.

Finally, the Chancellor expressed his thanks to outgoing Chairman Robert Hatcher for his stewardship during an extremely challenging year. Chancellor Davis also congratulated Regents Willis Potts and Felton Jenkins on their election as Chair and Vice-Chair respectively for the

coming

year.

### **CHAIRMAN'S REMARKS**

Board Chair Robert Hatcher closed out his year-long tenure with a summation of accomplishments. He noted that the year was filled with more than the usual share of challenges, of opportunities and of action. Hatcher noted that last August, he outlined eight initiatives on which the Board would focus during the year. Reviewing the year, Hatcher said that for some of these, significant progress was made, specifically in enterprise risk management, the creation of the Personnel and Benefits committee, leadership development, and our study of cash flow management. But the Chair also noted that some of these initiatives did not get done. While budget constraints and other issues certainly played a role in the lack of accomplishment, Chairman Hatcher said that desired progress was not achieved in reviewing academic missions and in developing an accountability report card for the Board.

Hatcher thanked the members of the Board for their efforts and support. He focused on the work of the various committees over the year. Among the key issues and actions, Hatcher cited the following:

Under the leadership of Regent Ben Tarbutton, the Academic Affairs Committee revised the System's core curriculum, which will be fully implemented across the state by 2012, and revised Board policy on the Regents' Reading and Writing Skills requirement – the Regents' Test. Regent Willis Potts was commended for his focus on retention and graduation rates.

Regent Dink NeSmith chaired a leadership development task force. Under this group, the System launched its new Executive Leadership Institute and new leadership development programs for faculty and staff, as well as conducting an inventory of leadership programs at the student level – 19 such programs exist around the System. During the year the System also created the Professional Development Consortium, a means for institutions to share professional development programs and to allow those institutions without programs to tap into expertise and resources.

The Chair also thanked Regent Kessel Stelling and his leadership of the Committee on Internal Audit, Risk and Compliance. As a result of this committee's work, a draft Risk Management policy was developed. Hatcher noted that Regent Stelling and his committee joined forces with Regent Felton Jenkins and the Business and Finance Committee to look at the System's cash flow management. The Board also approved revised student fee guidelines and processes.

Hatcher noted that Regent Jenkins and his committee also had responsibility for the System's budget process. Hatcher said that while the process was not an easy one, in the end, the Board's funding partners enabled the System to maintain the delicate balance between quality and access. Thus, Chairman Hatcher also thanked the Governor and the General Assembly for their special efforts on the System's behalf.

Chairman Hatcher also cited Regent Jenkins for his leadership of a special subcommittee to review and recommend a new governance structure for MCG and its hospitals, clinics and physicians group.

Related to the Board's medical education efforts, the Chair thanked Regent Jim Bishop, who through his chairmanship of the Medical Expansion Committee, kept the System on track to see the first students entering MCG's Athens' campus this fall.

Chairman Hatcher noted the work of Regent Wanda Yancey Rodwell, who led a new Committee on Personnel and Benefits for their efforts to review health plans.

Regent Ken Bernard, who chaired the Organization and Law Committee was cited by the Chair for the committee's review and revamp of the appeals process.

Under the leadership of Regent Jim Jolly, the Real Estate and Facilities Committee took on extra work to focus on the System's important Public Private Venture program.

The Chair also noted some significant events of the year, including the opening of the new Shared Services Center in Sandersville, the approval of seven Principles for Innovation and the naming of three permanent presidents: Dr. Brooks A. Keel at Georgia Southern, Dr. Thomas Hynes Jr. as president of Clayton State, and Dr. Ricardo Azziz, as president of the Medical College of Georgia.

Chairman Hatcher also thanked Chancellor Erroll Davis for his leadership this past year, along with the work of the System Office staff. Hatcher noted that "we are fortunate to have an individual with Erroll's proven and, indeed, internationally recognized business experience and skills, to guide us. Leading a large and complex organization – particularly one in the public sphere – is never easy. Chancellor, I have appreciated your efforts and your leadership over the past year."

## **PETITIONS AND COMMUNICATIONS**

Secretary J. Burns Newsome reminded the Regents of the next Board meeting, scheduled for August 10-11, 2010, in Atlanta.

## **PRESENTATION: RESIDENCY VERIFICATION**

The Vice Chancellor of Legal Affairs, J. Burns Newsome, provided the Board of Regents with an overview of Georgia law with respect to University System students who are not lawfully present in the United States.

On motion properly made and seconded, the Board instructed University System institutions to conduct reviews of all students admitted for Fall, 2010 Semester and to report to the Chancellor regarding these students' immigration and tuition status. Regent Jenkins voted in the negative. On motion properly made and seconded, the Board voted to amend Policy 7.3.4 of the Policy

Manual of the Board of Regents to provide that no person unlawfully present in the United States shall be eligible for any waiver of the difference between the resident and non-resident tuition rates.

**EXECUTIVE SESSION**


At approximately 11:20 a.m. on Wednesday, June 9, 2010, Chair Robert F. Hatcher called for an executive session for the purpose of discussing matters protected by the Federal Education Rights and Privacy Act (FERPA), as well as personnel matters. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into executive session. Those Regents are listed above. 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 Office of the Secretary of the Board.


At approximately 1:25 p.m., Chair Hatcher reconvened the Board meeting in its regular session and announced that no actions were taken during the executive session.

On motion properly made and seconded in open session, the Board unanimously accepted the recommendation of Chancellor Erroll B. Davis, Jr., that the salaries of the Chancellor and of all University System presidents for Fiscal Year 2010-2011 would be the same as that for Fiscal Year 2009-2010.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at approximately 1:30 p.m. on Wednesday, June 9, 2010.

  
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J. Burns Newsome  
Secretary to the Board  
University System of Georgia

  
\_\_\_\_\_  
Willis J. Potts, Jr.  
Chair, Board of Regents  
University System of Georgia