

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
Atlanta, Georgia
March 12, 2013**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, March 12, 2013, in room 7007 of the Board's offices, 270 Washington St. SW, Atlanta, Georgia. The Chair of the Board, Regent William H. NeSmith, Jr., called the meeting to order at approximately 10:00 a.m. Present, in addition to Chair NeSmith, were Vice Chair Philip A. Wilheit, Sr.; and Regents C. Dean Alford; Kenneth R. Bernard, Jr.; Lori Durden; Rutledge A. Griffin, Jr.; George Hooks; C. Thomas Hopkins, Jr.; Kessel D. Stelling, Jr.; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; Neil L. Pruitt, Jr.; Scott Smith; Benjamin J. Tarbutton, III; Richard L. Tucker; T. Rogers Wade; and Larry Walker. Regent Larry R. Ellis was excused.

INVOCATION AND PLEDGE

The invocation and Pledge of Allegiance were given by Regent Lori Durden.

SAFETY BRIEFING

The safety briefing was given by Chief Bruce Holmes.

ATTENDANCE REPORT

The attendance report was given by Secretary J. Burns Newsome.

APPROVAL OF MINUTES

The minutes of the Board of Regents meeting conducted on February 13, 2013, were unanimously approved.

SPECIAL PRESENTATION: K-12 AND COLLEGIATE READINESS

Executive Vice Chancellor for Academic Affairs Houston Davis introduced Ms. Kim Bearden, Ron Clark Academy co-founder and director. Ms. Bearden prefaced her remarks with a short video about the nationally-recognized academy. She expounded on the academy's philosophy and methods of student involvement, the importance of engaging students in a relatable manner, and helping them to learn from mistakes. An audio recording of Ms. Bearden's remarks are on file with, and available for inspection in, the Office of the Secretary to the Board.

COMMITTEE OF THE WHOLE: COMMITTEE ON ORGANIZATION & LAW

The Committee on Organization & Law, meeting as the Committee of the Whole, met at approximately 10:45 a.m. Tuesday, March 12, 2013. Committee Chair Rutledge A. Griffin, Jr., presented to the Board Policy 4.5 Intercollegiate Athletics, governing the establishment and funding of intercollegiate athletic programs, expansion of sports, and changes in competition levels.

This policy was introduced to the Committee on Organization & Law as an information item during the Board's February 13, 2013, meeting. Regent Richard Tucker proposed a minor change in wording, which was variously seconded and adopted. With motion made and variously seconded, the Board approved Policy 4.5 as amended, attached as Appendix I. There being no further business to come before the committee, the meeting was adjourned at approximately 11:12 a.m. on Tuesday, March 12, 2013.

CHANCELLOR'S REPORT

Chancellor Henry M. Huckaby gave his report at approximately 10:55 a.m. Tuesday, March 12, 2013. The Chancellor shared news of the Board's newest Regent, Mr. Don Waters, who will be present at the April Board of Regents meeting in Savannah. With the Georgia legislature in session, University System staff have been monitoring closely several bills, most notably those related to permitting firearms on campuses, and seeking to preserve current regulations in that area, the Chancellor said.

The University System also is working to insure military personnel have better access to their benefits; a new staff member will be brought on board from the University of North Georgia solely to aid in that effort. Chancellor Huckaby concluded his report by noting honors and awards recently received by System institutions and personnel. A complete audio recording of Chancellor Huckaby's remarks are on file with, and available for inspection in, the Office of the Secretary to the Board.

CHAIRMAN'S REMARKS

Board Chair William H. NeSmith, Jr., welcomed and thanked public safety chiefs and officers representing all University System institutions, who were present for the Board's morning session and Georgia Association of Chiefs of Police day at the Capitol. Chair NeSmith also shared with all present 10 little-known facts about the University System and its institutions, compiled by University System staff.

COMMITTEE REPORTS

The reports of the standing committees are attached hereto.

UNFINISHED BUSINESS

Executive Vice Chancellor for Academic Affairs Houston Davis shared a video of the February College Completion Summit in Athens, Georgia.

NEW BUSINESS

There was none.

PETITIONS AND COMMUNICATIONS

There was none.

