

The System Supplement

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“Creating a More Educated Georgia”

Economic Impact of University System Reaches \$12.1 Billion

A newly released report confirms that in the midst of a severe economic downturn, Georgia’s public university system continues to be one of the state’s major economic engines. Together, the 35 institutions of the University System of Georgia (USG) made a \$12.1 billion economic impact on the state’s economy during Fiscal Year 2008.

The Selig Center for Economic Growth in the *University of Georgia’s* Terry College of Business analyzed data collected between July 1, 2007, and June 30, 2008, to calculate the University System’s FY 2008 economic impact. This work updates similar studies conducted on behalf of The Intellectual Capital Partnership Program (ICAPP), an

initiative of the Board of Regents’ Office of Economic Development. The previous report, based on FY 2007 data, placed the USG’s economic impact at \$11 billion. The first study in the series calculated the USG’s impact at \$7.7 billion in FY 1999. The latest \$12.1 billion thus is a \$4.4 billion increase since FY 1999 – or a growth of 57 percent in the system’s economic impact on Georgia’s communities.

“While our research has consistently shown the important economic contributions public colleges and universities make to communities and the state, this latest study supports the argument that the University System can play an important role in helping Georgia’s economy recover,” said study author Dr. Jeffrey M.

Humphreys, director of economic forecasting for the Selig Center. “For each job created on a campus, there are 1.6 jobs that exist off-campus because of spending related to the college or university. These economic impacts demonstrate that continued emphasis on colleges and universities as a pillar of the state’s economy translates into jobs, higher incomes and greater production of goods and services for local households and businesses.”

In addition to the \$12.1 billion in total impact generated by the University System in FY 2008, the study determined that Georgia’s public higher education system is responsible for 108,405 full- and part-time jobs – 2.6 percent of

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Excellence Awards Honor Gov. Sonny Perdue, Outstanding USG Faculty, Alumni

The leadership of the University System of Georgia gathered in Atlanta on March 28 as the University System of Georgia (USG) Foundation honored Georgia Gov. Sonny Perdue with a “Lifetime Achievement Award” for his service to higher education in Georgia. The Fifth Annual Regents Awards for Excellence in Education Celebration also recognized outstanding USG faculty and alumni.

The Governor, USG Foundation Chair James A. Bishop, USG Chancellor Erroll B. Davis Jr., members of the Board of Regents and several regents emeriti attended the event at the Atlanta Marriott Marquis. They were joined by a large number of elected state officials, corporate leaders and USG presidents, administrators, faculty and staff, alumni and supporters.

“We are celebrating excellence in education – excellence in our students, excellence in our faculty and excellence in the alumni of University System institutions,” said Bishop, a regent as well as chair of the USG Foundation and the program’s host. “But this event also

is about creating needed resources for student scholarships. During these challenging economic times we must remain steadfast in our commitment to meet our financial goals to provide scholarships and support to all USG institutions.”

The proceeds from the evening fund President’s Choice Scholarships at all 35 University System institutions. Each institution receives up to \$10,000 annually, and the presidents choose the recipient or recipients based on academic merit. Thanks to the Regents’ Foundation Scholarships, students who are traditionally underserved by the system and face financial obstacles to attending college receive assistance in the form of full tuition and fees.



Gov. Sonny Perdue (right) accepts his award from Regent Erldridge McMillan (center) and Regent James A. Bishop.

The USG Foundation has raised more than \$1 million this year and awarded 38 President’s Choice Scholarships and 12 Foundation Scholarships, Bishop said. Nicole Williams, a President’s Choice Scholar from Atlanta Metropolitan

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Stark

Chief Auditor Ron Stark Accepts Saudi Arabia Post

Ron Stark, chief audit officer and associate vice chancellor of Internal Audit for the Board of Regents, will be leaving the

University System of Georgia (USG) at the end of April for a similar position at the King Abdulla University of Science and Technology (KAUST) in Saudi Arabia.

KAUST is an international, graduate-level research university that will open in September 2009 with a \$25 billion endowment. It will be open to men and women from around the world, with entry based on merit. The core campus will focus on research into resources, energy and the environment,

biosciences and engineering, materials science and engineering and applied mathematics and computational sciences.

