

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
August 5 and 6, 2003**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, August 5 and Wednesday, August 6, 2003, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Joe Frank Harris, called the meeting to order at 1:00 p.m. on Tuesday, August 5. Present on Tuesday, in addition to Chair Harris, were Vice Chair Joel O. Wooten, Jr. and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Julie Hunt, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, Patrick S. Pittard, J. Timothy Shelnut, and Glenn S. White.

Chair Harris announced that former Regent Thomas H. Frier, Sr. had passed away on August 4, 2003, at the age of 85. Regent Frier had served on the Board from 1978 to 1992. He was originally appointed by Governor Busbee, and was reappointed by Governor Harris in 1985. Chair Harris remarked that Regent Frier was both a wonderful Regent and a wonderful person and that he would certainly be missed.

Chair Harris announced that a new Regent would be appointed on Wednesday, August 6. He invited all of the Regents to the Governor's Office at 8:30 a.m. for the swearing-in of the new Regent.

ATTENDANCE REPORT

The attendance report was read on Tuesday, August 5, 2003, by Secretary Gail S. Weber, who announced that Regents Michael J. Coles, Hilton H. Howell, Jr., and Wanda Yancey Rodwell 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 meeting held on June 10 and 11, 2003, were unanimously approved as distributed.

CHANCELLOR'S PRESENTATION: WHERE WE'VE BEEN, WHERE WE'RE GOING

After the approval of the minutes, Chancellor Meredith made the following presentation to the Board:

Thank you, Mr. Chairman. As you know from your Board agenda, I am talking with you about the

System's past, present, and future. But as any military expert will point out, things run according to plan until the shooting starts. After I prepared my remarks, the memo came from the Office of Planning and Budget, so my remarks will be a little longer than originally intended.

Yesterday's memo from the Governor's Budget Director, Tim Connell, instructed all state agencies to prepare to cut the fiscal year 2004 budget an additional 2.5%, or \$42 million, and to reduce our fiscal year 2005 budget by 5%, almost \$84 million. So with your concurrence, I'd like to amend my planned remarks slightly and put this new budget information into context for both our budget and where we go as a System and as a Board.

From November 2001 through August 2003, the University System will have lost \$211 million and now this new cut of \$42 million for a total of \$253 million in reductions. This puts our budget just above the level of fiscal year 2000. Yet, our enrollment is up almost 30,000 students, or 13.2%, during the same period. And if we do get an additional 15,000 new students when classes open in a week, we will have added more than a University of Georgia and a Georgia Southern University in combined enrollment at the same time our state dollars have gone down.

As I stated to the General Assembly during fiscal year 2004 budget hearings this past spring, we are at a critical point. If the University System is a plane in flight, we've had our trip distance significantly lengthened (more students, higher demand) at the same time we discovered we've been losing fuel (budget reductions). We've lightened the load considerably already. So, the decisions now become very, very tough.

I've said it before, but we have to be even more efficient and effective so we can reallocate more dollars into the classroom. This is the bottom line for us. While quality remains our cornerstone, we all need to know that there will be changes. None of us want to go down the road of selected enrollment limits, but that must now be discussed with our presidents. Reducing access is not in the best interest of the state by any means. None of us want to cut programs that serve Georgians, but that will now have to be put on the table.

Our ability to work as a team is now more important than ever. Our staff will be working around the clock. Our System faculty and staff will have to work even harder than ever.

We must be frank and honest with our students, faculty, staff, parents, and citizens about how we proceed. We will not surprise them, and we will make our decision-making process clear as we move forward. There is no question, at this stage, we can no longer keep students from being impacted. Up to now, we have done everything possible to keep our students from being hurt by budget cuts. We will have to ask for their understanding and patience.

Now you may sit there thinking: what can we do—how can we meet these challenges? In the good book it says, "Where there is no vision, the people perish." Georgia's leaders wanted this state to

prosper and not perish. Just over 70 years ago, Georgia's leaders had the vision to create a unified system of public higher education under a single Board of Regents. This wise decision decades ago gives you the structure to meet this and future challenges with a very high degree of success.

One of the tools for prosperity then, as today, was education. Georgia's leaders reorganized public higher education in this state and put all of the public colleges and universities under one governing board – and that's you. Prior to this, there were separate boards and separate budgets. Instead of a Chancellor and one Tom Daniel [Senior Vice Chancellor for External Activities and Facilities] at the Capitol making the case for a single System budget, there were multiple voices competing for a share of state appropriations and state attention. So, the unification was a masterstroke. It meant that Georgia would be able to quickly marshal all of its public higher education resources on behalf of state and local needs.

They also made the new Board of Regents a constitutional body in a move to free this new governing body from the political winds blown by elected officials and others with significant power. Because this body is so protected and insulated, the quality of its membership is a critical factor. That's why governors pride themselves on the level of individuals that they appointed. The stakes are extremely high. Of course, we are blessed with our current appointments. This Board of Regents, although made up of individuals with passionate feelings about particular institutions, puts its school loyalties aside for the good of the state and its citizens and the System.

Our University System resulted in a whole greater than the sum of its parts. That decision has served Georgia well for over seven decades and puts Georgia in a competitive position that other states envy. Let me give you some examples of how our structure has benefited the 34 colleges and universities and the state.

In truth, we are blessed with more positives than I have time to relate. Of course, the most important positive and our key asset is that we are blessed with outstanding presidents, faculty, and staff. We have an excellent strategic plan, and we are implementing it with the help of our campuses.

Consistent admission standards have been implemented which help encourage better academic preparation in high school. Our retention rate is up and the quality of our incoming freshmen continues to set records.

The Board of Regents' economic development arm, ICAPP[®], or Intellectual Capital Partnership Program, allows us to respond quickly with our 34 institutions to meet regional and state needs. Our System makes it possible to implement best practices across functions, from accounting to purchasing to payroll and even academics. Our new best practices Web site is up and running under [Vice Chancellor for Fiscal Affairs] Bill Bowes' guidance.

From our statewide electronic library, Georgia Library Learning Online (“GALILEO”), to Georgia Application and Electronic Advisement System (“GA EASY”) for applying to college to Georgia HIRE, our employment Web site, the citizens of Georgia are well served by the System’s technology. Institutions have developed Web degree programs such as an M.B.A. being offered by five institutions. In addition, we have just finished a Systemwide implementation of PeopleSoft. The financial folks at Valdosta State University tell us this was the first Fourth of July they have ever had off!

Our unified System fosters easy transferability – something not easily obtained in other states lacking our structure. A student can enroll at Waycross and transfer to any institution in the System, winding up with a bachelor’s degree – or even higher – from, for example, the University of Georgia or Georgia Institute of Technology. Our “USG by the Numbers” database opens up public access to the System’s accountability data. On a daily basis, our institutions are gaining additional accreditations with few exceptions being noted. Likewise, our unified System has served as the bedrock for such outstanding K-12 partnership collaborations as the P-16 and Postsecondary Readiness Enrichment (“PREP”) initiatives. Our African-American Male Initiative is another example of what we can accomplish through a unified system.

And ultimately, our unified System is heard clearly in the Governor’s Office and the General Assembly with one voice. In good economic times, our System makes it possible to state the case for funding for special initiatives, for facilities, and for faculty salaries. And in tough times, our unified voice and structure enable us to speak to the need to preserve the quality that has made our System so great for so many years. Thanks to this structure, our achievements, and our partnerships, the University System of Georgia has high credibility and respect for doing an excellent job for this state and this nation.

Now how does this work? All 34 public four-year and two-year institutions in this state, plus the Skidaway Institute of Oceanography and everything associated with these entities, are under your governance. You hire a Chancellor as your professional arm to carry out your policies and directives and to bring you recommendations regarding future direction. You allow me to hire a staff to assist in that regard. You also ask me to bring you a recommendation regarding who should be the president on each campus. I don’t take any of these responsibilities lightly. As a matter of fact, I am honored to serve you in this capacity.

Since the founding of the Board of Regents, each Board has had the task of remaking the University System anew. Previous Boards have ensured the System survived the Depression and the war, and the post-war expansion under the G.I. Bill. Previous Boards have overseen the effort to increase access by placing two-year and four-year colleges within commuting distance of all Georgians during the ‘60s and ‘70s, and they made the effort to increase quality and create nationally competitive universities during the ‘80s and ‘90s.

Three generations of students are the beneficiaries of the courage, vision, and action of this Board of Regents. The torch is now ours, yours and mine. It's our task to renew the University System for the next generation of students. We will be judged by what happens at this table during this year. What should guide our efforts to remake the University System for a new century?

First, we are partners with the K-12 system and the Department of Technical and Adult Education. Our actions with them must raise aspirations of students at all levels and contribute to a more educated Georgia. The greatest shortcoming in this state is the lack of aspirations of young people across the educational spectrum.

Second, we are a public university system. Our mission must reflect state needs and state priorities, particularly in the area of economic development. For example, our Georgia Tech Regional Engineering Program ("GTREP") in Savannah and the information technology program at Georgia Southern University are Board of Regents' responses to statewide economic development initiatives. Only our unified System could respond to these needs in such an efficient and effective way so quickly.

Third, if at all possible, we must not inhibit access to higher education. During a recession, it is tempting to cap access to our institutions. This is exactly the wrong response for our common future.

Fourth, similarly, we must not compromise quality. This, too, is an easy temptation in tough budget times, precisely the kind we must avoid. We did not make the long, difficult climb to reach this pinnacle of quality just to slip backwards during a period of temporary financial constraints.

Fifth, our decisions must be data-driven. We can't base our decisions on emotions and the heart, but on facts. Though all of us in this room are passionate about higher education, we still must be efficient and effective stewards, particularly during tough times.

So now that the University System mandate has been passed to us, where is our road, what is our course? We now face some very formidable and challenging times together. As I heard someone say recently, "During bad times, tell the truth and provide a little hope." As I mention these challenges, it is incumbent upon me to talk about what we can do.

The state's economy has been struggling and, like the nation's, we are recovering more slowly than we had hoped. Once Georgia's key industries of transportation, tourism, and technology recover, our economy quickly will roar back to life. Moreover, our University System continues to play a key role in economic development. And as I outlined at the beginning of my remarks, we have an explosion in enrollment in this state. The State of Georgia is expected to increase to 10 million people by 2020. How do we deal with this kind of growth when our state revenue has been declining for two straight years, with the possibility of a third year? How can we have sufficient

faculty numbers to teach this wonderful influx of students?

This growth introduces another challenge. I asked the Vice Chancellor for Facilities, Linda Daniels, to conduct a study regarding our physical plant capacity to handle these numbers. Our consultant, the Sasaki Company, has just reported a need for an additional 80 to 85 million square feet by 2020. How can this Board provide that much square footage in a timely fashion given the monetary and procedural constraints? If we can't provide these facilities, Georgians will be turned away from the opportunity for a higher education.

And this relates to the challenge of access – a concept held very dear by this Board. You have worked hard to keep tuition affordable. In the face of monumental increases in tuition nationally, you have consciously kept ours low. Tuition at our two-year schools has increased only \$82 a semester over the last four years. Their yearly tuition is still only \$1,398. Our four-year schools have only increased by \$202 over this time period for an annual tuition of \$2,212. The research universities have increased just \$397 for an annual rate of \$3,208. Georgia's tuition ranks among the lowest in the Southeast and one of the lowest in the country. The Pell Grant will still more than pay for tuition at our research universities. By the way, our student fees have increased just \$10 per semester, or less than the cost of a large pizza. Comments about high fees are simply not accurate.

Salaries are another major challenge. If Georgia is going to be able to recruit and retain the best, we must do all we can to be competitive with faculty, staff, and presidential salaries.

One last challenge I will mention today is the low participation rate of 18- to 24-year-olds in postsecondary education. We rank forty-eighth. Georgia cannot be successful in the long term and be competitive as a state with that level of educational participation. Part of the reason for this terrible position is the fact that 47 out of every 100 ninth graders in Georgia do not graduate from high school. How can we survive as a state with that kind of data? We must play a major role in turning this around.

So, what can we do about these challenges? What will this Board's legacy be in addressing these concerns? Can we keep from losing our hard-earned quality in the process?

Resources, or the lack thereof, seem to be the largest and most pervasive obstacle. Therefore, we must find ways to shift resources to plow into faculty positions to meet a growing demand and maintain quality. Allow me to share some thoughts with you regarding this.

We have a strategic plan that continues to push quality. Our increased retention rate and improved student quality enhances graduation rates and revenues. It also produces more students. Dan Papp will give you an update on that plan tomorrow and give recommendations for your consideration regarding where we go next with the strategic plan.

We have a statewide assessment underway now to prioritize resource utilization. A subpart of this assessment is exploring ways we can better utilize the combined talent and strengths of our System. A purchasing alliance task force has been created and is now active, and a study of combining back office operations on our campuses has been completed.

Our process for “scraping the barnacles” also is underway. Possibilities for outsourcing are being explored. We know about teaching, research, and service. We should not be hesitant to explore using others for other services where warranted. I hope to bring you a more detailed report with recommendations by October or November.