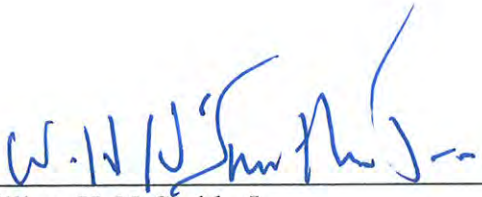
EXECUTIVE SESSION

At approximately 2:53 p.m., Chair NeSmith called for an executive session for the purpose of discussing personnel matters. With motion properly made and variously seconded, the Regents voted unanimously to go into executive session. University System of Georgia staff members who were also present for portions of the executive session included Chancellor Huckaby and members of his staff. An affidavit regarding this executive session is on file with the Office of the Secretary to the Board.

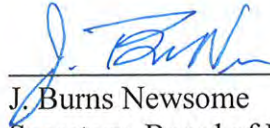
At approximately 3:14 p.m., Chair NeSmith reconvened the Board meeting in its regular session and announced that no actions were taken during the executive session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 3:15 p.m. on Tuesday, March 12, 2013.



William H. NeSmith, Jr.
Chair, Board of Regents
University System of Georgia



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

MINUTES OF THE MEETING OF THE EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee of the Board of Regents of the University System of Georgia met on Tuesday, March 12, 2013, in Room 7019 of the Board's offices, 270 Washington St. SW. The chair of the committee, Regent William H. NeSmith, called the meeting to order at approximately 9:30 a.m. Present, in addition to Chair NeSmith, were Vice Chair Philip A. Wilheit, Sr.; and Regents Kenneth R. Bernard, Jr.; Kessel D. Stelling, Jr.; Benjamin J. Tarbutton, III; and Larry Walker.

1. The committee discussed the proposed Board of Regents Policy 4.5 Intercollegiate Athletics, governing the establishment and funding of intercollegiate athletic programs, expansion of sports, and changes in competition levels.
2. The committee discussed presidential searches.
3. The committee discussed Board of Regents Policy 2.2.1 All Presidential Searches.

EXECUTIVE SESSION

At approximately 9:41 a.m., Chair William H. NeSmith called for an executive session for the purpose of discussing personnel and compensation matters. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. An affidavit regarding this executive session is on file in the Office of the Secretary to the Board.

Chair NeSmith reconvened the committee in its regular session at approximately 9:51 a.m. and announced that no actions were taken during executive session.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 9:56 a.m. on Tuesday, March 12, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on Tuesday, March 12, 2013, at approximately 12:35 p.m. in Room 5158 of the Board's offices. Committee members in attendance were Chair C. Dean Alford; and Regents Lori S. Durden; Rutledge A. Griffin, Jr.; Neil L. Pruitt, Jr.; C. Thomas Hopkins; Benjamin J. Tarbutton, III; and T. Rogers Wade. The Vice Chair of the Board, Regent Philip A. Wilheit, Sr., also was in attendance. Regent Larry R. Ellis was excused.

1. The committee heard an informational item about sector function policy, a draft of which will be presented to the committee at the Board's April 2013 meeting.
2. The committee viewed a presentation regarding the Degrees and Majors Inventory Project, a copy of which is on file with, and available for inspection in, the Office of Academic Affairs.
3. The committee heard an update on program productivity data.
4. The Board approved establishment of a Bachelor of Arts with a major in American Studies at the College of Coastal Georgia.
5. The Board approved establishment of the Amy G. Warren and Lamar Warren Distinguished Chair of Diabetes and Obesity in Radiology at Georgia Regents University.
6. The Board approved establishment of the Georgia Athletic Association Professorship in the Social Sciences at the University of Georgia.
7. The Board approved certain named faculty appointments and endowed positions, copies of which are on file with, and available for inspection in, the Office of the Secretary to the Board.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:05 p.m. on Tuesday, March 12, 2013.

**MINUTES OF THE MEETING OF THE
COMMITTEE ON PERSONNEL AND BENEFITS**

The Committee on Personnel and Benefits met on Tuesday, March 12, 2013, at approximately 1:06 p.m. in Room 5158 of the Board's offices. Committee members in attendance were Chair Neil L. Pruitt, Jr.; and Regents C. Dean Alford; Lori S. Durden; Rutledge A. Griffin, Jr.; Neil L. Pruitt, Jr.; C. Thomas Hopkins; Benjamin J. Tarbutton, III; and T. Rogers Wade. The Vice Chair of the Board, Regent Philip A. Wilheit, Sr., also was in attendance. Regent Larry R. Ellis was excused.

