

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
Atlanta, Georgia
August 7-8, 2012**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, August 7, 2012, and Wednesday, August 8, 2012, in the Board Room, 270 Washington Street, SW, in Atlanta, Georgia. The Chair of the Board, Regent Benjamin J. Tarbutton, III, called the meeting to order at approximately 1:01 p.m. on Tuesday, August 7, and again at 9:00 a.m. on Wednesday, August 8. Present on Tuesday and Wednesday, in addition to Chair Tarbutton, were Vice Chair William H. NeSmith, Jr., and Regents C. Dean Alford, Kenneth R. Bernard, Jr., Rutledge A. Griffin, Jr., Robert F. Hatcher, C. Thomas Hopkins, Jr., W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Doreen Stiles Poitevint, Willis J. Potts, Jr., Neil L. Pruitt, Jr., Kessel D. Stelling, Jr., Richard L. Tucker, Larry Walker, and Philip A. Wilheit, Sr. Regents Larry R. Ellis and Mansfield Jennings, Jr., joined the meeting via phone Tuesday; Regent Ellis was present Wednesday; Regent Jennings was excused Wednesday.

INVOCATION AND PLEDGE

The invocation and Pledge of Allegiance were given on each day by Regent Kenneth Bernard.

ATTENDANCE REPORT

The attendance report was given on each day by Assistant Secretary Kimberly Ballard-Washington.

SAFETY BRIEFING

The safety briefing was given on Tuesday, August 7, by Chief Bruce Holmes.

APPROVAL OF MINUTES

The minutes of the Board of Regents meetings held on May 8-9, 2012, and on June 20, 2012, were unanimously approved.

CHANCELLOR'S REMARKS

Chancellor Henry M. Huckaby welcomed Vice Chancellor for Human Resources Marion Fedrick, and Vice Chancellor for Student Affairs Joyce Jones. An audio recording of the Chancellor's remarks are on file and available for inspection in the Office of the Secretary to the Board.

COMMITTEE OF THE WHOLE: SPECIAL CONSOLIDATION COMMITTEE

The Special Committee on Consolidation, meeting as the Committee of the Whole, met on Tuesday, August 7, 2012, at approximately 1:12 p.m. in the Board Room. Chair Tarbutton introduced Associate Vice Chancellor Shelley Nickel, who presented recommended names for the institutions resulting from consolidation of South Georgia College and Waycross College; and Augusta State University and Georgia Health Sciences University. Ms. Nickel presented five options for the former, and three options for the latter. With motion made and variously seconded, the Board approved unanimously the name South Georgia State College for the

combination of South Georgia and Waycross colleges. With motion made and variously seconded, the Board approved the name Georgia Regents University for the combination of Augusta State and Georgia Health Sciences universities. Regent NeSmith voted in opposition of the name Georgia Regents University. Chair Tarbutton recognized Ms. Nickel for her efforts. There being no further business to come before the committee, the meeting was adjourned at approximately 1:32 p.m. on Tuesday, August 7, 2012.

COMMITTEE OF THE WHOLE: COMMITTEE ON FINANCE & BUSINESS OPERATIONS

The Committee on Finance & Business Operations, meeting as the Committee of the Whole, met on Tuesday, August 7, 2012, at approximately 1:34 p.m. in the Board Room. Vice Chancellor for Finance John Brown presented a fiscal year 2014 operating and capital budget request, including reduction targets at 3 percent for fiscal year 2013 amended and fiscal year 2014. With motion made and variously seconded, the Board unanimously approved the request. There being no further business to come before the committee, the meeting was adjourned at approximately 2:27 p.m. on Tuesday, August 7, 2012.

SPECIAL RECOGNITION: REGENT WILLIS POTTS' LEADERSHIP AWARD

At approximately 9:03 a.m. on Wednesday, August 8, 2012, Regent Willis Potts, Jr., recognized Mr. Patrick Pickens for his outstanding achievements as a student at, and contributions to, North Georgia College & State University. Regent Potts presented Mr. Pickens with the Regent Willis Potts Leadership Award.

COMMITTEE OF THE WHOLE: COMMITTEE ON PERSONNEL & BENEFITS

The Committee on Personnel & Benefits, meeting as the Committee of the Whole, met on Wednesday, August 8, 2012, at approximately 9:07 a.m. Associate Vice Chancellor for Life & Health Benefits Tom Scheer and Director of System Benefits Karin Elliott presented 2013 benefits recommendations. With motion made and variously seconded, the Board approved for plan year 2013 health insurance plan changes, and healthcare, dental, and life premiums. A copy of Mr. Scheer's and Ms. Elliott's presentation is on file with, and available for inspection in, the Office of the Secretary to the Board.

CHANCELLOR'S REPORT

Chancellor Henry M. Huckaby gave his report at approximately 9:30 a.m. on Wednesday, August 8, 2012. Chancellor Huckaby noted that he made his first address to the Board one year ago, expounding that, moving into the next year, he intends to focus efforts on need-based financial aid and scholarships to benefit students and enable their collegiate pursuits. An audio recording of Chancellor Huckaby's remarks is on file with, and available for inspection in, the Office of the Secretary to the Board.