We are exploring the possibility of requiring that students take some portion of their degree programs online. We just can’t get them all in the classroom. This will free up much needed facilities space and expand opportunity for student access to some of our best professors.

For facilities to be on line when we need them, the state will have to increase the number of future bond projects so Georgians won’t be turned away. I will bring you a recommendation on that in September. We must refine and utilize our fast track construction process on a larger scale. There is no time to waste. Chairman Harris emphasized the importance of partnerships a year ago. Our public-private partnerships must be encouraged in many areas, but in no area is the need greater than in the provision of facilities. Regarding our off-campus locations, we will assess the value of each location in light of our current needs. I would suggest to you that any new location be based on the condition that necessary facilities are provided by that location and the System will provide the educational offerings.

Many states are hunkering down during these difficult times. We will not give up the quality that has been established. We are not going to hunker down. Personally, I am going to live closely with our strategic plan, statewide assessment, and facilities enhancement direction for the coming year. I will recommend the hiring of two new presidents and will work to enhance our presidential evaluation system. The preparation of teachers and school leaders also remains a top priority for me. Finally, I will work even harder to enhance our position with the legislative and executive branches.

Our unified structure of governance gives our Board great power and authority. You have the ability to use that power to mobilize the System’s resources to meet our state’s increasing needs. You can help ensure that our institutional missions are aligned to the future demographic realities. You can use our structure to help us achieve true administrative efficiencies.

We still have much to accomplish! So much of what you do now will come to fruition down the road. However, we all plant trees under which we will not sit. The people we are serving today are simply our messengers for the future. I need your guidance in helping us build a University System for 2020, when 10 million people will inhabit Georgia and when Regent Cleveland’s newborn child, Billye Nicole, will be in the freshman class.

What greater good can there be than to be about the business of truly educating mankind? Not just preparing people for a job, but truly educating them for the future. By educating them, we set them free. As James Bryant Conant put it so eloquently: “A liberal education frees a man from the prison-house of his class, race, time, background, family, and even his nation.”

We will do all we can to keep from burdening you with inconsequential details. We need your bigger perspective and wise counsel. Your position on this Board allows you to help us build on the momentum of 71 years of success of educating Georgians to compete on a statewide, national, and now even on a global level. Our challenge today is to continue creating a nationally preeminent System of public higher education that distinguishes Georgia as a twenty-first century, world-class environment where education is priority number one.

The bottom line for all of this is this is going to be a difficult time. However, we are blessed with a solid foundation, outstanding faculty and staff in our System, and a Board committed to excellence. We will persevere.

At approximately 1:40 p.m., Chair Harris adjourned the Regents into their regular Committee meetings.

PRESENTATION: TERMS FOR THE FUTURE

After his presentation, Chancellor Meredith announced that he had asked President G. Wayne Clough of the Georgia Institute of Technology (“GIT”) to speak to the Board of Regents about new technology terms and what they mean.

President Clough greeted the Regents and explained that the terms he would be discussing are actually becoming part of common language. He thanked Dr. Gary S. May, Executive Assistant to the President, for helping develop a handout for the Regents. President Clough noted that Governor Sonny Perdue had visited GIT the previous day and that he had shared this handout with the Governor as well. He then discussed some of the terms on the handout. For example, he explained that the prefix nano means one-billionth. A nanometer is one-billionth of a meter. So, the study of subjects such as nanotechnology is important in examining nature and improving the human condition. President Clough noted that the term nanotechnology is becoming so common that it is often found in the pages of newspapers and popular literature, and he gave some examples of books on the subject. He noted that the federal government will be putting \$900 million into nanotechnology research and development in fiscal year 2004, and there is a law going into effect regarding the spending of that money. President Clough will chair an oversight committee that will examine the use of those funds for semiconductors, photonics, and materials. He explained that photonics is technology for generating and harnessing light and other forms of radiant energy. He noted that GIT was fortunate, with the help of Provost Jean-Lou Chameau, to have hired the entire group of photonics researchers from the University of Arizona, considered the world’s best in the field.

Next, President Clough discussed the term FLOPS. He explained that FLOPS stands for floating point operations per second, a measure of the speed of a high-performance computer. A teraflop is one trillion operations per second, which is incredibly fast. He noted that GIT is working in partnership with the Oakridge National Laboratory (“ONL”), which has made a commitment to develop the world’s fastest computer. The University System of Georgia research institutions will be able to access this computer once it is in place. ONL now has eight teraflops in place. However, the Japanese already have a 30-teraflop machine. The United States needs to regain its prominence in this area, he said, because there are many problems this kind of machine can solve in the areas of bioinformatics, genomics, etc. In closing, President Clough said that there is a lot going on in the area of technology and that he appreciates the Board’s support of technology research.

Chair Harris thanked President Clough for this informative presentation. He also thanked Chancellor Meredith for his presentation.

Chair Harris congratulated Regent Cleveland on the birth of his daughter, Billye Nicole, on July 3. At approximately 1:35 p.m., he adjourned the Board into its regular Committee meetings.

CALL TO ORDER

The Board of Regents of the University System of Georgia met again on Wednesday, August 6, 2003, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Joe Frank Harris, called the meeting to order at 9:00 a.m. Present on Wednesday, in addition to Chair Harris, were Vice Chair Joel O. Wooten, Jr. and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Julie Hunt, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, Patrick S. Pittard, Wanda Yancey Rodwell, J. Timothy Shelnut, Allan Vigil, and Glenn S. White.

INVOCATION

The invocation was given on Wednesday, August 6, 2003, by Vice Chair Joel O. Wooten, Jr.

Chair Harris welcomed new Regent Allan Vigil, who had been sworn in by the Governor at 8:30 a.m. He then announced that Regent Elridge W. McMillan had been reappointed that morning as well. He congratulated both Regents on their appointments.

ATTENDANCE REPORT

The attendance report was read on Wednesday, August 6, 2003, by Secretary Gail S. Weber, who announced that Regents Michael J. Coles and Hilton H. Howell, Jr. had asked for and been given permission to be absent on that day.

AUDIT COMMITTEE

The Audit Committee met on Tuesday, August 5, 2003, at 11:00 a.m. in room 7005. Committee members in attendance were Chair Glenn S. White, Vice Chair Connie Cater, and Regents Julie Hunt, W. Mansfield Jennings, Jr., and Joel O. Wooten, Jr. Chair White reported to the full Board on Wednesday that the Committee had reviewed three information items. Item 2 was modified to require action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Information Item: Update on Implementation Plan for Savannah State University Management Study

In March 2003, President Carlton E. Brown of Savannah State University (“SSU”) introduced to the Audit Committee SSU’s Chief Financial Officer, Arthur L. Moncrief, who presented an update on the implementation of the SSU management report prepared by PricewaterhouseCoopers. At this meeting, President Brown and Mr. Moncrief were accompanied by the Vice President for Academic Affairs, Dr. Joseph H. Silver, Sr.

The Vice Chancellor for Fiscal Affairs, William R. Bowes, and President Brown introduced this presentation and gave some background information for the benefit of new Committee members. Mr. Moncrief discussed the status of the implementation plan as it pertains specifically to procurement, student services, business and finance operations, and academic clerical support. He explained that the implementation was nearly complete but that ongoing training would be necessary to correct certain problem areas.

2. Information Item: Audit Follow-up Process

The Associate Vice Chancellor for Internal Audits, Ronald B. Stark, receives quarterly reports from all institutions regarding the status of all audit findings (state, Board of Regents, and campus-based). This information is recorded and evaluated quarterly. In addition, the presidents are asked to submit written corrective action plans for all State Department of Audits and Accounts audit finding. The collective data are then used to determine the implementation status of all audit findings.

At its May 2003 meeting, the Audit Committee expressed concerns about how long findings remained open and the frequency of repeat findings. At this meeting, Mr. Stark presented the process that will be implemented to more closely monitor open audit findings and to provide follow up on significant and major findings. He explained that there will be quarterly reports of outstanding audit findings, and he discussed areas in the follow-up process that would be strengthened. The Director of Internal Audit at the Georgia Institute of Technology, Robert N. Clark, Jr., discussed the audit follow-up process at that institution.

Approved: The Committee approved necessary revisions to the Audit Charter. These changes are on file with the Department of Internal Audit in the University System Office.

Modified: This item was modified to permit the approval of this item.

3. Information Item: Fiscal Year Audit Activity

The Associate Vice Chancellor for Internal Audits, Ronald B. Stark, presented a summary of audits completed by University System Office and campus-based auditors. He discussed the number of audits completed, ranking of audit findings, and rating of individual audits. He said that 147 audits were performed and 815 findings were made. Of the audits, 94% were ranked Code 1, 2, or 3, which is satisfactory or better. Only 1% of audit findings were considered major; 26% were significant. Mr. Stark remarked that this was a good year overall, and he commended the institutions for their hard work.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, August 5, 2003, at approximately 1:45 p.m. in the Board Room. Committee members in attendance were Chair Hugh A. Carter, Jr. and Regents Connie Cater, Julie Hunt, Donald M. Leebern, Jr., Martin W. NeSmith, Patrick S. Pittard, J. Timothy Shelnut, and Glenn S. White. Chair Carter reported to the Board on Wednesday that the Committee had reviewed two items, both of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Ratification of Action to Effect the Transfer of the Institute of Paper Science and Technology to the Georgia Institute of Technology

Approved: The Board approved actions taken by Chancellor Thomas C. Meredith to effect the transfer of the Institute of Paper Science and Technology (“IPST”) to the Georgia Institute of Technology (“GIT”), as follows:

- Execution of the project agreement between IPST and the Board of Regents on behalf of GIT, effective July 1, 2003. The project agreement is subject to approval by the Office of the Attorney General.
- Delegation of authority to President G. Wayne Clough to implement the project agreement and various actions pertaining thereto, including accepting the transfer of personal property, museum assets, and library materials owned by IPST and accepting an exclusive license of IPST trademarks to the University System of Georgia for the benefit of GIT; to transition IPST employees to employment at GIT; to terminate the rental agreement dated April 19, 1990, between the University System of Georgia and IPST; and to enter into an operating agreement to obtain funding for the first year of the operation of IPST at GIT (fiscal year 2004).

As part of the transfer agreement, the establishment of the major in Paper Science and Technology under the Doctor of Philosophy (“Ph.D.”) at GIT is on the agenda of the Committee on Academic Affairs (Item 1).

Background: IPST has been in existence since 1929. It grants both master of science and Ph.D. degrees and performs research in the area of paper science and technology. In 2002, IPST had approximately 70 students enrolled and was accredited by the Southern Association of Colleges and Universities (“SACS”). It has an endowment of approximately \$45 million dollars and operates in a leased building owned by the Board of Regents. IPST and GIT have had a cooperative relationship since 1988.

The Institute of Paper Science and Technology at Georgia Institute of Technology (“IPST-Tech”) will be established as multidisciplinary center at GIT under the vice provost research and dean of graduate studies. The programs and activities of IPST-Tech will be enhanced and extended through relations with a number of GIT departments, centers, and programs. IPST-Tech activities, including pulp and paper research and industry-centered events, will continue to be located in the current facility located on Tenth Street.

Pursuant to the project agreement, IPST will transfer its personal property and certain employees to the University System of Georgia for the benefit of GIT to establish and operate IPST-Tech.

Pursuant to the terms of the project agreement, IPST will provide initial funding for the period July 1, 2003, to June 30, 2004, to aid in the transition of resources from IPST to IPST-Tech. In subsequent years, the resident instruction formula will provide funding for instruction and support as well as plant operations and maintenance.

GIT will undertake graduate level education and research programs with both master’s and doctorate degrees being offered in paper science and engineering that address the needs of the Pulp and Paper Industry. Current IPST students will be given the option of completing their course work to receive an IPST degree on or before June 30, 2004; or transferring into academic units of GIT as appropriate in accordance with established guidelines. New graduate students will be admitted to GIT in accordance with general admissions policy of GIT.

2. Student Center Facility Fee, Georgia College & State University

Approved: The Board approved a student center facility fee of \$42 per semester for Georgia College & State University (“GCSU”), effective fall semester 2003.

Background: The student center facility fee is designed to support the \$5.3 million acquisition and renovation of the First Methodist Church building located directly across the street from the campus and adjacent to Ennis Hall. This acquisition is expected to amortize over a 20-year period. The facility and property will be renovated and used as an annex to the Maxwell Student Union Building. If the new fee is approved, the facility should be ready for student use by spring semester 2005. The project request is on

the agenda of the Committee on Real Estate and Facilities (Item 1).

The GCSU Student Government Association unanimously approved the student center facility fee in an effort to provide more programming options for the Office of Student Activities and student groups, allowing for increased student interaction outside of the classroom. As outlined in the mission of GCSU, faculty are dedicated to challenging students and fostering excellence in the classroom and beyond. This fee will be payable by the students attending the Milledgeville campus only and will not be mandatory for any student attending classes in Macon or at the Robins Air Force Base.