Stark has served in his current position at the USG since 1998, when he came from the University of California at Irvine, where he was the university's audit director.

At the Board of Regents, Stark has overseen internal audit and compliance for the regents' system office and the 35 colleges and universities, as well as Skidaway Institute of Oceanography. He led a staff of 12 in this critical risk-management function for the USG.

Stark led the development of the System's first ethics policy, the creation and implementation of a system-wide hotline to report fraud and abuse, the creation and

implementation of a new enterprise risk-management and compliance program for the system, and conducted an overall review of the regents' Policy Manual.

In 2007, Stark coordinated a system-wide audit of the use of P-cards which uncovered inadequate oversight and controls and resulted in significant new controls. Before leaving the USG, he will complete the development of a five-year strategic audit plan for the system.

No decisions have been made as yet regarding the search for Stark's replacement. 🏠

Economic Impact

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all the jobs in the state – while approximately 39 percent of these positions are on-campus jobs, a majority – 61 percent – are positions in the private or public sectors that exist because of the presence in the community of USG institutions.

Humphreys' report quantifies the economic benefits that the University System of Georgia's institutions convey to the communities in which they are located. He determined that \$8 billion (66 percent) of the \$12.1 billion in total economic impact was due to initial spending by USG institutions for salaries and fringe benefits, operating supplies and expenses, and other budgeted expenditures, as well as spending by the students who attended the institutions in FY 2008. Re-spending – the multiplier effect of those dollars as they are spent again in the region – accounted for another \$4.1 billion (34 percent). Researchers found that, on average, for every dollar of initial spending in a community by a University System institution, an additional 51 cents was generated for the local economy hosting a college or university.

The University System's largest institution – the University of Georgia (UGA) with 34,180 students – has the single greatest economic impact: \$2.2 billion on the Athens-area economy, or 18 percent of the System's total statewide economic impact.

To download the Selig Center's FY2008 report, go to http://www.icapp.org/pubs/usg_impact_fy2008.pdf 🏠

USG Consolidates Human Resources and Payroll Through Shared Services Center

Beginning in July, most of the University System of Georgia's (USG) 40,000 employee paychecks will be issued through ADP, a national provider of transaction processing and information-based business solutions. Currently each of the University System's 35 colleges and universities has separate databases and business processes for human resources and payroll.

This change will be the first of many as the University System moves forward with its Shared Services program, designed to unify and consolidate the System's separate business functions throughout its colleges and universities. Thirty-two campuses, as well as the University System Office, are included in this initial phase of the Shared Services program. The next phase of the Shared Services program is currently in development.

"We are excited about the progress being made with the human resources and payroll consolidation," said **Usha Ramachandran**, vice chancellor for Fiscal Affairs for the USG, who provided the Board of Regents with an update on Shared Services at the March board meeting. "This is an important step as we seek to create a new operational structure that will enable us to become more efficient and effective in processing data and serving both our employees and the state."

The regents contracted in June 2008 with ADP to consolidate human resources and payroll into a single system that will facilitate paperless processing of time sheets and benefits enrollment for employees, said Ramachandran. The first checks will be issued through the new system on July 17, 2009.

ADP staff will work with the new Shared Services Center director, **Clifford Williams**, selected to head up the operation based on his background and extensive private sector experience in the human resources and payroll information technology services industry. Williams will have a staff of approximately 15 who will work in the new Shared Services Center, located in Sandersville, Ga.

At a recent open forum held at **Macon State University** in Macon, 230 USG employees who handle human resources and payroll functions at the campus level were briefed on the Shared Services Center and the human resources and payroll consolidation, which marks Phase I of the Shared Services program. The presentation and questions and answers from the forum as well as numerous resources about the USG Shared Services Center, have been posted on a website found at <http://www.usg.edu/sharedservices/> 🏠

USG Digest

■ Augusta State University is preparing to welcome 120 of the nation's most competitive middle- and high-school students to its campus in May for what may be the ultimate academic "track meet" — the Science Olympiad National Tournament, which pits 15-member teams against each other in 46 events spanning the sciences, from chemistry, biology and physics to engineering, robotics and astronomy.