PRESENTATION: COLLEGE COMPLETION

At approximately 10:35 a.m. on Wednesday, August 8, 2012, Chair Tarbutton recognized Executive Vice Chancellor for Academic Affairs Houston Davis for a special presentation of the USG's Complete College Georgia initiative. Joining Dr. Davis were Georgia Southwestern State University President Kendall Blanchard; Georgia Gwinnett College President Daniel Kaufman; Georgia Southwestern State University Department of Psychology and Sociology Chair Charles Huffman; Dalton State College student Saul Raisin; Georgia Gwinnett College Interim Dean of Transitional Studies Barry Biddlecomb; and Georgia Gwinnett College alumnus Homero Gonzalez. Following the presentation, Mr. Raisin and Mr. Gonzalez spoke of their

Gwinnett College Interim Dean of Transitional Studies Barry Biddlecomb; and Georgia Gwinnett College alumnus Homero Gonzalez. Following the presentation, Mr. Raisin and Mr. Gonzalez spoke of their respective experiences at their institutions, and extolled this initiative's benefits to them and fellow students. A copy of the presentation and audio recording of remarks are on file with, and available for inspection in, the Office of the Secretary to the Board.

COMMITTEE REPORTS

The reports of the standing committees are attached hereto.

UNFINISHED BUSINESS

Regent Kenneth Bernard reminded all present of the 2012 Chancellor's Fall Classic Charity Cup Golf Tournament, August 24, 2012. The tournament supports the State Charitable Contributions Campaign and the United Way.

NEW BUSINESS

There was none.

PETITIONS AND COMMUNICATIONS

The Secretary to the Board announced that there will be no meeting in September; the Board will instead conduct a strategic planning retreat at Georgia College & State University. The next regular meeting of the Board is scheduled for October 9-10, 2012, at the University of Georgia, Athens.

EXECUTIVE SESSION

At approximately 10:50 a.m. on Wednesday, August 8, 2012, Chair Tarbutton called for an executive session for the purpose of discussing personnel matters. With motion properly made and unanimously seconded, the Regents voted unanimously to go into executive session. University System of Georgia staff members who were also present for portions of the executive session included Chancellor Huckaby and members of his staff. An affidavit regarding this executive session is on file with the Office of the Secretary to the Board.

At approximately 11:30 a.m. on Wednesday, August 8, 2012, Chair Tarbutton reconvened the Board meeting in its regular session and announced that no actions were taken during the executive session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 11:32 a.m. on Wednesday, August 8, 2012.



Benjamin J. Tarbutton, III
Chair, Board of Regents
University System of Georgia



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

MINUTES OF THE MEETING OF THE EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee of the Board of Regents of the University System of Georgia met on Tuesday, August 7, 2012, in Room 7019 of the Board's offices, 270 Washington St., S.W. The chair of the committee, Regent Benjamin J. Tarbutton, III, called the meeting to order at approximately 11:02 a.m. Present, in addition to Chair Tarbutton, were Vice Chair William H. NeSmith; and Regents Robert F. Hatcher; James R. Jolly; Donald M. Leebern, Jr.; Willis J. Potts, Jr.; Doreen Stiles Poitevint; Richard L. Tucker; and Philip A. Wilheit, Sr.

1. The Board approved granting president emeriti status to Augusta State University past President Bill Bloodworth, and Gainesville State College past President Martha Nesbitt.
2. The Committee discussed logistics related to the Board's September strategic planning retreat.

EXECUTIVE SESSION

At approximately 11:28 a.m. on Tuesday, August 7, 2012, Chair Benjamin J. Tarbutton, III, called for an executive session for the purpose of discussing personnel and compensation matters, as well as presidential searches. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. An affidavit regarding this executive session is on file in the Office of the Secretary to the Board.

Chair Tarbutton reconvened the committee in its regular session at approximately 11:50 a.m. and announced that no actions were taken during executive session.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 12:01 p.m. on Tuesday, August 7, 2012.

MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

The Academic Affairs Committee met on Tuesday, August 7, 2012, at approximately 2:55 p.m. in Room 5158 of the Board's offices, 270 Washington St., S.W. Committee members in attendance were Chair Kessel D. Stelling, Jr.; and Regents C. Dean Alford; Rutledge A. Griffin, Jr.; Doreen Stiles Poitevint; Willis J. Potts, Jr.; and Neil L. Pruitt, Jr. The Vice Chair of the Board, Regent William H. NeSmith, Jr., also was in attendance. Regents Larry R. Ellis and W. Mansfield Jennings, Jr., were excused.