This fee is considered ineligible for HOPE Scholarship program funding, and the Georgia Student Finance Commission has been requested to exclude it from the list of HOPE-eligible fees in accordance with Board action taken at the March 2000 Board meeting.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, August 5, 2003, at approximately 1:55 p.m. in the Board Room. Committee members in attendance were Chair Martin W. NeSmith, Vice Chair J. Timothy Shelnut, and Regents Hugh A. Carter, Jr., Connie Cater, Julie Hunt, Donald M. Leebern, Jr., Patrick S. Pittard, and Glenn S. White. Chair NeSmith reported to the Board on Wednesday that the Committee had reviewed 13 items, 11 of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Rental Agreement, 300 West Hancock Street, Milledgeville, Georgia College & State University

Approved: The Board authorized the execution of a rental agreement between Georgia College & State University Foundation Property II, LLC (the "Foundation"), Landlord, and the Board of Regents, Tenant, covering approximately 21,797 rentable square feet at 300 West Hancock Street, Milledgeville, Georgia, commencing on the first day of the first month after the Foundation obtains a certificate of occupancy for the improvements and ending the following June 30 at a monthly rent of \$42,975 (\$515,684 per calendar year/\$23.66 per square foot per year) with options to renew on a year-to-year basis for 20 consecutive one-year periods for the use of Georgia College & State University ("GCSU").

The rental of this facility is subject to the Foundation's completion of a satisfactory Phase I Environmental Assessment and satisfactory completion of all appropriate environmental and Historic Preservation Division of the Georgia Department of Natural Resources reviews concerning the renovation of the First Methodist Church building.

The authorization to execute the rental agreement was delegated to the Vice Chancellor for Facilities.

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

Understandings: The First Methodist Church building, with its large sanctuary space and educational wing, will be used as an annex to the Maxwell Student Union Building. This student center annex will provide office space for student organizations, the Student Government Association, Greek organizations, seminar rooms, staff offices, large and small multipurpose spaces, a leadership center, and a game room. The renovated former sanctuary space will serve as a much needed special events facility for large special events such as dances, large meetings, and other campus functions.

The current Maxwell Student Union Building was constructed in 1971 when the enrollment at GCSU was less than 2,500 students. The current GCSU enrollment is over 5,500, and currently, all available spaces are under constant use by multiple user groups. The First Methodist Church building is directly adjacent to the GCSU campus along West Hancock Street and is situated approximately 400 feet from the current Maxwell Student Union, adjacent to Ennis Hall, at the heart of the GCSU campus.

The source of funding for this proposed student center annex will be a special student activity fee of \$42 per semester, which is Item 2 on the agenda of the Committee on Finance and Business Operations.

This rental agreement supports the concept in the campus master plan that specifically identifies the First Methodist Church building as a prime candidate for additional student services and student support space.

The property will be transferred to the Board of Regents at the end of the lease.

2. **Rental Agreement, 130 North Irwin Street, Milledgeville, Georgia College & State University**

Approved: The Board authorized the execution of a rental agreement between Georgia College & State University Foundation Property II, LLC (the “Foundation”), Landlord, and the Board of Regents, Tenant, covering approximately 4.034 acres at 130 North Irwin Street, Milledgeville, Georgia, commencing on the first day of the first month after the Foundation obtains a certificate of occupancy for the improvements and ending the following June 30 at a monthly rent of \$10,315 (\$123,733 per calendar year/\$229 per parking space) with options to renew on a year-to-year basis for 20 consecutive one-year periods for the use of Georgia College & State University (“GCSU”) as a 540-space parking lot.

The rental of this property is subject to the Foundation’s completion of a satisfactory Phase I Environmental Assessment.

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

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

Understandings: Currently, GCSU has only 1,537 on-campus parking spaces for approximately 5,500 students. Students compete for parking with patrons of downtown businesses and tourists in the surrounding historic district adjacent to the campus. The property, known as the site of the former Westend Elementary School, will be used for GCSU's commuter and residence hall students.

The source of funding for the parking lot is a special student parking fee increase of \$10.50 per semester, which was approved by the Board at its May 2003 meeting.

This parking lot supports the concept approved in the campus master plan of providing parking at the perimeter of the campus in order to move cars out of the central academic core of the campus.

The property will be transferred to the Board of Regents at the end of the lease.

3. Rental Agreement, 394 South Milledge Avenue, Athens, University of Georgia

Approved: The Board authorized the execution of a rental agreement between M.O.I.S., LLC, Landlord, and the Board of Regents, Tenant, covering approximately 18,108 square feet of office space located at 394 South Milledge Avenue, Suite 100, Athens, Georgia, for the period September 1, 2003, through June 30, 2004, at a monthly rent of \$24,144 (\$289,728 per year/\$16 per square foot per year) with options to renew on a year-to-year basis for four consecutive one-year periods at the same rent rate for the first and second option periods and with rent increasing 3% per year for the third and fourth option periods for the use of the University of Georgia ("UGA").

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

The terms of the above-referenced rental agreement be subject to review and legal approval of the Office of the Attorney General.

Understandings: Several UGA functions will be consolidated. The Division of External Affairs' Budget and Accounting Office currently leases office space at the UGA Foundation Building and storage space at the A. G. Edwards Building. The Office of Development leases office space at the Commerce Building. Currently, these functions occupy 16,818 square feet at an annual rent of \$234,777 (\$13.96 per square foot), which does not include all operating costs.

It is estimated that this rental agreement will achieve a savings of \$70,000 per year in occupancy costs while increasing the available space by 1,290 square feet.

All operating costs, except maintenance, are included in the rent rate. The tenant is responsible for maintenance up to \$12,700 per year. Rent will be paid from UGA general operating funds.

4. Rental Agreement, 10 Park Place South, Atlanta, Georgia State University

Approved: The Board authorized the execution of a rental agreement between Ten Park Place Partners, LLC, Landlord, and the Board of Regents, Tenant, for approximately 37,650 square feet of office space located at 10 Park Place South, Atlanta, Georgia, for the period July 1, 2003, through June 30, 2004, at a monthly rent of \$44,803.63 (\$357,643.56 per year/\$14.29 per square foot per year) with options to renew on a year-to-year basis for three consecutive one-year periods with rent increasing 3% for the first option period and increasing 2% for the second and third option periods for the use of Georgia State University (“GSU”).

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

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

Understandings: GSU has occupied space in this building since March 1997 and is currently occupying this space under 16 separate rental agreements. This agreement will consolidate these separate agreements and will result in a rent reduction of \$12,424.50 per year from the projected rent of the 16 separate agreements.

This space is utilized by various GSU departments, including the Andrew Young School of Policy Studies, College of Arts & Sciences, J. Mack Robinson College of Business, Center for Trade and Technology Transfer, Office of the Provost, Regents’ Testing Program, Office of Legal Affairs, Georgia Institute of Community Business Development, and Office of Cooperative Education.

All operating expenses are included in the rent rate.

5. Transfer of the Joseph Brown Whitehead Building Name, Georgia Institute of Technology

Approved: The Board approved the transfer of the Joseph Brown Whitehead Building name at the Georgia Institute of Technology (“GIT”) to a newly constructed facility in recognition of the generosity of the Lettie Pate Evans Foundation.

Understandings: The Joseph Brown Whitehead Infirmary was originally built in 1911 and was located within the Chapin Building at 681 Cherry Street. In 1960, the infirmary was moved across campus to the Joseph Brown Whitehead Building, located at 275 Fifth Street, which was authorized for demolition by the Board in May 2002 as part of the site of the Klaus Advanced Computing Building approved by the Board in November 2001. In January 2001, the Board authorized construction of a new Student Health Center at 740 Ferst Drive. This is the building to which the name will be transferred.

Joseph Brown Whitehead was born in 1864 in Oxford, Mississippi, the son of a Baptist minister. After

graduating with a law degree from the University of Mississippi, Mr. Whitehead established a tax law practice in Chattanooga, Tennessee. In 1894, he married Letitia (Lettie) Pate of Thaxton, Virginia. Asa Griggs Candler, then President of The Coca-Cola Company, granted Mr. Whitehead and his partner, Benjamin F. Thomas, an exclusive contract to bottle and sell Coca-Cola in most of the United States. Mr. Whitehead later entered into partnership with John T. Lupton to establish the Dixie Coca-Cola Bottling Company to serve much of the South and western United States. In 1906, at the age of 42, Mr. Whitehead was stricken with pneumonia and died.

Mrs. Lettie Pate Whitehead Evans' will directs 15% of the net income from her residuary estate, managed by the Lettie Pate Evans Foundation, to GIT. Mrs. Evans recommended that an accrual of these payments be used for the "...rebuilding of the Joseph Brown Whitehead Hospital..." Currently, residual payments are designated as unrestricted funding, which allows GIT the flexibility of addressing a variety of needs associated with providing a first-rate education.

6. Naming of Vanover Drive, Augusta State University

Approved: The Board approved naming the existing road identified as ASU Athletic Complex Drive at Augusta State University ("AUSU") "Vanover Drive" in honor of Mr. Marvin Vanover, AUSU's first Director of Intercollegiate Athletics.

Understandings: Mr. Vanover joined AUSU (formerly Augusta College) in 1963 as Assistant Professor of Physical Education, Athletic Director, and Men's Basketball Coach. In the years that followed, he was promoted to full Professor, became Department Chair, developed extraordinary basketball teams, and also coached golf, tennis, and cross country while teaching a variety of courses.

Since his retirement in 1991, Mr. Vanover has served as Commissioner of the Peach Belt Conference, developing it into one of the most respected NCAA Division II conferences in the nation.

Mr. Vanover remains a highly appreciated member of the AUSU family and of the Augusta Community. As such, the faculty and administration of AUSU would like to honor Mr. Vanover in a permanent way by naming the road leading to Christenberry Fieldhouse "Vanover Drive."

7. Acquisition of Real Property, 318 Tenth Street, Georgia Institute of Technology

Approved: The Board authorized the purchase of property located at 318 Tenth Street, N.W., Atlanta, Georgia, at a purchase price of \$227,670 from Elma S. Hankins for the use and benefit of the Georgia Institute of Technology ("GIT").

The acquisition is subject to completion of a Phase I Environmental Assessment indicating no significant problems or, if environmental problems are indicated, said problems be mitigated before the property is acquired.

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

Understandings: The property contains a 1,836-square-foot, one-story, wood-frame residence.

The property is part of creating the northern gateway to campus. The house on the property will be demolished to make way for new buildings and as part of this northern gateway. The proposed acquisition is in accordance with the GIT master plan.

Three independent appraisals of the property are as follows:

<u>Appraiser</u>	<u>Appraised Value</u>	<u>Average</u>
Jeff Bowling, MAI, Tucker, Georgia	\$250,000	
Joseph Walker, MAI, Atlanta, Georgia	\$278,000	\$227,670
John Chapman, MAI, Atlanta, Georgia	\$155,000	

There are no restrictions on the acquisition, and there are no known easements or restrictions on the property.

Funding for the acquisition will be from institutional funds.

8. Gift of Property, Dalton State College

Approved: The Board accepted a gift of approximately 5.19 acres of real property at the intersection of College Drive and Mt. Haven Drive, Dalton, from Dalton College Foundation, Inc. to be used as the location for the Continuing Education and Economic Development Center (the “Center”) at Dalton State College (“DSC”).

The acquisition is subject to completion of a Phase I Environmental Assessment indicating no significant problems or, if environmental problems are indicated, said problems be mitigated before the property is acquired.

The terms and conditions of this gift of real property are subject to review and legal approval of the Office of the Attorney General.

Understandings: This property is identified in the DSC master plan as a potential site for the Center. Acceptance of this gift is contingent on availability of funding for the Center.

The estimated value of this real property is \$362,600.

In September 2002, the Board approved a minor capital project for the Center as part of its fiscal year 2004 budget request. The state provided \$100,000 in fiscal year 2003 for preplanning, and \$4,900,000 is included in the fiscal year 2004 budget. Additionally, a gift of \$1 million has been pledged for this Center.

9. Conveyance of Property and Permanent Easement, Armstrong Atlantic State University

Approved: The Board declared approximately 2.115 acres of land along Middleground Road, Savannah, Georgia, no longer advantageously useful to Armstrong Atlantic State University (“AASU”) or other units of the University System of Georgia but only to the extent and for the purpose of allowing the conveyance of this property to the State of Georgia Department of Transportation (the “State DOT”) for use as a roadway.

The Board conveyed title to approximately 2.115 acres of land along Middleground Road, Savannah, Georgia, to the State DOT for use as a roadway, subject to a reversion of this property if it should cease to be used as a road.

The Board declared approximately 0.190 acre of land at the corner of Middleground Road and Mohawk Street, Savannah, Georgia, no longer advantageously useful to AASU or other units of the University System of Georgia but only to the extent and for the purpose of allowing the conveyance of this property to the State DOT for use as a roadway.

The Board conveyed title to approximately 0.190 acre of at the corner of Middleground Road and Mohawk Street, Savannah, Georgia, to the State DOT for use as a roadway, subject to a reversion of this property if it should cease to be used as a road.