1. The committee heard a review of the Board of Regents Healthcare Plan Dashboard, including current demographics, network utilization, discounts, and costs.
2. The committee heard an information item regarding a request for proposals to secure a comprehensive new employee health plan and vendors, effective with the 2015 plan year.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:45 p.m. on Tuesday, March 12, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, March 12, 2013, at approximately 1:46 p.m. in Room 5158 of the Board's offices. Committee members in attendance were Chair Rutledge A. Griffin, Jr.; and Regents C. Dean Alford; Lori S. Durden; Neil L. Pruitt, Jr.; C. Thomas Hopkins; Benjamin J. Tarbuton, III; and T. Rogers Wade. Board Vice Chair Philip A. Wilheit, Sr., also was in attendance. Regent Larry R. Ellis was excused.

1. The Board authorized certain named personnel at Savannah State University to apply for, and receive, United States Government security clearance related to classified government research.
2. The Board approved mutual aid agreements for Abraham Baldwin Agricultural College with Tift County and the City of Tifton.

EXECUTIVE SESSION

At approximately 1:50 p.m. on Tuesday, March 12, 2013, Chair Griffin called for an executive session for the purpose of discussing personnel matters and student records. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. An affidavit regarding this executive session is on file in the Office of the Secretary to the Board.

Chair Griffin reconvened the committee in its regular session at approximately 2:15 p.m. and announced that no actions were taken during executive session. With motion properly made and unanimously seconded, the Regents who were present voted to deny the applications for review submitted by Dr. Ajamu Banjoko of Georgia State University; Mr. Rawland Alexander of Savannah State University; and three student applications for review, numbered 2234, 2235, and 2237. The application for review by Mr. Mark Jordan of the University of Georgia was continued to the Board of Regents' April 2013 meeting, pending further investigation and review.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 2:20 p.m. on Tuesday, March 12, 2013.

**MINUTES OF THE MEETING OF THE
COMMITTEE ON FINANCE AND BUSINESS OPERATIONS**

The Committee on Finance and Business Operations of the Board of Regents of the University System of Georgia met at approximately 12:36 p.m. on Tuesday, March 12, 2013, in room 7007 of the Board's offices, 270 Washington St. SW, Atlanta, Georgia. The chair of the committee, Regent Kenneth R. Bernard, Jr., called the meeting to order. Present, in addition to Chair Bernard, were Regents George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Kessel D. Stelling; Richard L. Tucker; and Larry Walker. Also present was Board Chair William H. NeSmith.

1. The Board approved reauthorization of out-of-state tuition waivers at Fort Valley State University for students enrolled in the Cooperative Development Energy Program.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 12:39 p.m. on Tuesday, March 12, 2013.

**MINUTES OF THE JOINT MEETING OF THE
COMMITTEE ON FINANCE AND BUSINESS OPERATIONS
AND COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE**

The Committee on Finance and Business Operations and the Committee on Internal Audit, Risk, and Compliance of the Board of Regents of the University System of Georgia met jointly at approximately 12:39 p.m. on Tuesday, March 12, 2013, in room 7007 of the Board's offices, 270 Washington St. SW, Atlanta, Georgia. The chair of the Finance and Business Operations committee, Regent Kenneth R. Bernard, Jr., called the meeting to order. Present, in addition to Regent Bernard, were Regents George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Kessel D. Stelling; Richard L. Tucker; and Larry Walker. Also present was Board Chair William H. NeSmith.

1. The committee heard a presentation on the fiscal year 2012 audit results for the University System of Georgia institutions.
2. The committee heard a summary and review of the 2012 University System of Georgia annual financial report.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:44 p.m. on Tuesday, March 12, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities of the Board of Regents of the University System of Georgia met at approximately 1:50 p.m. on Tuesday, March 12, 2013, in room 7007 of the Board's offices, 270 Washington St. SW, Atlanta, Georgia. The chair of the committee, Regent Kessel D. Stelling, Jr., called the meeting to order. Present, in addition to Chair Stelling, were Regents Kenneth R. Bernard, Jr.; George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Richard L. Tucker; and Larry Walker. Also present was Board Chair William H. NeSmith.

1. The committee heard an integrated evaluation of campus facilities-related proposals, resulting in the following potential items: acceptance by the University of Georgia of a gift of 15.45 acres of property from the Wormsloe Foundation; and phase IV renovation of the University of Georgia Health Sciences Campus, including the Fox Road Wing of Wright Hall and replacement of the mechanical system in Pound Hall.