1. The Board approved establishment of a Bachelor of Science and a Bachelor of Arts in Geosciences at Georgia State University.
2. The Board approved Establishment of a Master of Global Hospitality Management at Georgia State University.
3. The Board approved establishment of a Master of Science with a major in Chemical Sciences at Kennesaw State University.
4. The Board approved establishment of an Education Specialist in Counselor Education at Augusta State University.
5. The Board approved termination of the Master of Science with a major in Pathology at the University of Georgia.
6. The Board approved termination of the Bachelor of Business Administration with a major in Operations and Purchasing at Kennesaw State University.
7. The Board approved a degree credit-hour waiver from 60 to 63 semester hours for the existing Master of Education with a major in Communication Disorders at Georgia State University.
8. The Board approved a substantive change of the Master of Science with a major in International Policy Management at Kennesaw State University.
9. The Board approved a substantive change of the Master of Arts in Teaching at Kennesaw State University.
10. The Board approved a substantive change of the Master of Arts with a major in Liberal and Professional Studies, to a Master of Arts with a major in Professional Communications and Leadership at Armstrong Atlantic State University.
11. The Board approved a substantive change of the Doctor of Education with a major in Educational Administration, to a Doctor of Education with a major in Educational Leadership at Georgia Southern University.
12. The Board approved a substantive change of the Bachelor of Arts with a major in Mass Communications, to a Bachelor of Science with a major in Mass Communications at the University of West Georgia.

13. The Board approved a substantive change of the Master of Art in Teaching with a major in Middle Grades Education, to a Master of Arts in Teaching with a major in Secondary Education at Armstrong Atlantic State University.
14. The Board approved rescinding the May 2012 Board approval to change the name of Georgia Perimeter College to Georgia Perimeter State College.
15. The Board approved a request to change the institutional name of Gordon College to Gordon State College.
16. The Board approved establishment of Several Georgia Athletic Association Professorships at the University of Georgia: the Georgia Athletic Association Professorship in Law; the Georgia Athletic Association Professorship in the Terry College of Business; the Georgia Athletic Association Professorship in the School of Public and International Affairs; and the Georgia Athletic Association Professorship in Veterinary Medicine.
17. The Board approved establishment of the University of Georgia Foundation Distinguished Professorship in Microbiology at the University of Georgia.
18. The Board also approved certain named faculty appointments, copies of which are on file with, and available for inspection in, the Office of the Secretary to the Board.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 3:20 p.m. on Tuesday, August 7, 2012.

MINUTES OF THE MEETING OF THE PERSONNEL AND BENEFITS COMMITTEE

The Personnel and Benefits Committee met on Tuesday, August 7, 2012, at approximately 2:35 p.m. in Room 5158 of the Board's offices, 270 Washington St., S.W. Committee members in attendance were Chair Neil L. Pruitt, Jr.; and Regents C. Dean Alford; Rutledge A. Griffin, Jr.; Doreen Stiles Poitevint, Willis J. Potts, Jr.; and Kessel D. Stelling, Jr. The Vice Chair of the Board, Regent William H. NeSmith, Jr., also was in attendance. Regents Larry R. Ellis and W. Mansfield Jennings, Jr., were excused.

1. The Board approved the reappointment of Dr. Ralph Steuer to the Board of Trustees for the Teachers Retirement System of Georgia (TRS).
2. The Board approved two amendments to the Optional Retirement Plan (ORP) Plan Document. A copy of the approved amendments to the ORP Plan are on file with, and available for inspection in, the Office of the Secretary of the Board
3. The Board approved the Optional Retirement Plan (ORP) Contribution Rate. No change was made to the employer contribution. The employee contribution rate, which is set by the Board of Trustees of the Teachers Retirement System, will change to 6% effective January 1, 2013.
4. The Board approved the TAP Waiver for the Nursing Program.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 2:55 p.m. on Tuesday, August 7, 2012.

MINUTES OF THE MEETING OF THE ORGANIZATION AND LAW COMMITTEE

The Committee on Organization and Law met on Tuesday, August 7, 2012, at approximately 3:25 p.m. in Room 5158 of the Board's offices, 270 Washington St., S.W. Committee members in attendance were Committee Vice Chair Doreen Stiles Poitevint; and Regents C. Dean Alford, Rutledge A. Griffin, Jr., Willis J. Potts, Jr., Neil L. Pruitt, Jr., and Kessel D. Stelling, Jr. The Vice Chair of the Board, Regent William H. NeSmith, Jr., also was in attendance. Chair Larry R. Ellis and Regent W. Mansfield Jennings, Jr., were excused.

1. The Board approved a request by the Georgia Institute of Technology to award an honorary degree to Mr. John C. Portman, Jr.; and a request by the University of Georgia to award an honorary degree to Mr. Arthur Blank.
2. The Board approved the establishment of a University System of Georgia Staff Advisory Council, and the addition of Policy 8.2.22 governing its composition and procedural rules, which reads as follows:

Policy 8.2.22 University System of Georgia Staff Council

There shall be a University System of Georgia Staff Council (USGSC), which shall provide a staff voice on all matters related to non-faculty employment within the University System. The USGSC shall be mindful and respectful of matters that are more appropriately within the authority and responsibilities of each institution's administration.