The lease agreement between the Board of Regents, Lessor, and the City of Savannah, Lessee, approved by the Board in April 1970 and amended by the Board in December 1971 and January 1999 was further amended to decrease the size of the tract by 0.190 acre.

The Board declared approximately 63.34 square feet of land at the corner of Middleground Road and Mohawk Street, Savannah, Georgia, no longer advantageously useful to AASU or other units of the University System of Georgia but only to the extent and for the purpose of granting a permanent easement across this property to the State DOT for construction and maintenance of slopes.

The Board granted a permanent easement to approximately 63.34 square feet of land at the corner of Middleground Road and Mohawk Street, Savannah, Georgia, subject to termination if this property is no longer required by the State DOT to maintain slopes.

The Board declared the reversionary interest in approximately 0.265 acre of land, which was reserved in the conveyance to the Georgia Bureau of Investigation (“GBI”) approved by the Board in August 2000, no longer advantageously useful to AASU or other units of the University System of Georgia but only to the

extent and for the purpose of conveying its interest to the State DOT for use as a roadway.

The Board conveyed its interest in approximately 0.265 acre of land, reserved in the conveyance to GBI approved by the Board in August 2000, no longer advantageously useful to AASU or other units of the USG but only to the extent and for the purpose of allowing the conveyance of this property to the State DOT for use as a roadway, subject to a reversion of this property if it should cease to be used as a roadway.

Understandings: The State DOT and Chatham County desire to widen Middleground Road. A portion of this widening is along the Tri-Property portion of the AASU campus.

The county will perform all work associated with the road widening at its expense.

Consideration for these conveyances is \$800,800, plus an additional \$68,200 for the reversionary interest.

10. Disposition of Contingent Remainder Interest, 1668 Lakeview Road, Statesboro, Georgia Southern University

Approved: The Board authorized the disposition of any interest possessed by the Board of Regents in approximately 4.0 acres of real property located at 1668 Lakeview Road, Statesboro, to Timothy E. Durden and Lori S. Durden.

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

Understandings: In 1972, the subject property was donated to the then Georgia Southern College Foundation (the "Foundation") by Margie S. and Frances W. Allen. The deed of conveyance included a clause that if the Foundation dissolved without successor, the property should revert to the Board of Regents.

In 1987, the Allens executed a quitclaim deed in favor of the Foundation removing restrictions in the prior conveyance. However, the contingent remainder interest could not be removed because the interest ran in favor of the Board of Regents.

In 1987, the Foundation sold the property. The property has subsequently been sold several times, and Timothy E. Durden and Lori S. Durden are the current owners.

The Foundation's charter provides that if the Foundation is dissolved, all property reverts to the Board of Regents. Therefore, the Foundation is not and cannot be without successor as long as the Board of Regents exists, in whose favor the contingent remainder interest, which is effective only in the instance where a successor does not exist, runs.

The contingent remainder interest is ineffective and has no value.

Timothy E. Durden and Lori S. Durden have requested the contingent remainder interest be removed to permit obtaining a proper title insurance policy. This action is for no consideration since the interest has no value.

11. Executive Session, Property Acquisition

At approximately 2:50 p.m. on Tuesday, August 5, 2003, Chair Martin W. NeSmith called for an Executive Session for the purpose of discussing the future acquisition of property. With motion properly made and variously seconded, the Committee members who were present voted unanimously to go into Executive Session. Those Committee members were as follows: Vice Chair J. Timothy Shelnut and Regents Hugh A. Carter, Jr., Connie Cater, Julie Hunt, Donald M. Leebern, Jr., Patrick S. Pittard, and Glenn S. White. Also in attendance for the Executive Session were Board

Chair Joe Frank Harris; Regents W. Mansfield Jennings, Jr. and Joel O. Wooten, Jr.; the Secretary to the Board, Gail S. Weber; the Senior Vice Chancellor for External Activities and Facilities, Thomas E. Daniel; the Vice Chancellor for Facilities, Linda M. Daniels; the Assistant Vice Chancellor for Facilities (Real Property and Administration), Peter J. Hickey; the Assistant Vice Chancellor for Legal Affairs (Contracts), Robyn A. Crittenden; the Director of Administration and Compliance Policy, Mark Demyanek; and Attorney Lee Davis of Georgia Southern University. 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 2:55 p.m., Chair NeSmith reconvened the Committee meeting in its regular session and announced that no actions were taken in the Executive Session. He then called for a motion that the Committee authorize an acquisition of property by the Board of Regents. With motion properly made, variously seconded, and unanimously adopted, the Committee approved this motion.

12. Information Item: Public-Private Partnership Update

The Assistant Vice Chancellor for Facilities (Real Estate and Administration), Peter J. Hickey, provided the Committee with a report on privatized construction projects. The eighth goal of the Board's strategic plan calls for providing and maintaining superior facilities funded by innovative mechanisms that increase the speed with which they are usable. Public-private partnerships are long-term leased facilities resulting in the Board's ultimate ownership and are one of the innovative funding mechanisms being employed. One of the early privatization efforts is Paulson Stadium on 55 acres at Georgia Southern University. The Board approved this 20-year lease purchase in 1984 with the understanding that no state funds would be used. Staff will be asking the Board within the next few months to officially accept ownership of this facility. The largest percentage of partnerships is in student housing. Considering student services, such as parking, recreation facilities, and other student support spaces, these are well over half the number of partnerships that the Board has undertaken. However, the Board has also entered into partnerships to provide much

needed facilities for research, instruction, and office space. Such partnership opportunities are funded not by state dollars but, as in the case of housing, by rent paid by the students for housing. Similarly, there are user fees for parking decks and for other student services by fees paid by students. Research space can be paid using overhead funds generated through research grants.

As a result of privatization, over 10,000 housing beds and over 6,000 structured parking spaces have been provided for University System of Georgia students. The System has also been able to provide for instructional needs that would otherwise not be met, such as at the Gwinnett University Center and the Oconee location for Gainesville College, which opens this semester. The ability to provide much needed research facilities is illustrated by Yamacraw and the Institute of Bioscience and Bioengineering at the Georgia Institute of Technology, the Cancer Research Center at MCG, and the

Paul C. Coverdell Building for Biomedical Health Services and Complex Carbohydrate Research Center at the University of Georgia (“UGA”). Among other needs, office space, such as the Office of Information and Instructional Technology facility approved by the Board in June 2003, has also been made possible by public-private partnerships. The total impact of public-private partnerships in the University System of Georgia is over \$950 million since 1984. Most significant is within the research institutions, which account for over half the privatization opportunities.

Mr. Hickey said that the Board is clearly meeting its goal of creative financing to meet System needs. Additionally, staff have successfully leveraged other resources. As an example, over \$70 million in federal and state funds were leveraged for three research projects by utilizing \$63 million in private financed funds. Only by such leverage are these facilities available to meet the needs of research. Not indicated in this presentation was the significant additional leveraging that such facilities provide. For example, an over \$7 million National Institutes for Health grant for specialized MRI equipment was obtained for the Complex Carbohydrate Research Center at UGA. Additionally, as a direct result of this facility, there has been an increase in grant funding by over \$2 million annually.

There are many challenges and opportunities remaining, said Mr. Hickey. With multiple stakeholders in each transaction, there is a need to further improve the efficiency and effectiveness of how these deals are structured. The staff recognize the Regents’ stewardship responsibility and the staff’s responsibility to provide this oversight. To date, the University System Office has redirected existing staff to help meet this need, but those resources are limited. The staff will continue to be creative to meet this need. As enrollment increases in the future, the Board will need to seek innovative ways to address the impact on space requirements. Regents will be seeing additional information on this need as staff review the Systemwide space capacity study results.

Regent Pittard requested that the staff develop a business plan for future privatization, and Regent Shelnut suggested developing guidelines for such projects.

13. Information Item: Office of Real Estate and Facilities Overview

The Vice Chancellor for Facilities, Linda M. Daniels, introduced the Assistant Vice Chancellor for Facilities (Real Estate and Administration), Peter J. Hickey, who is responsible for all real estate matters as well as master planning and environmental compliance policy. Mr. Hickey then introduced the following staff members:

- Robby Pinder, Administrative Secretary
- Mark Demyanek, Director of Administration and Compliance Policy – responsible for environmental safety policies and procedures, Americans with Disabilities Act compliance, homeland security, life safety, energy management and emergency response
- Alan Travis, Director of Planning – responsible for all campus facilities master planning
- Bonnie Wright – provides part-time legal review of real estate transactions
- Kimberley Lamar, Student Assistant – provides support to the entire Office of Facilities
- Sandra Neuse, Environmental Health and Safety Program Manager – responsible for compliance with the Georgia Public Employee Hazardous Chemical Right-to-Know Act, creating laboratory safety programs, developing Web-based training modules, and assisting System institutions with their emergency action plans

COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on Tuesday, August 5, 2003, at approximately 1:45 p.m. in room 6041, the Training Room. Committee members in attendance were Chair William H. Cleveland, Vice Chair Allene H. Magill, and Regents W. Mansfield Jennings, Jr., Elridge W. McMillan, and Joel O. Wooten, Jr. Chair Cleveland reported to the Board that the Committee had reviewed 18 items, 16 of which required action. Item 18 was a walk-on item. Chair Cleveland noted that the first seven approval items were requests for the establishment of new academic programs. In light of the Governor's most recent budget cuts, those items were modified to require presidential re-verification that the funding for these programs is available at the institutions. Additionally, 755 regular faculty appointments were reviewed and recommended for approval. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Establishment of the Major in Paper Science and Technology Under the Doctor of Philosophy, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough that the Georgia Institute of

Technology (“GIT”) be authorized to establish the major in Paper Science and Technology under the Doctor of Philosophy, effective August 6, 2003.

Modified: This item was modified to require re-verification from the president that funding for this program is available at the institution.

Abstract: This major covers basic engineering and science disciplines involved in the production of paper, tissue, and other products from natural fiber. The processing of natural fiber into a paper web involves complex chemical and mechanical processes. The program was developed jointly by the School of Chemical and Biomolecular Engineering, the George W. Woodruff School of Mechanical Engineering, and the School of Chemistry & Biochemistry at GIT with the Institute of Paper Science and Technology (“IPST”). This item is related to Item 1 on the agenda of the Committee on Finance and Business Operations.

Need: The paper industry continues to evolve through consolidation and reorganization, but the need exists for innovation in science and engineering from plant biology to chemical treatment and processes involved in paper production. The paper industry is also a significant segment of the economy in Georgia.

Objectives: The objectives of the program include building a strong multidisciplinary education in paper science and engineering based on the combined resources of GIT and IPST.

Curriculum: Students admitted to the program must have a Master of Science in Paper Science and Engineering. Students will complete coursework in such areas as pulp and paper manufacturing, chemical process safety, and inorganic and organic polymers.

Projected Enrollment: The institution anticipates enrollments of 5, 10, and 15 during the first three years of the program.

Funding: The program will build upon and reconfigure existing courses that are currently offered by the institution and IPST in addition to establishing new courses.

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

2. Establishment of the Doctor of Philosophy in Digital Media, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough that the Georgia Institute of Technology (“GIT”) be authorized to establish the Doctor of Philosophy in Digital Media, effective August 6, 2003.

Modified: This item was modified to require re-verification from the president that funding for this program is available at the institution.

Abstract: The School of Literature, Communication, and Culture proposed a new Doctor of Philosophy in Digital Media. The program will lead nationally in defining the curriculum for advanced study in digital media and will contribute to the understanding and practice of the design of digital artifacts. Graduates of the program will become leaders in the creation and analysis of new media, occupying positions as teachers and researchers in universities and as researchers and designers in the computing and entertainment industries.

Need: GIT's survey of existing programs in the country indicates that few other institutions offer such a program devoted to new mediums of human communication and representation. With the expansion of computing since the 1970s, digital media has taken over the role that paper, film, and analog broadcasting have played in post-industrial countries. Books, newspapers, library catalogs, public documents, moving and still images, and radio and television have been migrating into digital form. An increasing number of college-level courses are offered in digital media at the undergraduate level, but a shortage exists of programs educating theorists and practitioners qualified to conduct advanced research and scholarship in the field.

Objectives: Students will demonstrate the ability to design and produce a work in digital media that advances the level of practice and knowledge in the field. Students will also demonstrate their understanding of the history and theory of digital media.

Curriculum: The program requires a minimum of two semesters in residence with full-time study. The program will require coursework in such areas as visual culture and design, project studio, historical approaches to new media, and the computer as an expressive medium.

Projected Enrollment: The institution anticipates enrollments of 10, 15, and 20 during the first three years of the program.

Funding: The program will build upon and reconfigure existing courses that are currently offered by the institution in addition to establishing new courses.

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

3. Establishment of the Major in Human Resources Management Under the Bachelor of Business Administration, Georgia Southwestern State University

Approved: The Board approved the request of President Michael L. Hanes that Georgia Southwestern State University (“GSSU”) be authorized to establish the major in Human Resources Management under the Bachelor of Business Administration, effective August 6, 2003.

