



**BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA**  
**270 Washington Street, S.W.**  
**Atlanta, Georgia 30334**

**BOARD OF REGENTS MEETING AGENDA**  
**Wednesday, February 13, 2013**

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>
<b>9:30 AM</b> Room 7019	<b>1</b>	Executive & Compensation Committee Meeting	Chair "Dink" NeSmith
<b>10:00 AM</b> Room 7007	<b>2</b>	Call to Order	Chair "Dink" NeSmith
	<b>3</b>	Invocation/Pledge of Allegiance	Regent George Hooks
	<b>4</b>	Safety Briefing	Chief Bruce Holmes
	<b>5</b>	Attendance Report	Secretary J. Burns Newsome
	<b>6</b>	Approval of January 8th/23rd/28th Minutes February 4th Minutes	Chair "Dink" NeSmith
	<b>7</b>	Special Recognition – Professor of the Year Dr. Christy Price – Dalton State College	Chancellor Henry Huckaby
	<b>8</b>	Special Athletic Task Force	Regent Kenneth Bernard
<b>10:30 AM</b> Room 5158 Room 5158		<u>Track I Committee Meetings</u>	
	<b>9</b>	Academic Affairs	Regent C. Dean Alford
	<b>10</b>	Organization & Law	Regent Rutledge Griffin
<b>10:30 AM</b> Room 7007 Room 7007 Room 7007		<u>Track II Committee Meetings</u>	
	<b>11</b>	Finance & Business Operations	Regent Kenneth Bernard
	<b>12</b>	Real Estate & Facilities	Regent Doreen Poitevint
	<b>13</b>	Internal Audit, Risk and Compliance	Regent Larry Walker

**BOARD OF REGENTS MEETING AGENDA**  
**Wednesday, February 13, 2013**

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>
<b>12:00 PM</b> Room 7010	<b>14</b>	Board Luncheon	
<b>1:15 PM</b> Room 7007	<b>15</b>	Reconvene	Chair "Dink" NeSmith
	<b>16</b>	State of the System Address	Chancellor Henry Huckaby
	<b>17</b>	Consolidation Video	Chancellor Henry Huckaby
<b>1:30 PM</b> Room 7007	<b>18</b>	Committee Reports: A. Executive & Compensation B. Academic Affairs C. Finance & Business Operations D. Internal Audit, Risk, and Compliance E. Organization & Law F. Real Estate & Facilities G. Special Athletic Task Force	Chair "Dink" NeSmith Regent C. Dean Alford Regent Kenneth Bernard Regent Larry Walker Regent Rutledge Griffin Regent Doreen Poitevint Regent Kenneth Bernard
	<b>19</b>	Unfinished Business	Chair "Dink" NeSmith
	<b>20</b>	New Business	Chair "Dink" NeSmith
	<b>21</b>	Petitions and Communications	Secretary Burns Newsome
	<b>22</b>	Executive Session	Chair "Dink" NeSmith
	<b>23</b>	Adjournment	Chair "Dink" NeSmith

**AGENDA**

**EXECUTIVE & COMPENSATION COMMITTEE**

**February 13, 2013**

**Agenda Item**

**Page No.**

---

**INFORMATION ITEM**

- |    |                 |   |
|----|-----------------|---|
| 1. | Board Materials | 1 |
|----|-----------------|---|

**EXECUTIVE SESSION**

- |    |                           |   |
|----|---------------------------|---|
| 2. | Personnel & Legal Matters | 2 |
|----|---------------------------|---|

**1. Board Materials**

The committee will discuss the method by which monthly Board meeting materials are distributed.

**2. Executive Session: Personnel & Legal Matters**

The Committee will discuss personnel and legal matters, as well as presidential searches. Materials will be distributed in Executive Session.

**AGENDA**  
**COMMITTEE ON ACADEMIC AFFAIRS**  
**February 13, 2013**

**Agenda Item** **Page No.**

**STANDING FOCAL AREAS**

1. Complete College Georgia
2. Academic Program Inventory and Productivity
3. New Instructional Delivery Models

**INFORMATION ITEMS**

1. Discussion of Function Statements for Sectors, Houston Davis
2. Report from the Distance Education Task Force, President Lisa Rossbacher
3. Complimentary Course and Program Delivery Models (MOOCs and other developments), Houston Davis

**CONSENT ITEMS**

**I. Academic Programs**

**New Program Request:**

1. Establishment of a Bachelor of Applied Science in Supply Chain and Logistics Management, Albany State University (online) 2

**II. Institutional Mission, Name, and Sector Change:**

2. Bainbridge College 4

**III. Named/Endowed Faculty Positions:**

3. Named Faculty Position Appointments 5

**1. Establishment of a Bachelor of Applied Science in Supply Chain and Logistics Management, Albany State University (online)**

**Recommendation:** That the Board approve the request of President Everett J. Freeman that Albany State University (“ASU”) be authorized to establish a Bachelor of Applied Science in Supply Chain and Logistics Management, effective February 13, 2013.