Membership of the USGSC shall be comprised of one voting representative from each USG institution, and that representative must be in the classified service of the represented institution. A copy of each institution's process for determining its USGSC representative shall be filed with the Vice Chancellor for Human Resources. The organization and governance of the USGSC shall be implemented according to policies and procedures established by the membership of the USGSC in the USGSC's bylaws, in consultation with, and subject to the approval of, the Chancellor or the Chancellor's designee.

Nothing in this policy or the USGSC's bylaws shall supersede the authority and responsibilities of institutional presidents addressed in Policy 2.5 (Presidential Authority and Responsibilities). With respect to matters specific to their institutions, presidents remain the official media of communication between institutional employees and the Chancellor.

EXECUTIVE SESSION

At approximately 3:35 p.m. on Tuesday, August 7, 2012, Vice Chair Poitevint called for an executive session for the purpose of discussing personnel matters and student records. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. An affidavit regarding this executive session is on file in the Office of the Secretary to the Board.

Vice Chair Poitevint reconvened the committee in its regular session at approximately 4:10 p.m. and announced that no actions were taken during executive session. With motion properly made and unanimously seconded, the Regents who were present voted unanimously to deny the applications for review submitted by Ms. Sheletha Champion of Georgia Perimeter College; Ms. Celeste Barton of Kennesaw State University; and Dr. Robert Wentworth of the University of Georgia; and four student applications for review, numbered 2189,

2190, 2191, and 2194.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 4:11 p.m. on Tuesday, August 7, 2012.

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

The Finance and Business Operations Committee of the Board of Regents of the University System of Georgia met at approximately 2:32 p.m. on Tuesday, August 7, 2012, in the Board Room, 270 Washington Street, S.W, in Atlanta, Georgia. Present, in addition to Chair Philip A. Wilheit, were Regents Kenneth R. Bernard, Jr.; Robert F. Hatcher; C. Thomas Hopkins, Jr.; James R. Jolly; Donald M. Leebern, Jr.; Richard L. Tucker ; and Larry Walker. The Chair of the Board, Regent Benjamin J. Tarbutton, III, also was in attendance.

1. The Board approved the student activity and recreation center fee at Gordon College.
2. The Board approved professional program tuition for the Master of Global Hospitality Management degree at Georgia State University.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 2:47 p.m. on Tuesday, August 7, 2012.

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

The Real Estate and Facilities Committee of the Board of Regents of the University System of Georgia met on Tuesday, August 7, 2012, in the Board Room, 270 Washington Street, S.W, in Atlanta, Georgia. The chair of the committee, Regent Larry Walker, called the meeting to order at approximately 3:23 p.m. Present, in addition to Chair Walker, were Regents Kenneth R. Bernard, Jr., Robert F. Hatcher, C. Thomas Hopkins, Jr., James R. Jolly, Donald M. Leebern, Jr., Richard L. Tucker, and Philip A. Wilheit, Sr. The Chair of the Board, Regent Benjamin J. Tarbutton, III, also was in attendance.

1. The committee heard an informational item regarding evaluations of campus facilities-related proposals, integrated and vetted by Academic Affairs, Fiscal Affairs, and Real Estate and Facilities. The focus in the initial review will be on whether the concept is valid and what alternatives exist. The next step involves the appropriate level of detailed development including definition of scope, all due diligence, financing and requisite authorizations by the Board. This stage of detailed analysis will continue to involve Academic and Fiscal Affairs.

Integrated evaluation of campus facilities related proposals has resulted in the following potential items:

- a. University of Georgia - Oglethorpe House renovation. Renovations to the 494 bed Oglethorpe House residence hall at the University of Georgia (“UGA”) will include mechanical, electrical, and plumbing system upgrades. The renovations will be performed in two phases during the summers of 2013 and 2014. UGA housing funds of \$5,000,000 will be utilized.
 - b. University of Georgia - Lake Herrick Outdoor Pool. The existing Legion Pool will be demolished and replaced with a new outdoor recreational pool with appropriate support facilities in the Lake Herrick area of the University of Georgia (“UGA”) campus. The \$2,600,000 project will be funded by \$1,000,000 in UGA student affairs auxiliary reserves, \$600,000 in UGA internal plant funds, and \$1,000,000 from the UGA Athletic Association.
 - c. University of Georgia - Renovation of Brown Hall, Health Sciences campus. Renovation of Brown Hall to provide approximately 200 student housing beds. UGA housing funds of \$1,900,000 will be utilized.
2. The committee was presented with an update on a resolution the Board adopted in May 2012. The resolution was prepared by the Revenue Division of the Georgia Department of Law covering the issuance of 2012 General Obligation Bonds (the “G.O. Bonds”) by the State of Georgia through the Georgia State Financing and Investment Commission for use in funding projects for the University System of Georgia.