Modified: This item was modified to require re-verification from the president that funding for this program is available at the institution.

Abstract: GSSU sought approval to offer a major in Human Resources Management. Currently, GSSU offers a concentration in the field under its baccalaureate business degree. The program was designed to prepare students in the functional areas of human resources to take professional positions in human resources management by helping them gain knowledge in employment law, collective bargaining, recruitment, selection, and compensation.

Need: GSSU’s existing concentration in this area has garnered student demand for the last seven years. At least 64 students have completed the concentration since 1998. Program development resulted from growth in the concentration area. Currently, 28 students are enrolled in the concentration. Tyson Foods, Inc., Cooper Lighting, and Middle Flint Behavioral HealthCare have provided letters of support for the program.

Objectives: Each student will gain a general understanding of the common body of knowledge as defined by the Society for Human Resource Management and demonstrate the skills and abilities required to develop processes and procedures concerning employee training and development, to design a total compensation and benefits system, to develop evaluation programs, and to evaluate the functions of human resources as they contribute to organizational effectiveness and strategic planning.

Curriculum: The 120-semester-hour curriculum will include coursework in such areas as organizational theory and behavior, labor-management relations, business finance, strategic management, human resource law, business statistics, quantitative management, and principles of macro- and microeconomics.

Projected Enrollment: The institution anticipates enrollments of 28, 29, and 31 during the first three years of the program.

Funding: The program will build upon and reconfigure existing courses that are currently offered by the institution in addition to establishing new courses.

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

4. Establishment of the Major in Advanced Care Management and Leadership Under the Master of Science in Nursing, Kennesaw State University

Approved: The Board approved the request of President Betty L. Siegel that Kennesaw State University (“KSU”) be authorized to establish the major in Advanced Care Management and Leadership under the Master of Science in Nursing, effective August 6, 2003.

Modified: This item was modified to require re-verification from the president that funding for this program is available at the institution.

Abstract: KSU sought approval to establish the Major in Advanced Care Management and Leadership under the Master of Science in Nursing. The program was developed to meet a need of the healthcare system for nurses with advanced preparation in care management and to retain clinicians for the acute care hospital.

Need: The shortage of hospital-based nurses has reached an estimated 2,300 unfilled positions in metropolitan Atlanta. According to the listed 2001 Hospital Vacancy Rates for Registered Nurses in State Service Delivery Area #3, 14.5% of registered nursing positions were unfilled. The program is targeted toward those nurses already practicing in clinical and hospital-based settings where there is a need for nurse managers.

Objectives: Grounded in clinical practice and guided by healthcare theory and research, graduates of the program will demonstrate an in-depth understanding of complex clinical problems and will possess the knowledge and skills to manage and improve client care. Courses will focus on clinical leadership, ethics, health policy, finance and budgeting, information technology, conflict management, organizational effectiveness, resource allocation, and best practices in the healthcare setting.

Curriculum: The 40-semester-hour curriculum will prepare the experienced professional registered nurse to practice in a variety of leadership position in the healthcare environment. The proposed program delivery format includes alternate weekends supplemented by extensive online offerings.

Projected Enrollment: The institution anticipates enrollments of 10, 10, and 15 during the first three years of the program.

Funding: The program will build upon and reconfigure existing courses that are currently offered by the institution in addition to establishing new courses.

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

5. Establishment of the External Bachelor of Science in Nursing in Rome, State University of West Georgia

Approved: The Board approved the request of President Beheruz N. Sethna that the State University of West Georgia (“UWG”) be authorized to establish the external Bachelor of Science in Nursing in Rome for registered nurses, effective August 6, 2003.

Modified: This item was modified to require re-verification from the president that funding for this program is available at the institution.

Abstract: UWG’s Department of Nursing began offering classes for the Bachelor of Science in Nursing degree in Rome in 1995 at the request of registered nurses in the area. Board approval is requested to formally establish the external degree due to a previous programmatic oversight. Floyd College’s nursing program administrators were instrumental in working with UWG’s Department of Nursing to establish this off-campus offering. The students in the Rome program, all of whom are registered nurses, work various shifts. To accommodate student demand, the program is offered during the evening and weekends. Students in the Rome off-campus program are admitted as a cohort and move through the baccalaureate program in four semesters. To meet the clinical requirements for the program, Rome, Georgia has two large medical facilities: Floyd Medical Center and Redmond Regional Medical Center. It is anticipated that the program will attract between 35 to 40 students each academic year. No additional budgetary resources are needed to maintain the program at this projected level.

6. Establishment of Secondary Education Certification Tracks to Replace Specific Concentration Areas Offered Under the Bachelor of Science in Education With a Major in Secondary Teacher Education, State University of West Georgia

Approved: The Board approved the request of President Beheruz N. Sethna that the State University of West Georgia (“UWG”) be authorized to establish secondary education certification tracks to replace specific concentration areas offered under the Bachelor of Science in Education with a Major in Secondary Teacher Education, effective August 6, 2003.

Modified: This item was modified to require re-verification from the president that funding for this program is available at the institution.

Abstract: UWG initially moved certain baccalaureate secondary education programs in the College of Education to degree program options within each discipline in the College of Arts and Sciences. The programs have been modified to conform to the Principles for the Preparation of Educators for the Schools and have been approved by their respective departments, the Executive Committees of the College of Education and the College of Arts and Sciences, the Teacher Education Advisory Committee, the Undergraduate Academic Programs Committee, the Faculty Senate, and the Office of the Vice President for Academic Affairs.

The following programs will cease to operate as concentrations under the Bachelor of Science in Education with a major in Secondary Teacher Education and will instead become secondary education certification tracks: Biology, Economics, Geosciences, Physics, Political Science, Chemistry, English, History, Mathematics, and foreign languages offered by the institution.

7. **Establishment of Specific Master of Education Majors to Be Offered Under the Master of Arts and Master of Science Degree Designations, University of Georgia**

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to establish specific Master of Education (“M.Ed.”) majors under the Master of Arts (“M.A.”) and Master of Science (“M.S.”) degree designations, effective August 6, 2003.

Modified: This item was modified to require re-verification from the president that funding for this program is available at the institution.

Abstract: UGA was authorized to offer certain majors under the M.Ed. UGA proposed that specific majors be made available under the M.A. and M.S. degrees of the university with the additional requirement that graduates complete a thesis. Specifically, it was proposed that specific majors under the M.Ed. be available under the following degrees offered by the College of Arts and Sciences:

- Communication Disorders – under the M.S.
- Educational Psychology – under the M.A.
- Exercise Science – under the M.A.
- Health Promotion and Behavior – under the M.A.
- Physical Education and Sport Studies – under the M.A.
- Recreation and Leisure Studies – under the M.A.

UGA projects that graduates of these majors will be stronger candidates for doctoral degrees and will obtain additional marketable skills. Offering these six majors under the additional degrees will involve no increased costs and can be funded by reallocation of current and anticipated budgets of the UGA College of Education.

8. **Establishment of the James Don Edwards Chair in Corporate Accounting Policy, 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 James Don Edwards Chair in Corporate Accounting Policy, effective August 6, 2003.

Abstract: UGA requested approval to establish the James Don Edwards Chair in Corporate Accounting Policy. The James Don Edwards Chair in Corporate Accounting Policy was established to perpetuate the name of Dr. James Don Edwards with a gift in trust to the University of Georgia Foundation, Inc. Funding for the chair consists primarily of contributions from alumni and matching gifts from the foundations of the major public accounting firms. The largest single contribution to date is \$375,000 from the Tull Charitable Foundation. The Tull Charitable Foundation, formerly the J. M. Tull Foundation, was established by Joseph McKeehan Tull in 1952 as the philanthropic arm of the J. M. Tull Metal and Supply Company, located in Atlanta. Currently, the accumulated funding for the endowed chair is \$1.323 million.

Biosketch: One of the UGA's most distinguished and honored faculty, Dr. Edwards became a member of the faculty in 1972, when he was appointed Professor of Accounting. He was the key player in the transformation of UGA's accounting department into the J. M. Tull School of Accounting in the late 1970s. In 1976, Dr. Edwards was appointed as the first J. M. Tull Professor of Accounting, and in 1994, he received the Abraham Baldwin Award from UGA. In 1999, after serving as Interim Dean of the Terry College of Business and after 26 years at UGA, he was named Professor Emeritus. In 1998, Dr. Edwards was invited to the Georgia House of Representatives to hear a resolution honoring him and recognizing his contributions to the field of accounting and the State of Georgia.

Dr. Edwards is the coauthor or author of more than a dozen textbooks and numerous research articles on accounting, financial management, and accounting history. His first book, *History of Public Accounting in the United States*, is an important source of material and insight on the development of the accounting profession. His record of professional service includes contributions to both practicing and academic aspects of the accounting profession. Dr. Edwards holds an honorary doctorate from the University of Paris and is a member of the Accounting Hall of Fame.

9. Reorganization of Institutional Units, Floyd College

Approved: The Board approved the request of President John Randolph Pierce that Floyd College ("FC") be authorized to reorganize institutional units, effective August 6, 2003.

Abstract: FC requested approval to reorganize institutional units. The net impact of the reorganization will be as follows:

- 1) Information Technology formally reported to the chief academic officer. Information Technology would be moved up to report directly to the president. In addition, the chief information officer would become a member of the president's cabinet.
- 2) The movement of Information Technology further distinguishes it from public information. As a result Public Information will be renamed to College Relations. The proposed reorganization includes certain units that will report to the vice president for academic affairs, such as continuing education, the small business development center, extended learning, and the educational

technology training center. In addition, the number of departments reporting to the vice president for finance and administration has been reduced from five to four in an effort to provide more efficient services.

FC requested approval to establish these organizational changes in an effort to distinguish between departments, heighten their visibility, and provide for more effective linkages among institutional units.

10. Reorganization of the College of Business Administration, Georgia Southern University

Approved: The Board approved the request of President Bruce F. Grube that Georgia Southern University (“GSOU”) be authorized to reorganize the College of Business Administration, effective August 6, 2003.

Abstract: GSOU requested approval to reorganize the College of Business Administration. The faculty of the college developed an organizational plan that took into account the move of information systems faculty to the School of Information Technology, as well as the desirability of combining five units into four for institutional efficiency. It is projected that the cross-disciplinary approach to the reorganization enables more effective outreach and increased economic development services. The reorganization combines the units as follows:

- School of Accountancy – no change
- School of Economic Development – economics faculty move from the Department of Finance and Economics to join the economic development faculty
- Department of Management, Marketing, and Logistics – logistics and intermodal transportation faculty join the existing faculty assigned to the current Department of Management and Marketing
- Department of Finance and Quantitative Analysis – quantitative methods and statistics faculty and operations management faculty from the current Department of Logistics join the finance faculty from the current Department of Finance and Economics

GSOU proposed the reorganization of institutional units in an effort to heighten the effectiveness of the College of Business Administration.

11. Reorganization of Institutional Units, Waycross College

Approved: The Board approved the request of President Barbara P. Losty that Waycross College (“WC”) be authorized to reorganize institutional units, effective August 6, 2003.

Abstract: WC requested approval to reorganize institutional units as a result of its SACS reaffirmation report based on its visit during March 17 through 20, 2003. The net impact of the reorganization is as follows:

- 1) The responsibility for teacher education will be moved from the Division of Social and Natural Sciences to the Division of Humanities and Learning Support. The division will be renamed the Division of Humanities, Education, and Learning Support.
- 2) The coordinator of guidance, testing and student development will report to the director of student life for the development, coordination, and evaluation of guidance services; for planning, conducting, and evaluating the college testing program; and for assigned student services.

WC proposed this reorganization of institutional units in an effort to comply with SACS reaffirmation requests, to ensure that student services are properly coordinated, and to link credentialed faculty with the appropriate programs and divisions.

12. Reorganization of Institutional Units, Middle Georgia College

Approved: The Board approved the request of President Richard J. Federinko that Middle Georgia College (“MGC”) be authorized to reorganize institutional units, effective August 6, 2003.

Abstract: MGC requested approval to reorganize institutional units. The net impact of the reorganization is as follows:

- 1) The Division of History and Political Science will be combined with the Department of Education, Psychology, and Sociology, which is currently housed within the Division of Learning Support, Education, Psychology, and Sociology. The new proposed division will be renamed the Division of Social Sciences and Education.
- 2) The Division of Learning Support, Education, Psychology, and Sociology with the transfer of the Department of Education, Psychology and Sociology will be renamed the Division of Learning Support. In addition, the proposed reorganization includes a director of student activities at Dublin. The Georgia Academy of Mathematics, Engineering, and Sciences (“GAMES”) program remains intact with a director.

The reorganization of institutional units was developed to increase efficiencies and reallocate resources at the institution.

13. Termination of the Master of Education With a Major in Music Education, North Georgia College & State University

Approved: The Board approved the request of President Nathaniel Hansford that North Georgia College & State University (“NGCSU”) be authorized to terminate the Master of Education with a major in Music Education, effective August 6, 2003.