**Program Summary:**

According to the Porter Study out of Harvard University, *Location, Competition, and Economic Development: Local Clusters in a Global Economy*, Georgia is the fourth largest logistics hub in the United States. The proposed Bachelor of Applied Science in Supply Chain and Logistics Management is a collaborative effort between Albany State and Albany Technical College and is designed to meet the needs of current regional employers, respond to the pressures of economic development in the region, and focus on the demand for a bachelor’s level degree by graduates of the Associate of Applied Science in Business Logistics Management at Albany Technical College. The program will also allow employees in logistics-related jobs to continue their education and earn degrees in their fields and provide much-needed logistics management specialists to regional area businesses and organizations, including the US Marine Corps Logistics Base (“MCLB”), Proctor and Gamble Paper Products, Georgia Power, Phoebe Putney Hospital, Cargill Chicken processing, Target Corporation Distribution Center, UPS, Wal-Mart, and Peter Pan peanut butter production. According to data from the Georgia Center of Innovation in Logistics, Dougherty County alone is home to 53 logistics employers, generating over \$200 million in annual sales. Students will be able to complete courses online or in traditional face-to-face courses.

**List of Similar Existing USG Programs and Productivity:**

At this time there is only one other Bachelor of Applied Science (“BAS”) in this field in the USG. An existing online BAS program at Southern Polytechnic State University (“SPSU”) offers supply chain logistics as one of four concentrations and is also designed to articulate with Associate of Applied Science graduates from across the Technical College System. However, the proposed program at Albany State is distinctively different from SPSU’s program. Many of the course topics (e.g., Security and Transportation) in the proposed Albany State program are not offered in the SPSU program which focuses on the application of industrial engineering tools and quality control. There are also three Bachelor of Science programs in this field, one of which is at Albany State, but these programs do not articulate easily with Associate of Applied Science degrees – one of the primary goals of the proposed program.

**Degrees Conferred**

<b>Institution</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Southern Polytechnic State University (BAS)*	39	42	59
Georgia Southern (BBA)	72	69	76
Clayton State University (BBA)	0	15	23
Albany State University (BS)**	NA	1	2

\* All BAS concentrations combined

\*\* Program did not begin at Albany State until 2010 (27 students currently enrolled in program)

**Projected Enrollment:**

The program is expected to enroll 20 students in the first year, growing to 40 by year four.

**Fiscal Summary:**

The institution's existing budget will cover all costs associated with the program. With the hire of an additional faculty member this semester, the institution will have four qualified faculty to deliver the program.

**Facilities Impact:**

The program will be delivered using existing space and technology infrastructure at the institution.

**Accountability:**

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

**2. Institutional Mission, Name, and Sector Change, Bainbridge College**

**Recommendation:** That the Board approve the request of President Richard A. Carvajal that Bainbridge College (“BC”) be authorized to revise its institutional mission statement and change the institutional name to Bainbridge State College, effective February 13, 2013.

**Abstract:** President Carvajal has requested that BC be authorized to revise its mission statement and change the institution’s name in order to change its status from a two-year college to a state college, to reflect its movement toward offering targeted, workforce specific, economically viable bachelor’s degrees, and the institution’s shift in resources, faculty and philosophy to support both an access mission that enables continued offerings of associate’s degrees and limited bachelor’s degrees. The revised mission has been approved through the appropriate governance processes at the institution. Both the current and revised mission statements are provided below.

**Current Mission Statement:**

Bainbridge College, a two-year institution of the University System of Georgia, promotes an accessible, affordable, and excellent education for the diverse population of southwest Georgia and beyond through transfer degrees, technical degrees, diplomas and certificates, continuing education courses, public service opportunities, and collaboration with other educational providers, resulting in life-long learning, economic development, and graduates empowered for success in a global society.

**Revised Mission Statement:**

Bainbridge **State** College, a ~~two-year institution~~ **a state college** of the University System of Georgia, ~~promotes~~ **provides** an accessible, affordable, and excellent education for the diverse population of southwest Georgia and beyond through ~~transfer degrees, technical degrees, diplomas and certificates~~ **certificates, diplomas, associate degrees, and select baccalaureate programs as well as through diplomas and certificates, continuing education courses, public service opportunities, adult education,** and collaboration with other educational providers, resulting in life-long learning, economic development, and graduates empowered for success in a global society.