Project No.	Project Name/Institution	Original Bond Sale Request	Actual Bond Sale
<u>FY 2011 Capital Project Funding</u>			
J-101	“Health Sciences & Administration Building” Valdosta State University	700,000	700,000

J-184	“Veterinary Medical Learning Center” University of Georgia	900,000	900,000
	FY 2011 Subtotal:	\$1,600,000	\$1,600,000

FY 2012 Capital Project Funding

J-189	“Education Facility” Kennesaw State University	16,000,000	16,000,000
GRA-255	“Equipment Purchase, Various Locations” Georgia Research Alliance	3,000,000	3,000,000
	FY 2012 Subtotal:	\$19,000,000	\$19,000,000

FY 2013 Capital Project Funding

J-101	“Health Sciences & Administration Building” Valdosta State University	32,000,000	32,000,000
J-141	“Renovation of Lewis & Herring Halls” Abraham Baldwin Agricultural College	1,500,000	1,500,000
J-152	“Consolidated Medical Education Commons” Georgia Health Sciences University	28,000,000	28,000,000
J-164	“Biology Building” Georgia Southern University	2,800,000	0
J-165	“Nursing Building” University of West Georgia	2,000,000	2,000,000
J-168	“Health and Human Sciences Building” Georgia Southwestern State University	1,400,000	1,400,000
J-178	“Academic Building” Dalton State College	15,000,000	15,000,000
J-184	“Veterinary Medical Learning Center” University of Georgia	52,300,000	52,300,000
J-187	“Teacher Education & Learning Center” College of Coastal Georgia	1,100,000	1,100,000
J-188	“Historic Ennis Hall Renovation” Georgia College & State University	9,600,000	9,600,000
J-197	“Allied Health Building” Georgia Gwinnett College	25,200,000	25,200,000
J-198	“Engineered Biosystems Building” Georgia Institute of Technology	59,000,000	59,000,000

J-199	“Infrastructure Expansion” Kennesaw State University	6,500,000	6,500,000
J-200	“Griffin Food Technology Center” University of Georgia	2,500,000	2,500,000
J-201	“Cooperative Extension and Agricultural Experiment Station Facilities MRR” University of Georgia	4,000,000	4,000,000
J-202	“Cooperative Extension and Agricultural Experiment Station Facilities Equipment” University of Georgia	1,525,000	1,525,000
J-203	“Rock Eagle 4H Facility” University of Georgia	2,500,000	2,500,000
J-204	“Renovation of the Rural Development Center” University of Georgia	3,000,000	0
J-205	“Major Repair and Renovations” University System of Georgia	45,000,000	45,000,000
J-206	“Student Academic Center, Cartersville Campus” Georgia Highlands College	2,200,000	2,200,000
	FY 2013 Subtotal:	\$297,125,000	\$291,325,000

Pass-Thru Agency Requests

GPL-57	“MRR - Statewide” Georgia Public Library System	2,255,000	2,255,000
GPL-58	“Royston Public Library System, Royston, Franklin County” Georgia Public Library System	1,325,000	1,325,000
GRA-256	“R & D Equipment Statewide” Georgia Research Alliance	8,000,000	8,000,000
GPTC-7	“Communication Systems & Information Systems Upgrades” Georgia Public Television Communications	1,780,000	1,780,000
GPTC-8	“Facility Roof Replacement & Cooling System Improvements” Georgia Public Television Communications	1,265,000	1,265,000
GMC-9	“Health & Wellness Center” Georgia Military College	7,000,000	7,000,000
FMP-1	“Retrofit Forces Command Building”		

Fort McPherson	4,000,000	0
Pass-Thru Subtotal:	\$25,625,000	\$21,625,000
Total Bond Sale:	\$343,350,000	\$333,550,000

3. The Board authorized distribution of Major Repair and Renovation (“MRR”) funds in accordance with staff recommendations. MRR funds in the amount of \$45,000,000 are in the Fiscal Year 2013 budget and were included in the June 21, 2012, bond sale.
4. The Board authorized distribution of Major Repair and Renovation (“MRR”) funds in accordance with staff recommendations for funds authorized in the Fiscal Year (“FY”) 2013 legislative session as a separate line item for the University of Georgia College of Agriculture & Environmental Sciences (“CAES”). Supplemental MRR funds in the amount of \$4,000,000 were added to the FY 2013 budget by the legislature for CAES Experiment Stations and Cooperative Extension Service locations state-wide. The \$4,000,000 is funded by 20-year general obligation bonds that were included in the June 21, 2012, bond sale.
5. The Board authorized Project No. PPV-89-1201, Student Activity and Recreation Center, Gordon College (“GC”) with a total project budget of \$12,048,000 to be funded through a public private venture and \$1,000,000 from GC auxiliary funds.
6. The Board authorized Project No. BR-81-1301, Road Extension Project, Darton College (“DC”) with a total project budget of \$1,122,000, to be funded from Dougherty County/City of Albany Special Purpose Local Option Sales Tax (“SPLOST”) VI.
7. The Board authorized Project No. BR-66-1301, Auxiliary Services Distribution Center, Georgia Southern University (“GSOU”) with a total project budget of \$2,000,000, to be funded from GSOU auxiliary reserves.
8. The Board authorized Project No. BR-68-1301, Baseball and Softball Fieldhouse, North Georgia College & State University (“NGCSU”), with a total project budget of \$1,275,000 to be funded from funds donated through the NGCSU Foundation.
9. The Board appointed a design professional firm for Project BR-30-1205, Phase 3 and 4 Build Out of Marcus Nanotechnology Building, Georgia Institute of Technology. The Board appointed the first-named construction management firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other firms listed in rank order.