Abstract: NGCSU sought approval to terminate the Master of Education with a major in Music Education as a result of its comprehensive program review process. The institution reviewed the program internally over two years ago to determine whether it could be revitalized. As a result of low enrollments, a review of institutional resources, and student selection of other majors, the program is ready for termination. The termination of the program will not have an adverse impact on faculty or students.

14. Termination of the Associate of Applied Science in Office Administration and Associate of Applied Science in Information Processing, Macon State College

Approved: The Board approved the request of President David A. Bell that Macon State College (“MSC”) be authorized to terminate the Associate of Applied Science in Office Administration and the Associate of Applied Science in Information Processing, effective August 6, 2003.

Abstract: MSC requested approval to terminate two degree programs, the Associate of Applied Science in Office Administration and the Associate of Applied Science in Information Processing. The programs were deactivated by action of the Academic Council of MSC on March 12, 1998. MSC graduated its last students in the programs in June 1998. The termination of the programs will not have an adverse impact on faculty or students.

15. Ratification of the Naming of the School of Nursing to the Byrdine Lewis School of Nursing, Georgia State University

Approved: The Board ratified Chancellor Thomas C. Meredith’s approval of President Carl V. Patton’s request that Georgia State University (“GSU”) be authorized to name the School of Nursing the Byrdine Lewis School of Nursing, effective August 1, 2003.

Abstract: At its June 2003 meeting, the Board of Regents authorized Chancellor Meredith to take any actions necessary on behalf of the Board between the June meeting and the August 2003 meeting with such actions to be ratified by the Board at the August meeting.

In July, GSU requested approval for Ms. Byrdine Lewis, the mother of alumnus Ken Lewis, Chairman and Chief Executive Officer (“CEO”) of Bank of America, to be honored by having the School of Nursing bear her name.

Ms. Lewis, a registered nurse and single parent, frequently worked evenings and nights. Ken Lewis attributes his success in life to her values. Ms. Lewis is now retired and living in South Georgia, but her son's success continues. A 1969 graduate of GSU, Ken Lewis rose to the position of CEO of Bank of America in 2001. Although Mr. Lewis now resides in Charlotte, North Carolina, he remains active with GSU by serving on the J. Mack Robinson College of Business Board of Advisors and the Results Campaign Committee, as a member of the Hall of Fame, and as past board member for the Alumni Association.

Mr. Lewis' philanthropy is only exceeded by his passion for leadership and effectiveness that promotes organizational results. He has provided philanthropic gifts to the institution totaling \$345,000, a planned gift of \$750,000, and a pledge of \$2.5 million, the beneficiary of which will be GSU's Science Teaching Laboratory Building and School of Nursing. Mr. Lewis was awarded an honorary degree at the August 2 GSU commencement. He was also the commencement speaker.

16. Information Item: Report of the Southern Association of Colleges and Schools Reaffirmation Committee Visit, Waycross College

Abstract: President Barbara P. Losty informed the Board of Regents that Waycross College's ("WC") scheduled Southern Association of Colleges and Schools ("SACS") reaffirmation visit was held March 17 through 20, 2003.

What is SACS?: According to SACS, the Commission on Colleges ("COC") of the Southern Association of Colleges and Schools ("SACS") is the recognized regional accrediting body in the 11 U.S. Southern states (Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia) and in Latin America for those institutions of higher education that award associate, baccalaureate, master's, or doctoral degrees. The COC is the representative body of the College Delegate Assembly and is charged with carrying out the accreditation process. According to SACS, the accreditation process is used to evaluate whether an institution maintains clearly specified educational objectives that are consistent with its mission and appropriate to the degrees it offers and whether it is successful in achieving its stated objectives. Accreditation is a common denominator of shared values and practices among a diverse range of institutions within the higher education community. It is also a means to stimulate evaluation and improvement while providing accountability to constituents. Based on the philosophy and purpose of SACS, the principles of integrity and quality enhancement serve as the foundation of the relationship between the COC and its member and candidate institutions.

Accreditation and the Reaffirmation Process: The accreditation standards used by the COC, which are contained in the handbook *Criteria for Accreditation*, represent the collective judgment of the College Delegate Assembly on standards appropriate for the assurance of quality in higher education. Central to the accreditation process is the self-study. The self-study is an institutional comprehensive study of its purpose, programs, and services. Committees of faculty, administrators, staff, students, trustees, and others study all aspects of the institution, report the findings, and offer advice on improving institutional effectiveness. The

resultant document that is a part of this process evaluates whether the institution met its goals and is in compliance with SACS criteria.

Waycross College Self-Study and SACS Visit Outcomes: As part of the reaffirmation process, WC conducted a two-year self-study that examined every aspect of the institution's operation and enlisted the active participation of faculty, staff, students, and members of the community. The comprehensive self-examination yielded suggestions that would strengthen the institution. In its formal report to the COC, a visiting committee writes a recommendation when it is the committee's professional judgment that an institution does not comply with a requirement of the *Criteria for Accreditation*. An institution must respond in writing to each recommendation included in the committee's report.

WC successfully met several hundred requirements for accreditation. There were only 14 recommendations and 3 suggestions resulting from the reaffirmation visit. Among those recommendations and suggestions provided by the COC's reaffirmation committee were the following:

The Committee recommends that the institution:

- Study periodically its statement of purpose;
- Assign responsibility for program coordination, as well as curriculum development and review, to persons academically qualified in the field;
- Conduct a systematic, effective program of undergraduate advising;
- Ensure that the number of advisees assigned to faculty and staff is reasonable;
- Evaluate its orientation program regularly and use this evaluation to enhance assistance to students;
- Have both full-time and part-time faculty meet all the criteria required for academic and professional preparation in their respective teaching disciplines;
- Have all full-time and part-time faculty members teaching in the areas of humanities/fine arts and social behavioral sciences complete at least 18 graduate semester hours in the teaching discipline and hold at least a master's degree or hold the minimum of a master's degree with a major in the teaching discipline; and
- Document and justify the academic and professional preparation of faculty members teaching interdisciplinary courses

The Committee suggests that the institution:

- Review its articulation agreements with area technical colleges to ensure that access to library collections is sufficient to support its educational programs; and
- Implement a services audit to more clearly evaluate feedback from its constituents regarding the quality and performance of administrative services, which include business office, food services, plant maintenance, and bookstore operations

The report of the SACS reaffirmation committee is on file in the Office of Academic Affairs. President Losty will provide a response to the recommendations and suggestions offered by the Committee by August 11, 2003.

17. Information Item: Service Agreements

Pursuant to authority granted by the Board at its meeting on February 7 and 8, 1994, the presidents of the listed institutions have executed service agreements with the indicated agencies for the purposes and periods designated, with the institutions to receive payment as indicated:

Georgia State University

Georgia Department of Human Resources Evaluate component of the Division of Aging Services' Caregiver Demonstration Grant Project.	4/1/03 – 3/31/04	\$11,815
Georgia Department of Community Health Evaluate effectiveness and quality of care cost in various long-term care settings using integrated Medicare and Medicaid claims data.	7/1/02- 6/30/03	\$193,222

Medical College of Georgia

Manage healthcare for inmates in custody of Department of Corrections.	7/1/02- 6/30/03	\$108,000,000
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University of Georgia

Georgia Commodity Commission for Peaches Provide secretarial and clerical support for the officers of the Georgia Peach Council, Commodity Committee Chairman, and Treasurer.	7/1/03- 6/30/04	\$9,187
Georgia Department of Human Resources Provide technical assistance and applied research to identify a methodology to comply with guidelines specified by the Department of Health and Human Services federal center for substance abuse in the development of a sampling plan from which to derive a random list of tobacco vendors/retailers.	4/30/03- 4/30/04	\$33,000

Georgia Department of Juvenile Justice Provide counseling services to delinquent youth under court supervision in Clarke County.	7/1/02- 6/30/03	\$20,800
Georgia Department of Natural Resources Develop a habitat conservation plan for imperiled aquatic species of the Etowah River Basin.	3/1/03- 3/31/04	\$281,934
Georgia Department of Technical and Adult Education Gather data to develop normative scores for Georgia Technology Education, for establishing minimum levels of competency for participation in technology education learning activities.	1/1/03- 12/31/03	\$24,243
Georgia Department of Technical and Adult Education Provide workshops for early childhood professionals returning to school to receive a technical certificate from one of Georgia's technical colleges.	4/1/03- 6/30/03	\$10,863
Georgia General Assembly Provide research, training, technical assistance and other services to members of the Georgia General Assembly on a continuing basis and for ad hoc needs.	7/1/03- 6/30/04	\$132,500
Georgia General Assembly Staff and manage the Reapportionment Office of the Georgia General Assembly.	7/1/03- 6/30/04	\$356,691

Georgia Office of Planning and Budget In cooperation with the Office of Planning and Budget, State Department of Audits, State Merit System of Personnel Administration, and the State Financial Management Training Task Force jointly develop curricula in accounting and other financial management topics for state government officials.	7/1/03- 6/30/04	\$200,000
Georgia Office of Planning and Budget Conduct training annually for state government officials at regional training programs, retreats, and statewide conferences to improve their knowledge, skills, and effectiveness in performing their job responsibilities.	7/1/03- 6/30/04	\$350,000
Northeast Georgia Regional Development Center Prepare employment-by-industry and employment-by-occupation forecasts for the service delivery regions that encompass Northeast Georgia (regions 2 and 5) for the State of Georgia and nationwide.	4/1/03- 6/30/03	\$33,524

TOTAL AMOUNT JULY/AUGUST 2003	\$ 109,657,779
TOTAL AMOUNT FY 2004 TO DATE	\$ 109,657,779
TOTAL AMOUNT FY 2003 TO JULY/AUGUST	\$ 171,928
TOTAL AMOUNT FY 2003	\$ 25,349,678

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

Approved: The administrative and academic appointments were reviewed by the Chair of the Committee on Education, Research, and Extension and approved by the Board. The full list of approved appointments is on file with the Office of Faculty Affairs in the Office of Academic Affairs.

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

COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, August 5, 2003, at approximately 2:10 p.m. in room 7019, the Chancellor's Conference Room. Committee members in attendance were Chair Joel O. Wooten, Jr., Vice Chair Elridge W. McMillan, and Regents William H. Cleveland, W. Mansfield Jennings, Jr., and Allene H. Magill. Board Chair Joe Frank Harris and Chancellor Thomas C. Meredith were also in attendance. Chair Wooten reported to the Board on Wednesday that the Committee had reviewed two items, both of which required action. Item 1 included 11 applications for review. Of these, one was withdrawn, one was settled, one was continued, and eight were denied. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Applications for Review

- a. In the matter of file number 1624, at the Medical College of Georgia, concerning the dismissal from the School of Medicine, the application for review has been continued.
- b. In the matter of file number 1626, at Georgia State University, concerning the denial of tuition refund, the application for review has been denied.
- c. In the matter of Vincent Fox, at the Georgia Institute of Technology, concerning termination, the application for review has been withdrawn.
- d. In the matter of file number 1630, at the University of Georgia, concerning the Petitions Subcommittee of the Education Affairs Committee ruling on the grade point average, the application for review has been denied.
- e. In the matter of Thomas A. Wallace, Sr., at Savannah State University, concerning termination

due to budget cuts, the application for review has been denied.

- f. In the matter of Constance M. Burkes, at Albany State University, concerning the non-renewal of her contract, the application for review has been denied.
- g. In the matter of file number 1633, at North Georgia College & State University, concerning the dismissal from the Nursing Program, the application for review has been denied.
- h. In the matter of John Ricks, at Middle Georgia College, concerning a position reassignment, the matter has been settled.
- i. In the matter of Bhanu Prasad, at Georgia Southwestern State University, concerning alleged unfair and discriminatory practices, the application for review has been denied.
- j. In the matter of Tim Vogle, at the Georgia Institute of Technology, concerning termination due to budget cuts, the application for review has been denied.
- k. In the matter of file number 1637, at the University of Georgia, concerning the denial of presidential exception, the application for review has been denied.

2. Amendment to Bylaw V.3

Approved: The Board approved the renaming of the Committee on Education, Research, and Extension to the Committee on Academic Affairs.

Background: At the June 2003 Board meeting, the Committee on Education, Research, and Extension recommended the renaming of this standing Committee to the Committee on Academic Affairs. This item was presented for information and discussion in meetings of both the Committee on Education, Research, and Extension and the Committee on Organization and Law. It was on the table until this meeting of the Board of Regents. The recommended Committee name change will be reflected in The Bylaws as follows:

V.3 Standing Committees

There shall be the following standing Committees:

- a. Executive and Compensation Committee
- b. Strategic Planning Committee
- c. Committee on Real Estate and Facilities
- d. Committee on ~~Education, Research, and Extension~~ **Academic Affairs**
- e. Committee on Finance and Business Operations
- f. Committee on Organization and Law

- g. Audit Committee
- h. Committee on Information and Instructional Technology

CHAIRMAN'S GOALS FOR FISCAL YEAR 2004

After the Committee meeting reports, Chair Joe Frank Harris made the following remarks to the Board:

First, let me say that it is an honor to be asked by Governor Perdue to continue to serve on this Board. It's important that we as a Board work to support Governor Perdue in his efforts to use education as one of the tools to help strengthen Georgia's economy.