The next step involves the appropriate level of detailed development including definition of scope, all due diligence, financing and requisite authorizations by the Board. This stage of detailed analysis will continue to involve Academic, Fiscal Affairs and Audit.

2. The committee heard Interim Vice Chancellor for Facilities Lee H. Richey's annual report on facilities design and construction-related contracting and qualifications-based selections. A copy of Interim Vice Chancellor Richey's report is on file with, and available for inspection in, the Office of Real Estate and Facilities.
3. The committee heard an update on the renovation status and funding source of each facility renovation to date for the University of Georgia's Health Sciences Campus, as well as details of anticipated future phases of the former United States Navy School facilities.
4. The Board authorized project no. BR-40-1302, repurposing the former College of Dental Medicine building at Georgia Regents University and MCG Health Inc., with a total project budget of \$50,650,000 to be funded by MCGHI.
5. The Board declared the former College of Dental Medicine building to be no longer advantageously useful to Georgia Regents University or other units of the University System of Georgia, but only to the extent and for the purpose of allowing the inclusion of this real property in the master lease agreement between the Board of Regents and MCG Health, Inc. The Board further authorized an amendment of the master lease agreement between the Board of Regents and MCGHI to include this building in the leased premises to MCGHI.

The Board further authorized the amendment of the master lease agreement between the Board of Regents and MCGHI to include rent by the Board from MCGHI of approximately 62,247 square feet of space in the former College of Dental Medicine at a rent rate of \$774,978 per year annualized, for use by GRU, with options to renew on a year-to-year basis for remaining option periods and at rent rates contemplated in the master lease agreement.

6. The Board declared an approximately 0.747 acre tract of improved real property located on the campus of the University of Georgia to be no longer advantageously useful to UGA 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 UGAREF Bolton Commons, LLC, for the purpose of providing a new dining commons containing approximately 62,954 square feet and related site amenities.

The Board further authorized the execution of a ground lease, including necessary access, use, and construction easements and encroachments, between the Board of Regents and the LLC for the above-referenced real property, 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 Dining Commons 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 Dining Commons.

The Board authorized the execution of a rental agreement between the LLC, landlord, and the Board of Regents, tenant, for the Dining Commons for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy, but not earlier than July 1, 2014, and ending the following June 30 at a rent not to exceed \$5,300,000 for the first year, with an option to renew for one year at a rent not to exceed \$1,600,000, and with further options to renew on a year-to-year basis for up to 28 option periods with the 28th option period ending no later than June 30, 2044 (the total not to exceed 30 years from the date the LLC obtains a certificate of occupancy for the Dining Commons), with rent increasing no more than 1% for each option period exercised.

The terms of these agreements are subject to review and legal approval of the Georgia Department of Law. The Board authorized the execution of site licenses to the LLC, from the Board, to allow mobilization, site work, steam line relocation, and grading activities.

7. The Board authorized project no. BR-30-1303, renovation of Roe Stamps Field at the Georgia Institute of Technology, with a total project budget of \$5,200,000 to be funded from GIT Recreation Center Operating Reserves and GIT Endowments.
8. The Board appointed the first named construction management firm listed below for project no. PPV-89-1201, Student Activity and Recreation Center, Gordon State College, 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.

This project was authorized by the Board in August 2012. In February 2013, the Board appointed a program management firm and a design professional firm. The approximately 50,000 square foot facility will include student activity and recreation spaces, such as gathering space, multipurpose meeting rooms, a basketball court, locker rooms, fitness rooms, a game room, food retail, and study rooms. The project will be funded through a public private venture and \$1,000,000 from Gordon State College auxiliary funds.

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:	\$12,048,000
Construction Cost (Stated Cost Limitation):	\$9,500,000

Number of firms that applied for this commission: 21

Recommended firms in rank order:

1. Piedmont Construction Group, LLC, Macon
 2. R.W. Allen, LLC, Augusta
 3. Van Winkle Construction, Atlanta
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9. The Board approved naming of the new student housing Tiger Point at Savannah State University as “Richard R. Wright, Sr. Hall,” in recognition of founding President Richard R. Wright, Sr.
 10. That the Board approve the naming of the new athletic field house at the University of North Georgia as “Coleman Field House,” in recognition of the Coleman family, including George E. Coleman, Jr., Richard D. Coleman, and J. Larry Coleman.
 11. The Board approved the naming of the lane bisecting the University of West Georgia Athletics Complex from north to south, and crossing directly behind the UWG Athletics Operations Building, as “Bobby Pate Lane,” in recognition of Mr. Bobby Pate.
 12. The Board approved the naming of East Campus Village Residence Hall at the University of Georgia as “George D. Busbee Hall,” in honor of former Governor George D. Busbee.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 2:17 p.m. on Tuesday, March 12, 2013.