Project Description: This project was authorized by the Board in May 2012. Phases 3 and 4 will build-out approximately 13,000 square feet (“sf”) of shell space on the fourth floor and approximately 12,700 sf of shell space on the third floor. These two phases will also include the construction of a Characterization Suite on the ground floor, and the renovation of a small space on the first floor for cleanroom support offices. The project will be funded from Georgia Institute of Technology institution funds.

Total Project Cost: \$8,124,000
Construction Cost (Stated Cost Limitation): \$6,244,000

Number of firms that applied for this commission: 7

Recommended firms in rank order:

1. Smith Carter USA, Inc., Atlanta
2. HDR Architecture, Inc., Atlanta
3. Perkins + Will, Inc., Atlanta

10. The Board approved modification of the budget of Project No. BR-10-1103, Health Sciences Campus Renovations - Phase II, University of Georgia (“UGA”), to increase that total project budget from \$8,510,000 to \$9,410,000. Funding of this cost increase of approximately \$900,000 will be from \$250,000 in UGA internal plant funds for the mechanical systems and \$650,000 in UGA auxiliary reserves for the food service equipment.
11. The Board approved modification of the budget of Project No. J-157, Laboratory Addition - Science Building, Kennesaw State University (“KSU”), to increase the total project budget from \$21,000,000 to \$21,895,140. An additional \$895,140 from KSU institutional funds will provide for the partial build-out of the fifth floor of the building.
12. The Board approved modification of the budget of Project No. J-165, Nursing Building, University of West Georgia (“UWG”), to increase the total project budget from \$19,900,000 to \$21,500,000. Funding of this cost increase of \$1,600,000 will be from UWG institutional funds.
13. The Board approved modification of the budget of Project No. BR-64-0402, Family Development Center, Fort Valley State University (“FVSU”), to increase the total project budget from \$5,052,847 to \$5,652,847. The Family Development Center project, approved by the Board in September 2003, funded with a United States Department of Agriculture (the “USDA”) grant is currently in design. A budget modification, approved by the Board in November 2010, added a Quality Childcare Center to the scope of the project. The USDA has approved an additional \$600,000 grant to further supplement the budget.
14. The Board approved modification of the budget of Project No. J-152, Consolidated Medical Education Commons, Georgia Health Sciences University (“GHSU”), to increase the total project budget from \$62 million to \$76.5 million. The original \$62 million project budget included \$42 million in State General Obligation (“G.O.”) bonds and \$20 million from the GHSU Foundation in philanthropic gifts in hand. This increased funding of \$14.5 million will initially come from accumulated margin allocation reserves currently in GHSU’s restricted funds. It is the intent of the GHSU Foundation to reimburse these funds over time. Currently the GHSU Foundation has a commitment from the Woodruff Foundation for \$4 million due December 2012 and \$4 million due December 2013. Pledges for the remaining \$6.5 million are currently being sought by the GHSU Foundation with the intent of having the funds in hand to reimburse GHSU within three years.
15. The Board approved modification of the budget of Project No. J-184, Veterinary Medicine Learning Center, University of Georgia (“UGA”), to increase the total project budget from \$80,000,000 to \$81,300,000. Funding of this cost increase of \$1,300,000 will be from private funding being raised by UGA.
16. The Board authorized execution of a rental agreement between GGC Real Estate Parking I, LLC (the “LLC”), Landlord, and the Board of Regents, Tenant, for approximately 25,436 square feet (“sf”) of administrative support space located at 890 Collins Hill Road, Lawrenceville, for the period

September 1, 2012, through June 30, 2013, at a rent of \$553,023 per year annualized (\$21.74 per sf per year) with options to renew on a year-to-year basis for 19 consecutive one-year periods with rent increasing an average of 2.15% per year, for the use of Georgia Gwinnett College (“GGC”).