And let me officially welcome our new members to this Board. I hope you will find your service rewarding, but it won't be easy! As we move toward our shared vision of "creating a more educated Georgia," you will find the workload to be, at times, very demanding.

As I stated last month, I deeply appreciate the support each of you gives to our Chancellor and in helping me fulfill my responsibilities as your Chair. I look forward to working with each of you and with our new Vice Chair, Joel Wooten. I also will continue to count on the support of Ms. Gail Weber and the staff of our Regents' office.

Finally, as I stated last August, I promise to come to our meetings prepared to work – and I continue to expect your individual dedication to our shared responsibilities. Your commitment and dedication are even more critical today for a number of reasons.

More and more Georgians are looking to the University System to help them achieve academically and professionally. More and more Georgians are looking to our 34 colleges and universities to work with our public schools to prepare children for the competitive, global workplace. More and more Georgians are looking to the University System to serve as the economic engine that can help revive this state's economy. More and more Georgians are expecting us to use our resources to help solve the state's many challenges – from public health to transportation to water resources.

Yet, these expectations come during lean economic times. As our Chancellor stated so eloquently yesterday, this is not the time to "hunker down." I must commend our Chancellor and presidents and all those on our campuses and in the Regent's office for their focus on addressing significant budget cuts. It has been difficult. It is our responsibility to maintain access, to strengthen academic quality, and to be good stewards of the resources at our disposal within the University System.

In light of these challenges, let me outline the areas on which I'd like the Board to focus during the coming year. Our emphasis will be on quality, efficiency and effectiveness, and economic growth. And our efforts in these three areas will be made within the framework of our strategic plan. Dan Papp [Senior Vice Chancellor for Academics and Fiscal Affairs] will be presenting the details of

our efforts under this plan later this morning.

We have made good progress in these areas. But we cannot ease up. We must continue to enhance quality. We must develop even greater efficiencies. We must become even more accountable. And we must step up our economic development efforts.

Let me begin with quality. We must send the message to our students, our faculty and staff, our funding partners, and the public that quality is paramount. We must not and will not allow difficult economic times to diminish what we do for our students and the state's citizens. We will not be second-rate in the services we provide and the programs that we offer. Our strategic plan encourages us to address quality issues, and I look forward to the next action steps that we will take.

We must aim for consistently high quality in everything that we do. Look where quality has put us. Today, our students have record-high SAT scores. Our colleges and universities provide competitive environments for our students and faculty to engage in outstanding academic programs and research. And that means we can offer Georgians the very best in higher education across the board. In turn, that makes Georgia a more competitive place for business, for jobs, and for investors. So, quality must remain paramount, especially in lean budget times. Public higher education is a public good that offers Georgia's best return investment for economic growth and individual prosperity. Maximizing that public good requires an agreement from our state officials to provide the needed resources that improve quality.

When budgets are tight, it can become easy to let quality slip, because that's the path of least resistance. But we are not going down that road. This leads me to my second area of focus: efficiency and effectiveness. We are not going to use quality and tight budgets as a shield.

There is no question that we can continue to improve our efficiency and effectiveness. Our strategic plan provides us with the framework with which to pursue greater efficiency and effectiveness in our operations – from our business practices to our programs to the development of facilities. We also have a number of other long-range efforts underway that promise to help us transform the way we operate. Our regionalization study has been completed, and we are conducting an ongoing statewide assessment of the entire System.

This Board also has been in the forefront of providing a high level of accountability to our funding partners and the public. We must continue that leadership effort if we are going to be successful in increasing our efficiency and effectiveness.

I know what it is to serve as Governor during an economic downturn. I've been there. And I know how important it is for whoever sits in the Governor's chair to feel that all of state government is working together to get through tough economic times. To Governor Perdue, I send a message that

is based not just on my own past experience, but also in my role as this Board's Chair. We will continue our history of working with the Governor's Office and the General Assembly to address tough budget decisions. We are partners.

Our final area of focus for the coming year will be economic growth. Chancellor Meredith has said many times that the University System is the economic engine that can help revive Georgia's economy. We have the intellectual resources and talent to help make that possible. And our ability to impact workforce development and to attract businesses to all corners of this state is directly related to the quality we offer – and to the efficiency and effectiveness with which we deliver that quality.

Programs such as ICAPP[®] [Intellectual Capital Partnership Program] Advantage have a great track record in helping ensure our students have the relevant skills for today's workplace and in creating employment opportunities for our students and alumni. We need to strengthen these efforts. Georgia LEADS [Georgia Lifelong Education and Economic Development Services], which we approved last year, also will reach out to provide Georgians with access to continuing and professional educational opportunities. As Georgia works to recover from economic recession, it is our duty and our goal to use these and other programs and resources in the University System to spur that recovery.

Last year, I noted that one of our areas of focus would be partnerships. I haven't changed my opinion about how important partnerships will continue to be and how they help impact our success.

I feel confident in our ability to meet these and other challenges that will be certain to appear. We have a great Board – and new perspectives with the inclusion of new Regents Julie Hunt, W. Mansfield Jennings, Jr., Patrick Pittard, and Allan Vigil.

Our Chancellor continues to provide us with outstanding leadership and wise counsel. Our 34 presidents continue to demonstrate great leadership. Our faculty and staff throughout the System remain committed to excellence. And we have a talented and dedicated staff here in the University System Office.

All of us are in this great enterprise together. The choices we make over the next year will have lasting impacts on students for years to come – long after each of us no longer serves on this Board. Some public education systems in other states during these tough times are making short-term choices that fail in the long term. We've not done that in Georgia, and we're not going to do that on my watch as your Chair.

It's true that great institutions make their marks in times of difficulty. The challenges we face we know will make us stronger. Thank you for your support as we enter this new year of challenges.

STRATEGIC PLANNING COMMITTEE, “COMMITTEE OF THE WHOLE”

Chair Harris next convened the Strategic Planning Committee as a Committee of the Whole and turned the Chairmanship of the meeting over to Regent Leebern, the Chair of the Committee.

Chair Leebern called upon the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, to introduce the Senior Advisor for Academic Affairs and Director of International Programs, Dr. Richard C. Sutton, who would update the Board on the System’s study abroad participation. Chair Leebern noted that the Regents had in their folders synopses of this information.

The third goal of the Board’s 2002-2007 strategic plan is “improving continuously the quality of [the System’s] curricula, research activities, and international opportunities.” Dr. Papp explained that several of the key action items under this goal are directly related to international education. Dr. Sutton would make the final presentation of the staff’s progress reports for the first year of the current strategic plan. Dr. Sutton has been with the University System of Georgia for five years. He formerly worked at the University of Wisconsin, and he has a doctorate in Russian History from the University of Indiana. He leads the System’s Office of International Education (“OIE”) and coordinates international programs throughout the University System of Georgia.

Dr. Sutton thanked Dr. Papp and reiterated that the third goal of the strategic plan calls for the continuous improvement in the quality of all international opportunities and specifically to raise study abroad participation. At the January 2003 Board meeting, Dr. Sutton had discussed a number of strategies about how to approach this challenge. At this meeting, he would update the Regents about how the System has been implementing some of those strategies, looking at where the System is, where it is going, and how it will get there. He explained that this might be particularly helpful for new Regents, as they start to become acquainted with the many initiatives in the strategic plan.

Dr. Sutton reported that the System has made exceptional progress over the last six years, since the Board first placed a priority on study abroad. This has been a comprehensive ongoing effort that has put Georgia among the national leaders in this field. The System’s growth has been steady and broad-based, although three of its research universities have accounted for about two-thirds of the study abroad participation. He noted in January, however, that there were some recent encouraging signs of growth in other sectors, particularly in the two-year schools. Now the Regents have asked that the System move to the next level, going where no other university system has gone before. Dr. Sutton said that initially, there were some skeptics around the state who questioned whether this was a sustainable goal. However, over several months the OIE staff negotiated with the institutions about setting targets for 2007, trying to persuade them to set ambitious but realistic numbers to help meet the Board’s strategic planning goal. With so many pressing issues on the table last year, this was a challenging assignment at many schools. However, the staff kept at it until all 34 institutions provided targets that together would get the System to 6,177 students abroad within five years, roughly double the number of students abroad at the end of your first strategic plan.

Dr. Sutton showed the Regents a chart depicting the System's yearly progress and explained that the progress may not be quite as uniform as the chart projected, particularly in light of such volatile factors as international conflict, health concerns, terrorism, and the economy. For example, the System unexpectedly had to cancel all of its summer programs to China late this spring as a result of the SARS outbreak. However, the staff are confident that the trend lines will all keep moving in the right direction and get the System to its goal. Dr. Sutton noted that the Regents had two tables of institutional data and 2007 targets in their notebooks at this meeting. Some of the institutions, such as Columbus State University, Savannah State University, Dalton State College, and Floyd College, have set impressive targets that require five-year growth rates of more than 200%. Overall, the plan to reach a System goal envisions growth in all sectors, but with increasingly higher achievements by the regional, state, and two-year institutions. By 2007, the staff expect the research institutions to account for just over half of the System total and the other sectors to have a much larger share than they currently have. In this way, the targets will really broaden the impact of international education for students across the System, not just at a few schools. If the institutions reach their established targets, by 2007, the number of Georgia students going overseas will equal slightly under 4% of all undergraduates, 5% of those who are enrolled full-time, and 25% of those who earn degrees. This will be an exceptional achievement, and it will make Georgia the most dynamic study abroad system in the country. Collectively, the number of study abroad students would equal the ninth largest campus enrollment in the System, with over 250 programs in 55 countries, a diverse curriculum, and a growing total of credits and dollars, all managed by 34 very different institutions.

Dr. Sutton explained that the variety and scope of study abroad opportunities can sometimes be daunting to students, so each year, OIE produces a catalog listing the available programs offered by System schools. These range from Valdosta State University's year-long exchange program in China to Kennesaw State University's summer nursing program in Mexico, from the University of Georgia's new research center in Costa Rica to the Georgia Institute of Technology's engineering internships in Germany and France. OIE aims to have an array of programs to meet every student's need. To manage this "global campus," the University System of Georgia will need leadership at both campus and System levels. OIE expects institutions to develop programs that serve their students and to reward the faculty who teach in those programs. The entire University System Office is working with the institutions to support collaborative programs and new funding for students going abroad, said Dr. Sutton. Under the direction of the Vice Chancellor for Fiscal Affairs, William R. Bowes, the staff will be working to ensure financial accountability for all study abroad funds. The staff will also continue to monitor academic integrity during this next five-year period of explosive growth.

Dr. Sutton reminded the Regents that in January, he had discussed several possible approaches to help students find ways to pay for the costs of studying abroad. With the Regents' assent, the staff then launched some exciting new programs last spring, which are collectively called Students Abroad with Regents' Support ("STARS"). STARS funding creates several new opportunities to help students go abroad. The staff have established three innovative mechanisms to leverage System and institutional budgets. The first is the work and study abroad stipend, which provides an opportunity for

students to earn money toward study abroad fees by working on campus in the semester or year before they go. The second STARS program reimburses students for part of their study abroad travel costs when they perform volunteer service or learning activities during their time overseas. These goodwill ambassadors are already proving to be a great public relations asset for Georgia's reputation abroad, said Dr. Sutton. The third STARS initiative not only supports students, but also programs, by creating work assistantships that help run the overseas operation. These can be particularly attractive for mature, nontraditional students. As with the Regents Study Abroad Scholarships, all of these new STARS programs are matched at least dollar for dollar by the student's home institution. These new approaches to student aid mean that the System's past reliance on privately funded scholarships can be significantly augmented by state support. Assuming some eventual turnaround in the economy, the staff hope to see an increasing number of awards, equal to at least 10% of those who study abroad each year.

There are many reasons why the Regents support study abroad, said Dr. Sutton, but he wanted to emphasize two key factors at this meeting: 1) Georgia's need for globally educated citizens and 2) the value that study abroad adds to a college education. Since the 1996 Olympics, there has been a perceived lull in the state's international posture. But in the last two years, Georgia has introduced a new global dimension to its agenda, which Dr. Sutton referred to as "weapons of mass construction." Examples of this new spirit include a major initiative to capture the headquarters of the proposed Free Trade Area of the Americas, both legislative and executive branch interest in seeing better international coordination among state agencies, and the recently announced global leaders summit that will take place in Georgia next summer. The System presidents also believe study abroad is important. They all understand the value of overseas experience, and they appreciate the impact that returning students have back at the home campus.