**3. Named Faculty Position Appointments**

Institutional requests to appoint faculty with the appropriate qualifications into named faculty positions are found in the supplemental agenda.

**AGENDA**

**COMMITTEE ON ORGANIZATION & LAW**

**February 13, 2013**

**Agenda Item** **Page No.**

---

**INFORMATION ITEMS**

- |    |  |   |
|----|--|---|
| 1. | Deputy Attorney General Dennis Dunn        | 1 |
| 2. | Proposed Policy: Intercollegiate Athletics | 2 |

**APPROVAL ITEMS**

- |    |   |   |
|----|---|---|
| 3. | Mutual Aid Agreements: East Georgia State College | 3 |
| 4. | Executive Session: Applications for Review        | 4 |

**1. Deputy Attorney General Dennis Dunn**

Deputy Attorney General Dennis Dunn will speak to the committee about the roles of the Office of the Attorney General and the Department of Law as concerns the University System of Georgia and the Board of Regents, and the working relationships between them.

**2. Proposed Policy: Intercollegiate Athletics**

The Committee will be asked to review a proposed policy governing University System institutions' establishment of intercollegiate athletics, athletic competition level changes, and program funding.

**3. Mutual Aid Agreements: East Georgia State College**

East Georgia State College seeks permission from the Board of Regents to enter mutually beneficial arrangements to engage in emergency management services with the City of Swainsboro and Emanuel County.

**4. Executive Session: Applications for Review**

Applications for review are appeals made to the Board of Regents pursuant to Article VIII of the Bylaws. They are typically personnel matters and issues of academic status, which are discussed in executive session.

# AGENDA

## COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

February 13, 2013

<b>Agenda Item</b>	<b>Page No.</b>
--------------------	-----------------

---

### APPROVAL ITEMS

- |    |   |   |
|----|---|---|
| 1. | Approval of Increase to the Athletic Fee at Kennesaw State University   | 1 |
| 2. | Approval of Flat, All-Inclusive Tuition Model for the Distance Learning Next Generation Learning Challenge Degree Program at Columbus State University, Requiring an Exemption to Board Policy 7.3.4.2 Waiver of Mandatory Fees | 3 |

### INFORMATION ITEMS

- |    |  |   |
|----|--|---|
| 3. | Governor's Budget Recommendations Overview                             | 6 |
| 4. | Report on FY 2013 Revenues and Expenditures through the Second Quarter | 7 |

## AGENDA

### COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

February 13, 2013

#### 1. Approval of Increase to the Athletic Fee at Kennesaw State University

Recommended: That the Board approve the request of President Dan S. Papp of Kennesaw State University to increase the Athletic Fee from \$152 to \$252 per semester for the purpose of starting a football program and Title IX women's athletic programs. The fee increase will be effective fall semester 2013.

Understandings: Kennesaw State University is seeking early approval of the fee request to enable the university to begin its national search for a head football coach and staff as soon as possible. Fee requests generally are approved by the Board during the April Board meeting.

Background: In September 2008 and August 2009, Kennesaw State University (KSU) President Dan Papp briefed the Board of Regents (BOR) of the University System of Georgia in Executive Session about the development of the KSU Sports and Recreation Park. This project included the purchase and development of land, including several intramural fields, a warm-up and practice field, a 16,000 square-foot student stadium with seating for 8,300 and walking trails, land and picnic areas, parking and other amenities. This Sports and Recreation Park was approved by the Board and currently is supported by at \$75 mandatory student fee.

These briefings included the possibility of beginning a football program to play in the KSU Stadium planned for the Sports and Recreation Park. Shortly after the August 2009 briefing, President Papp empanelled a 33-member Football Exploratory Committee (FEC) to study the possibility of beginning football at KSU. In Fall 2010, the committee issued its report, which by a vote of 31-1-1 urged KSU to explore the possibility of beginning a football program and Title IX women's sports at KSU.

Following the FEC's recommendation, KSU conducted a referendum, open to all KSU students, in which 56% of over 7,000 students (30% of the student body) who voted supported an increase in student fees of \$100 per student per semester to begin football and add Title IX sports. More recently, in October 2012, the Student Fee Committee voted 10-1 to increase fees by \$100 per student per semester to begin football and add Title IX sports. It is estimated that \$5 to \$6 million in operating funds will be required to support this initiative, including debt service to support stadium renovations and other related start-up costs estimated to be \$5.2 million. The fee increase will generate approximately \$4.8 million in revenue in fiscal year 2014. KSU is projecting additional income from sponsorships, gifts, game guarantees and season ticket sales to support the program.