17. The Board declared that approximately 522 acres of real property located at 1280 Snows Mill Road, Oconee County, to be no longer advantageously useful to the University of Georgia (“UGA”) or other units of the University System of Georgia (“USG”), but only to the extent and for the purpose of allowing the sale of this real property for the benefit of UGA. The Board further authorized the sale of the above referenced real property to the Townley Family Partnership, LLLP (the “LLLP”) for \$11,440,000. The Board further authorized the execution of a rental agreement between the LLLP, Landlord, and the Board of Regents, Tenant, for portions of the above referenced real property until December 15, 2015, at zero rent. Legal details involved with this sale and rental agreement of the above referenced real property will be handled by the Georgia Department of Law.
18. The Board approved accepting title to approximately 2.708 acres of real property located at 260 14th Street Northwest, Atlanta, from the State of Georgia. The Board authorized an intergovernmental agreement between the Board and Georgia Public Telecommunications Commission (“GPTC”) for the use, maintenance, and operation of the above referenced real property. Transfer of title and the terms and conditions of this agreement are subject to review and legal approval of the Georgia Department of Law.
19. The Board approved accepting title to approximately 2.0 acres of real property located at 240 South Elbert Street, Milledgeville, from the Board of Trustees of Georgia Military College. The Board authorized an intergovernmental agreement between the Board and Georgia Military College (“GMC”) for the use, maintenance, and operation of the above referenced real property. Transfer of title and the terms and conditions of this agreement are subject to review and legal approval of the Georgia Department of Law.
20. The Board approved the naming of Freshman Hall at Georgia State University (“GSU”) the “Dr. Carl V. Patton Hall,” in recognition of former President Carl V. Patton.
21. The Board approved the naming of the General Classroom Building at Georgia State University (“GSU”) the “Noah Langdale, Jr. Hall,” in recognition of former President Noah Langdale, Jr.
22. The Board approved the naming of a greenhouse and headhouse at the State Botanical Garden of Georgia at the University of Georgia (“UGA”) the “Mimsie Lanier Center for Native Plant Studies,” in recognition of Mimsie Lanier Turner.
23. The Board approved the naming of the Medical Education Commons Building, scheduled to begin construction in October 2012 at the Georgia Health Sciences University (“GHSU”), the “J. Harold Harrison M.D. Education Commons,” in recognition of Dr. J. Harold Harrison.
24. The Board approved the naming of the Rose Bowl Field on the campus of the Georgia Institute of Technology (“GIT”) the “Alexander Rose Bowl Field,” in recognition of William A. Alexander.
25. The Board ratified Chancellor Henry M. Huckaby’s following actions:
 - a. The Chancellor administratively approved Project No. BR-40-1202, Sheppard Building Renovations - Sickie Cell, Georgia Health Sciences University, (“GHSU”) with a total project

budget of \$2,296,776, to be funded from GHSU. The estimated construction cost for this project is \$1,109,667. There is estimated special cost of \$435,000 for medical equipment and \$380,000 for project contingency.

- b. The Chancellor administratively approved Project No. BR-64-1204, Energy Audit & Renewable Energy Program, Fort Valley State University (“FVSU”), with a total project budget of \$1,552,000, to be funded from a United States Army grant award.
- c. The Chancellor administratively appointed the first-named construction management firm listed below for Project BR-30-1204, Renovation of Glenn and Towers Residence Halls, Georgia Institute of Technology, and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order. The project will be funded from GIT auxiliary housing funds.

Total Project Cost:	\$41,500,000
Construction Cost (Stated Cost Limitation)	\$30,200,000

Number of firms that applied for this commission: 16

Recommended firms in rank order:

1. New South Construction Company, Inc., Atlanta
 2. Juneau Construction Company, LLC, Atlanta
 3. Gilbane Building Company, Atlanta
- d. The Chancellor administratively authorized the execution of ground leases and rental agreements related to Project No. PPV-71-1102A, East Village Student Housing and Dining Complex, Phase II University of West Georgia. The terms of these agreements will be subject to review and legal approval of the Georgia Department of Law.
 - e. The Chancellor administratively approved the purchase of approximately 6.62 acres of improved real property located at 940 Collins Hill Road, Lawrenceville, from GGC Real Estate II, LLC (the “LLC”), for \$4,000,000 for the use and benefit of Georgia Gwinnett College (“GGC”). The legal details involved with this purchase of real property will be handled by the Georgia Department of Law.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 3:44 p.m. on Tuesday, August 7, 2012.

MINUTES OF THE MEETING OF THE COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE

The Internal Audit, Risk, and Compliance Committee of the Board of Regents of the University System of Georgia met on Tuesday, August 7, 2012, in the Board Room, 270 Washington Street, S.W, in Atlanta, Georgia. The chair of the committee, Regent Kenneth R. Bernard, Jr., called the meeting to order at approximately 2:47 p.m. Present, in addition to Chair Bernard, were Regents Robert F. Hatcher; C. Thomas Hopkins, Jr.; James R. Jolly; Donald M. Leebern, Jr.; Richard L. Tucker; Larry Walker; and Philip A. Wilheit, Sr. The Chair of the Board, Regent Benjamin J. Tarbutton, III, also was in attendance.

1. The Board approved the proposed addition to the Policy Manual, 7.16 Compliance Policy, which reads:

7.16 Compliance Policy

7.16.1 Compliance

It is the policy of the University System of Georgia (USG) to comply with applicable Federal and State laws, rules, and regulations and to encourage ethical conduct as detailed in the USG Ethics Policy (see Board Policy 8.2.20 University System of Georgia Ethics Policy). The USG Compliance and Ethics Program (Program) refers to the USG policies and procedures designed to ensure ethical conduct and compliance with legal requirements and ethical conduct.

Adherence to Federal guidelines for an effective compliance and ethics program is also a key Program purpose. Effectively implementing the Program will ensure that USG institutions are equipped with the information needed to effectively follow applicable laws and regulations while also reducing potential fines and penalties should a USG institution inadvertently not adhere to a legal or regulatory requirement.