APPENDIX I

4.5 Intercollegiate Athletics

This policy governs USG institution establishment of intercollegiate athletics, expansion of sports, changes in intercollegiate athletic competition levels, and funding of intercollegiate athletics programs.

4.5.1 Purpose

Participation in and enjoyment of intercollegiate athletics are important components of the overall collegiate experience and also provide valuable benefits to the communities in which universities and colleges are located. The Board of Regents of the University System of Georgia is committed to promoting such participation and opportunities within the mission, values, and goals of each USG institution. However, decisions made with respect to athletic programs may have significant financial implications for the institutions, and, subsequently, affordability for USG students. These programs must be operated in an ethically and fiscally responsible manner consistent with the rules, regulations, and principles of the national intercollegiate athletic associations and the conferences with which the institutions are affiliated.

4.5.2 Board Oversight

The Board of Regents provides oversight and broad policy guidelines for the operation and budget activities of intercollegiate athletics programs in a manner consistent with the operation of other USG units.

4.5.3 Delegation of Authority

The president of each USG institution is assigned ultimate responsibility and authority for the operation, fiscal integrity, and personnel of the institution's athletics program, including appointment and supervision of the athletics director(s). Each president is also responsible for ensuring that the institution's athletics program is in compliance with all applicable federal and state laws, in compliance with the regulations of any athletic conference affiliation, and that the mission, values, and goals of the athletics program are compatible with those of the institution.

4.5.4 Authorization and Approvals

Any USG institution that wants to establish an intercollegiate athletics program, expand its current intercollegiate athletics program, make a change in conference that requires significant program or resource expansion, or change competition levels, shall first obtain approval from the Board of Regents. Prior to any action on behalf of the institution, the president of the institution shall first notify the Chancellor of the scope of the intended change and the Chancellor shall determine if written notice to the Board is required. If it is determined that a formal review and approval by the Board is required, the institution shall submit for that approval a full proposal to the Board of Regents for integrated review, as outlined in Section 4.5.5.

4.5.5 Criteria for Proposal of Athletics Expansion

Consideration will be given to proposals that:

1. Are based on an institution submission of a five-year operational and capital plan for intercollegiate athletics that includes projected expenditures and revenues and sources of funding including institutional funds, athletic fees, ticket sales, unrestricted endowment income, and other sources such as sponsorships, community giving, and alumni donations;
2. Demonstrate support and approval for the plan based upon widespread consultation with the institution academic and student governing bodies and community constituents;
3. Stipulate that grants-in-aid will be administered in strict compliance with intercollegiate athletic rules and regulations and may be funded from athletic fee revenues, unrestricted endowment income, and

other allowable funding sources;

4. Assure that equitable athletic opportunity will be provided for members of both sexes, so that no person, on the basis of sex, will be excluded from participation in, be denied the benefits of, or be subject to discrimination in the overall intercollegiate athletics program of the institution;
5. Stipulate that the operation of intercollegiate athletics cannot come at the expense of academic programs and essential activities at an institution or by diverting funds from other major institution functions;
6. Discuss the facilities implications of any required changes in or additions to capital facilities in order to upgrade intercollegiate athletics; and,
7. Ensure that all funds utilized in support of the intercollegiate athletics program will be allocated, administered, and expended directly under the authority of the institution president in strict compliance with intercollegiate athletics regulations and institutional guidelines for the establishment and conduct of institution intercollegiate athletics boards.

4.5.6 Monitoring

1. The USG shall periodically review institutional intercollegiate athletics programs for financial and program soundness.
2. The institutions will provide to the Chancellor copies of the annual reports submitted to the appropriate national intercollegiate athletic association and conferences regarding academic progress and graduation success rates of student-athletes. The Chancellor will submit a summary of the institution reports to the members of the Board and will advise the Board Chair of any Board actions needed.
3. There shall be an annual audit of any separately incorporated athletic association, with a copy of the audit to be filed with the USG chief audit officer.