The Georgia Learning Outcomes of Students Studying Abroad Research Initiative ("GLOSSARI") can take advantage of the incredible database that the staff are building from thousands of Georgia students going abroad, tracking their academic progress, conducting surveys, analyzing the types of programs that have the greatest impact on learning, and so forth. This is the most exhaustive examination of study abroad learning outcomes going on anywhere in the country. So far, GLOSSARI has revealed two fundamental things. Students who study abroad 1) get smarter and 2) stay in school to finish their degrees. Dr. Sutton said he could not imagine two more positive statements he would want to make about his work in higher education. Initial results from this research show that students who have studied abroad are better able to function and navigate in complex environments. Simply put, they can find their way in lots of different situations, whether they are trying to get to a hardware store, negotiate with an angry person, or understand whether something was meant to be funny or not. They have roughly one-third again the knowledge and skills to do these kinds of things than people who do not study abroad.

Although Dr. Sutton did not go into the methodology of GLOSSARI at this time, he noted that the first three articles from this project will come out this fall. He also noted that a complete education should make a person better able to function in life, to become independent, and to be positioned to contribute back to society. The staff believe they are getting some evidence to show that study abroad helps a person do this. The staff are also finding that students who have studied abroad return to Georgia with a much clearer focus

on finishing their degrees. Take, for example, three state universities with institutional graduation rates of about 22%, among the lowest in the System. Interestingly, 92% of students from those schools who went abroad in the year 2000-2001 have either graduated or are still in school two years later. Dr. Sutton remarked that these are powerful data. It means that the strategic planning initiative does not just get more students abroad; it means that they will truly become better educated and better equipped with academic credentials to become productive leaders and citizens, which will, in turn, lead not only to a more educated Georgia, but also a more globally educated Georgia. In closing, he thanked the Regents for their attention and turned the floor over to the Chancellor.

Chancellor Meredith said that international education is vitally important to the educational process. The world is now so small that the University System of Georgia must educate students to be a part of it.

Chair Leebern thanked Dr. Sutton for his excellent presentation. He agreed it is critically important to provide this breadth of education. He noted that his mother was a naturalized citizen. His daughter studied in Sicily and was very grateful for such an eye-opening experience. That experience is still with her today. He thanked Dr. Sutton again for his presentation and his hard work, particularly in these difficult times. Chair Leebern then called upon Dr. Papp to discuss the accomplishments of the first year of the strategic plan and the proposed plan for the second year.

Dr. Papp thanked Chair Leebern. He noted that he first led a foreign study group for the University System of Georgia 28 years ago. Dr. Sutton did not mention the incredible bonding that goes on among the students and faculty who travel overseas together. Dr. Papp still keeps in touch with students and faculty from that first trip. It is an incredible learning experience for everyone involved.

Dr. Papp then turned to the progress and possibilities for the first year of the 2002-2007 strategic plan. He noted that the strategic plan included 11 specific goals, under which were 116 action steps over five years. Of these, 46 were to be initiated in the first year (fiscal year 2003). These range from very specific (e.g., a 4% target for foreign study) to very general (fund these efforts adequately). Of the 46 to be initiated in the first year, 5 have been initiated and completed; 26 have been initiated and are continuing; 11 were slowed, stopped, or not initiated because of budget reductions; and only 4 were slowed, stopped, or not initiated for other reasons. Dr. Papp noted that the Regents had information on the progress of each of those first year action steps in their notebooks.

Dr. Papp next gave an overview of the progress on the action steps. He explained that comprehensive program review had been initiated. The study abroad participation rate target has been set to 4%, and now, the System must achieve that 4%. The University System of Georgia accountability indicators are now posted on the Web. The math initiative has been expanded to a math and science initiative. Dr. Papp said that the Board will soon learn whether it has won a \$35 million grant from the National Science Foundation to improve the quality of math and science education in the State of Georgia. A number of action steps have been initiated and will be continued into the second year of the strategic plan, such as encouragement of interdisciplinary learning. At the June 2003 meeting, President James A. Burran of Dalton State College

discussed the progress being made under the auspices of the Council on General Education regarding interdisciplinary learning. Other items include the “4-4-2 program” in which four-year institutions offer four-year degrees at two-year college campuses in order to expand access throughout the state in high demand programs to those who live in areas where there is no four-year institution. The first phase of the African-American Male Initiative is completed, and in the following years, the System will be initiating programs to move forward with recruitment. The ICAPP[®] Health Professionals Initiative was very successful in the past year and will continue forward. In the coming year, the Board will consider modifying policies to improve retention. In April 2003, the Senior Vice Chancellor for Support Services, Corlis Cummings, presented revised B-codes to the Board, which were then approved. These will be implemented in November 2003, which will update the job titles of tens of thousands of employees in the University System of Georgia. The Georgia Lifelong Education and Economic Development Services (“Georgia LEADS”) initiative will revamp continuing education. The Regents will hear a report on the best practices awards this fall, and Dr. Papp said that they will be very pleased with activities going on in the System. The staff have been meeting regularly with the Department of Technical and Adult Education (“DTAE”) and the Department of Education (“DOE”) to ensure that the various educational systems work well together. The staff will continue to develop the new budget allocation methodology. Dr. Papp reiterated that there are action steps that have been impacted by the budget.

Next, Dr. Papp discussed the second year of the strategic plan, which would emphasize quality, efficiency, and accountability. He said that with the Board’s approval, this will be the year of education and instruction. Last year was the year of research. The staff made a general presentation on research, and then, each of the presidents of the four research institutions gave a presentation on research at his institution. This year, the staff will concentrate on what kinds of educational changes have taken place in the University System of Georgia in the past several decades. While lecture and laboratory components are still very important, there is also a lot of service and experiential learning, as well as foreign study and distance learning. There is increasingly an integration of research and instruction at the undergraduate level. This year, there will be presentations by various faculty and presidents on those areas both to provide information and to solicit guidance from the Regents on where to provide additional emphasis. There will be 25 continuing projects from the first year of the strategic plan. In the coming year, the staff will seek to improve employee benefits to help retain high quality faculty and staff in the University System. The coming year will also see the further integration of technology systems, such as Banner, PeopleSoft, and the Faculty Information System, all of which are coming closer together. Those technical systems provide information in part for accountability, not only for the day-to-day operations, but also for the accountability that is so critical for the University System of Georgia in these tight budgetary times and in any economic times.

The Chancellor’s statewide assessment is a critical addition to the efforts moving forward, said Dr. Papp. The Regents need to consider what the state will be like in 2010, 2015, and 2020. The Chancellor’s statewide assessment looks at future state needs. The demographics of the state have changed both in numbers and in composition. The System needs to maintain its emphasis on education, research, and service, and it must also continue to emphasize economic development. The Board may need to consider possible mission implications at some of the 34 institutions. The institutions last revised their missions in the

mid 1990s. It may now be time to revisit those missions. As Chair Harris and Chancellor Meredith said in their presentations, the Board should look at areas in which there may be improvements in efficiencies, whether it be through regionalization or through the “barnacle study.” Dr. Papp explained that the barnacle study is where the Chancellor has asked each of the presidents to look at what is going on at the institutions to find barnacles that have grown on their institutions so that they may be removed to help the institutions move forward more efficiently in these tight economic times. Also this year, the Vice Chancellor for Facilities, Linda M. Daniels, will lead the facilities capacity study. All of these are items that fall under the umbrella of statewide assessment. Dr. Papp said that many things had been accomplished or initiated in the first year of the strategic plan. However, there are also many things to accomplish in the second year of the strategic plan. He then turned the floor over to the Chancellor.

Chancellor Meredith stated that this was an ambitious agenda but it is important to take on these tasks. He then asked for Board approval of the second year action plan.

Chair Leebern asked whether there were any questions or comments about this presentation.

Regent Magill commended the 4-4-2 program that had given rural areas a way to graduate students with degrees in education who otherwise might not have been able to get such degrees. She thanked the Board for addressing this issue and providing this opportunity.

Regent NeSmith asked when the Chancellor’s statewide assessment will be completed.

Chancellor Meredith responded that he hopes to come to the Board with recommendations in October or November. Regent NeSmith thanked him.

Seeing that there were no further questions or comments, Chair Leebern thanked Dr. Papp for this presentation and asked for a motion to approve the second year of the strategic plan. With motion properly made, seconded, and unanimously adopted, the Board approved the second year action plan. He then adjourned the meeting of the Strategic Planning Committee as a Committee of the Whole.

UNFINISHED BUSINESS

There was no unfinished business at this meeting.

NEW BUSINESS

Chair Harris welcomed President Michael F. Adams of the University of Georgia and asked him to update the Regents on the recent fire at UGA’s Main Library.

President Adams said that it had been a challenging few months at UGA. First, there was an approximately \$2 million flood at the College of Veterinary Medicine, and on July 23, 2003, there was a fairly serious fire

on the second floor of UGA's Main Library. Six major engine companies from four municipalities came to fight the fire, which was burning nearly out of control. Some of the most important artifacts of the State of Georgia, including the state constitution, the Confederate Constitution, papers of distinguished citizens, rare books, and the Peabody Awards, were one floor above the blaze. State and local investigators moved thoroughly and swiftly in the search for clues and have already arrested a suspect, who is not a student at the university. The damage to the Main Library and its holdings is extensive, said President Adams. Approximately 8% of the building was burned, with the following collections most affected:

- More than 6,000 United Nations documents that were in boxes waiting to be shelved were destroyed. Given the university's emphasis on international studies, this is a significant loss.
- More than 10,000 volumes in the U.S. Congressional Serial Set and the American State Papers will require extensive repair. These collections are incomparable resources, which include reports and illustrations of early western exploration (Lewis and Clark, for example), treaties, Congressional inquiries, annual reports of agencies, and other vital documents.
- More than 400,000 other federal publications were heavily contaminated with soot and will require extensive cleaning.
- More than 3 million pieces of microfiche, containing census and statistical data, Congressional research reports, technical data, and other valuable information were near the fire and an undetermined number have been damaged.
- In addition, moderate levels of soot have spread throughout the building. All ceiling tiles and virtually all books (3.1 million volumes) in the building must be cleaned.

The impact of this fire highlights two major concerns, explained President Adams. First, the need to construct the special collections libraries building has increased far more than anticipated. UGA's three unique special collections libraries – the Richard B. Russell Library for Political Research and Studies, the Felix Hargrett Rare Book and Manuscript Library, and the Walter J. Brown Media Archive and Peabody Awards Collection – are housed in spaces that are insufficient in size and inadequate in climate control and fire protection. The proposed new Russell Building will provide the best possible space. The facility was placed on the Board of Regents' major capital projects list in June 2002 and was officially named the Richard B. Russell Building by the Board at the June 2003 meeting. UGA has committed to raise one-third of the \$36 million needed for the project; of this \$12 million, more than \$8 million has already been raised and fund-raising efforts continue. State sources are needed for the remaining amount, and President Adams sought Board help in making the state funding for this building a top legislative priority.

Second, The State Insurance and Safety Fire Commissioner, John Oxendine, announced that UGA's certificate of occupancy ("CO") for the Main Library will be pulled temporarily and that UGA may be

required to install a sprinkler system in the building before the full CO will be restored. This means that the top shelf or two throughout the seven-story building will have to be removed to allow room for the sprinklers. That will cost an additional \$1.5 million to \$2 million and will require off-site space for over 400,000 additional volumes, further exacerbating the space problem. The costs associated with the fire are significant. Cleanup alone could exceed \$2 million, which insurance should cover. President Adams did not yet know the cost of the sprinklers and other improvements that the fire marshal may require. The amount of funding needed to replace materials is still unknown, because the full extent of the damage had not yet been assessed. While insurance will cover most of these expenses, they will still present financial burdens to UGA and the University System. He posited that there may be other libraries and academic facilities throughout the University System in similar situations and said this may be something the Board should heed.

In closing, President Adams thanked the Chancellor for inviting him to update the Regents on this significant occurrence and said that he would be happy to answer any questions.

Chancellor Meredith asked what kind of sprinkler system would need to be installed.

President Adams responded that there has been debate on whether chemicals or water are less damaging to library materials because sometimes the water damage can be as substantial as the fire itself. The fire marshal's recommendation, however, has been water. UGA will get some outside help if that recommendation is mandated.

Chair Harris thanked President Adams for meeting the challenges that continue to come his way and said the Board appreciates the job he is doing.

Chancellor Meredith noted that there is now phenomenal enrollment in the University System of Georgia. For example, the new Oconee location for Gainesville College is already overflowing and Kennesaw State University had to shut down admissions early. Other institutions are also worried about meeting enrollment demands.

PETITIONS AND COMMUNICATIONS

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, September 9 and Wednesday, September 10, 2003, in the Board Room in Atlanta, Georgia.

Ms. Weber also announced that the System Fine Arts Academic Committee and the Assistant Vice Chancellor for Planning, Joseph J. Szutz, had organized a fine arts exhibit at the University System Office. In November 2003, there will be a fine arts presentation and reception.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately

10:10 a.m. on August 6, 2003.

s/_____
Gail S. Weber
Secretary, Board of Regents
University System of Georgia

s/_____
Joe Frank Harris
Chair, Board of Regents
University System of Georgia