The emphasis during the May 14-17 event will be on active, hands-on group participation as middle-school students and high-school students compete in team events in separate divisions.

The culmination of more than 240 regional and state tournaments, the National Tournament is held at a different university every year. Georgia is the only state to have hosted the event twice, both times at public universities (the 1996 Olympiad was held at Georgia Tech). Georgia middle-school teams have won the national title 10 out of the last 12 years.

■ Georgia State University (GSU) and Georgia Tech have opened a new center that will provide researchers around Atlanta with a dedicated magnetic-resonance-imaging (MRI) scanner to further study the mysteries of the brain and mind.

The Center for Advanced Brain Imaging opened in March for researchers exploring topics from autism and learning disabilities to applied physiology, brain signals and brain-computer interfaces.

"We are excited to open a facility which will provide researchers exploring the mind with a dedicated, around-the-clock center to advance research in some of the most fascinating and challenging areas of neuroscience," said Robin Morris, vice president of research at Georgia State. "This is yet another example of how the University System of Georgia has encouraged partnerships between institutions, which yield great gains in scientific advancement."

The center will provide a huge boost to the study of neuroscience on both campuses, noted Randall Engle, professor of psychology at Georgia Tech and interim director of the Center for Advanced Brain Imaging. 🏠

The System Supplement John Millsaps

ASSOCIATE VICE CHANCELLOR

Diane Payne

PUBLICATIONS DIRECTOR

To Provide Feedback

write to: diane.payne@usg.edu

ON CAMPUS

Rahn Leaving MCG for Chancellorship in Arkansas

In late March, Dr. Daniel W. Rahn, president of the *Medical College of Georgia* (MCG), was appointed chancellor of the University of Arkansas for Medical Sciences (UAMS) in Little Rock, Ark.

"Dr. Rahn has provided stellar leadership in the health sciences, not just for MCG, but for the state as well," said University System of Georgia (USG) Chancellor Erroll B. Davis Jr. "As a result, today the health of Georgians is on track for significant improvement. Dr. Rahn's departure will be a tremendous loss for the people of Georgia and for MCG."

Rahn has served as president of MCG since 2001. Since 2006, he also has served as the USG's senior vice chancellor for health and medical programs.

Rahn has been instrumental over the past several years in the development of plans to increase the numbers of physicians trained in Georgia. The medical expansion effort has involved both MCG and the University of Georgia, with the first class of physicians to be trained on a new partnership campus in Athens slated for admission in fall 2010.

The plan also will increase the number of medical students educated in Augusta as well as the number of third- and fourth-year medical students who receive a portion of their clinical education in southwest and southeast Georgia through clinical campuses based in Albany and Savannah. It also includes expanding graduate medical education so that more physicians can complete their specialty training in Georgia.

Rahn came to MCG from Yale University School of Medicine in 1991. Before assuming the presidency of MCG, he served as vice dean for clinical affairs for the MCG School of Medicine as well as senior vice president for medical affairs and chief medical officer for MCG Health, which manages MCG's clinical facilities. He also is a full-time faculty member at MCG's School of Medicine.

No timeline has been set as yet for the search for MCG's next president. 🏠



Rahn

GPC Receives Patriot Award for Supporting Reservist

Army Reservist LaQuista Harris (left) had been an admissions specialist at *Georgia Perimeter College* for less than a year before she was called to active duty and deployed to Iraq. She wondered if she would have a job when she returned and if she would be able to provide for her family. Staff Sgt. Harris had nothing to fear. During her year-long deployment, her coworkers at GPC sent care packages, communicated via e-mail and even formed a group to pray for her safety. Now, Harris and the military have shown their appreciation for the college's loyalty.

The National Committee for Employer Support of the Guard and Reserve (ESGR) recently recognized Georgia Perimeter and Harris' supervisor, **Paula Carter** (center), with the Employer's Patriot Award. The award was created to honor employers who provide outstanding patriotic support and cooperation to their employees.