Effectively implementing the Program will also ensure that USG institutions are equipped with the information needed to effectively comply with applicable laws, rules and regulations. A system wide compliance program can help identify subject matter experts in various fields and assist in making their expertise known across the University System. Program implementation will focus on leveraging current resources and Board Policy 7.15 Risk Management in support of Program implementation.

7.16.2 Objectives

Program objectives are to:

1. Identify applicable laws, regulations, policies, and contractual requirements which pertain to each institution and to the USG;
2. Ensure that responsibility for ensuring compliance has been properly assigned to responsible personnel;
3. Monitor compliance with applicable requirements; and,
4. Provide training and expertise to assist institutions and the USG in meeting its compliance requirements.

7.16.3 Framework

An effective Program is designed to meet the following elements and ensure that:

1. Standards have been adopted that require compliance with applicable law;
2. High-level personnel have been assigned the authority and responsibility to implement the Program and that the Board of Regents is periodically updated on Program status;

3. Individuals with substantial discretionary authority and/or charged with implementing the Program have not engaged in illegal activities or other conduct inconsistent with an effective compliance program;
4. Program requirements and ethical standards are periodically communicated to all employees through effective training and regular communication;
5. Effective monitoring is implemented to detect misconduct, evaluate Program effectiveness, and provide a reporting system whereby employees can report misconduct without fear of retribution;
6. Program standards are enforced through appropriate incentives and sanctions; and,
7. Responses to misconduct are appropriate and that reasonable steps are taken to prevent further offenses to include modifying the Program to prevent and detect violations of the law.

7.16.4 Applicability

The Compliance Policy applies to all USG institutions and the University System Office.

7.16.5 Implementation

An institution-wide approach to compliance shall be adopted by all USG institutions. It is expected that compliance processes will be embedded into the institution's management systems and processes. All compliance efforts will be focused on supporting the institution's objectives.

Therefore, each institution president or designee shall develop a campus compliance framework and associated procedures to:

1. Identify and document applicable policies, procedures, laws and regulations;
2. Establish job positions and/or oversight committees within the institution that have responsibility for ensuring compliance with each identified policy, procedure, law or regulation as applicable;
3. Appoint one or more Compliance Officers where there are a substantial number of high risk policies, procedures, laws and regulations in a single area and in a manner as deemed appropriate for the specific institution (examples may include athletics, research, and human subject research);
4. Communicate the policies, procedures, laws and regulations and their associated Compliance Officers or owners to institution staff as applicable and to the USG Office of Internal Audit and Compliance; and,
5. Develop procedures where Compliance Officers and other individuals with responsibility for ensuring compliance:
 - a. Conduct assessments of compliance requirements;
 - b. Identify steps to implement these requirements; and,
 - c. Report on the progress thereof.

7.16.6 Accountability

There are multiple offices within the USG that have responsibility for compliance activities. The Chancellor shall designate a position responsible for coordinating the Program system wide.

2. The Board approved the August 2012 Audit Plan as presented. The USO Office of Internal Audit and Compliance (OIAC) audit plan is prepared on a rolling basis to include near-term (one to five months), medium-term (six to 10), and long-term (11-15) months. The OIAC audit plan and risk assessment is intended to assist management address significant governance, risk management, compliance, and internal control risks through internal audit assurance and consulting engagements. The audit plan and risk assessment will be presented to the Committee for review and approval approximately three times

per year. The Chief Audit Officer may modify the plan as needed and will report proposed changes to the Committee on Internal Audit, Risk, and Compliance.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 3:12 p.m. on Tuesday, May 8, 2012.

**MINUTES OF THE MEETING OF THE
SPECIAL COMMITTEE ON GRADUATE MEDICAL EDUCATION**

The Board's Special Committee on Graduate Medical Education met on Tuesday, August 7, 2012, in the Board Room, 270 Washington Street, S.W, in Atlanta, Georgia. The chair of the committee, Regent C. Thomas Hopkins, Jr., called the meeting to order at approximately 3:13 p.m. Present, in addition to Chair Hopkins, were Regents Kenneth R. Bernard, Jr.; Robert F. Hatcher; James R. Jolly; Donald M. Leebern, Jr.; Richard L. Tucker; Larry Walker; and Philip A. Wilheit, Sr. The Chair of the Board, Regent Benjamin J. Tarbuton, III, also was in attendance.

1. The committee heard an informational item regarding the legislature's appropriation of \$1.2 million into the USG budget for FY 2013 to facilitate the creation of new residency programs at new teaching hospitals in Georgia. Since this funding was appropriated, staff members have been working aggressively to inform healthcare leaders across the state about this funding and encourage interest in GME.
2. The Board approved a recommendation from the Graduate Medical Education evaluation team (GREAT) that Gwinnett Medical Center be enabled to support establishing residency programs in internal medicine and family medicine, producing up to 30 residents at this time.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 3:21 p.m. on Tuesday, August 7, 2012.