"When employees are deployed, they are already worried about going to war and leaving behind family members," says Amesheia Buckner, program executive for the Georgia chapter of ESGR. "It makes a huge difference in establishing their peace of mind to know that not only are their jobs being held for them, but also that they are missed and supported back home. Our soldiers need to know that when they come back home they can still provide for their families."

"[Carter] organized everybody in the office, and they made a special effort to make sure I knew I was missed," Harris explains. "They sent e-mails, wrote letters, sent packages and let me know they couldn't wait for me to get back. Their concern made being in Iraq easier."

"At GPC, priority is given to fostering a community of trust, mutual respect and caring," says the college's president, **Dr. Anthony S. Tricoli** (right). "We strive to make sure each member of the family is valued." 🏠



Excellence Awards

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College (AMC), and **Tanya Rafferty**, a Regents' Foundation Scholar from *Abraham Baldwin Agricultural College* (ABAC), were chosen to represent all of the scholarship recipients at the event.

Gov. Perdue received the night's highest honor, "The Elridge McMillan Lifetime Achievement Award," named for the longest-serving current member of the Board of Regents.

"Sonny Perdue has been a strong supporter of the University System and public higher education throughout his career as a public servant," Bishop noted.

Among other notable moves, Bishop said, Perdue has approved \$1.46 billion in new construction funding for 159 projects throughout the University System during his tenure as governor. He also signed into law a bill creating the Georgia Higher Education Facilities Authority, or GHEFA, to address special capital needs for both the University System and the Technical College System.

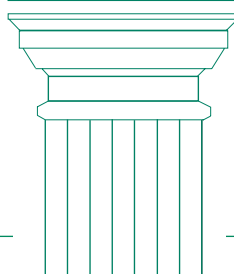
The Governor also has supported the System's efforts to address critical shortages of teachers, doctors, and allied health care professionals in

Georgia, and he has supported the System's growth through strong budget recommendations. In the current fiscal year, for example, the System's funding as a percentage of total state appropriations reached its highest level in nine years – 12.1 percent of the total state budget. During his terms in office, funding for higher education has increased almost 42 percent.

In addition to the Governor's award, five outstanding USG faculty members and four notable USG alumni were recognized for their significant contributions to public higher education in Georgia.

Every campus in the University System was asked to nominate faculty and alumni for these honors. A panel of University System officials evaluated the faculty nominations, and an external panel named by the University System of Georgia Foundation evaluated alumni nominations. The faculty recipients each received a \$5,000 check from the USG Foundation. 🏡

UNIVERSITY SYSTEM
OF GEORGIA
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And the Winner is...

In addition to the Governor, the USG Foundation saluted the following people at the Fifth Annual Regents Awards for Excellence in Education Celebration:

Regents Scholarship of Teaching and Learning Awards

- ◆ **Dr. Charles H. Atwood**, a professor of chemistry at the *University of Georgia* (UGA); and
- ◆ **Dr. Matthew Laposata**, an associate professor of environmental science at *Kennesaw State University* (KSU).

Regents Teaching Excellence Awards

- ◆ **Dr. Carol Barnum**, a professor of information design/technical communication at *Southern Polytechnic State University* (SPSU);
- ◆ **Dr. Christy Price**, a professor of psychology at *Dalton State College* (DSC); and
- ◆ **Dr. Balasubramaniam Ramesh**, the Board of Advisors professor of computer information systems at *Georgia State University* (GSU).

Alumni Achievement Awards

- ◆ **Lois Taylor Ellison**, a graduate of the *Medical College of Georgia* (MCG), a former longtime MCG faculty member who served as director of the institution's cardiopulmonary laboratory;
- ◆ **Bertie Mae Garrett**, a graduate of *Middle Georgia College* (MGC), an emerita professor of business education at MGC, as well as a former Peace Corps volunteer and missionary;
- ◆ **Mike Garrett**, a graduate of *Georgia College and State University* (GCSU) and *Southern Polytechnic State University* (SPSU), president and CEO of Georgia Power; and
- ◆ **M. Troy Woods**, a graduate of *Columbus State University* (CSU), president and COO of TSYS, one of the world's largest companies for outsourced payment services. 🏡



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To Provide Feedback
write to: diane.payne@usg.edu