**1. Approval Item: Approval of Increase to the Athletic Fee at Kennesaw State University (continued)**

To move toward re-attainment of NCAA Title IX compliance if football is added, KSU plans to provide six additional scholarships for women's track and cross-country in fiscal year 2014; add additional scholarships to women's lacrosse between fiscal years 2014 and 2016 until the NCAA limit of 12 is reached; and in fiscal year 2018, add at least one additional women's sport. While it has not been decided which women's sports will be added, leading candidates are acrobatics and tumbling, which currently are known as competitive cheer; crew, sand volleyball, and equestrian.

President Papp states that football will bring positive national recognition to the university, enhance student retention, progression and graduation and create a sense of pride and connection among students, alumni, and the community at large.

**2. Approval of Flat, All-Inclusive Tuition Model for the Distance Learning Next Generation Learning Challenge Degree Program at Columbus State University, Requiring an Exemption to Board Policy 7.3.4.2 Waiver of Mandatory Fees**

Recommended: That the Board approve the request of Columbus State University to establish a flat, all-inclusive, per session tuition rate of \$1,200 per session for the Next Generation Learning Challenges degree program, effective Fall 2013.

Recommended further: That the Board approve the request of Columbus State University for an exemption to Board Policy 7.3.4.2 to waive the mandatory Technology Fee and the mandatory Special Institutional Fee, only for students enrolled in the Next Generation Learning Challenges degree program.

Understandings: The Next Generation Learning Challenges degree program is an existing Board-approved Bachelors of Arts in Communication with a Civic Leadership focus that is being reconfigured for an alternative delivery model. This program is designed for completion in three years, with five sessions per year, for a total tuition cost of \$18,000. As in other programs, students may take longer depending on course success and life circumstances, so the cost is on a per session basis, rather than a total cost to students.

Further Understandings: The special program tuition rate of \$1,200 will apply to this single program only. It translates into \$150 per credit hour, which is below Columbus State University's undergraduate in-state tuition per credit hour rate of \$161.74 and below their undergraduate online tuition per credit hour rate of \$262. Additionally, all current and future mandatory fees will be waived for all students enrolled in this program. Mandatory fees at Columbus State University are currently set at \$870 per semester.

Further Understandings: Institution-wide annual tuition increases would not be applicable to this rate. Columbus State University, in consultation with the University System Office, would request changes specific only to this rate when determined appropriate.

Further Understandings: All students are eligible to participate as long as he or she meets the same admission requirements as on-campus Columbus State University programs.

Further Understandings: This program will be subject to the same oversight as other programs, including program deactivation and termination, with additional scrutiny, including a USG evaluator and an external evaluation team commissioned by the Gates Foundation. Regular updates will be provided to the Board regarding the program's effectiveness.

Further Understandings: Columbus State University is seeking early approval of the tuition model to enable the university to begin marketing and promoting the program for Fall 2013. Tuition rates generally are approved by the Board during the April Board meeting.

**2. Approval of Flat, All-Inclusive Tuition Model for the Distance Learning Next Generation Learning Challenge Degree Program at Columbus State University, Requiring an Exemption to Board Policy 7.3.4.2 Waiver of Mandatory Fees (Continued)**

Background: The University System of Georgia, in partnership with Columbus State University, received a \$1,000,000 grant from the Next Generation Learning Challenges initiative October 2012. Primary funders of the Next Generation Learning Challenges grant include The Bill & Melinda Gates Foundation, EDUCAUSE, and The William & Flora Hewlett Foundation.

The funding will support development of a “Breakthrough Model for College Completion” with the following challenge goals for the program:

- 75% six-year graduation rate for low-income students
- A total degree cost to students of \$20,000 or less
- Actual cost of delivery approaching \$5,000 to \$7,500 by Year 5
- At least 50% online delivery
- 500 students enrolled in Year 1 (Fall 2013)
- 5,000 students enrolled total by Year 5 (around 2017)

Columbus State University was selected for its advanced role in online education, learning analytics, relationship with the military, and experience in civic learning. Columbus State University selected their existing Communications bachelor’s degree with a Civic Leadership focus to produce graduates with adaptable skills prepared for a changing workforce. Communications and critical thinking skills are in high demand by employers but frequently described as lacking in graduates across the nation.

The University System of Georgia is one of ten recipients awarded the Next Generation Learning Challenges grant. Other grant recipients pursuing similar challenges include: Texas Higher Education Coordinating Board, Northern Arizona University, Kentucky Community and Technical College System, and University of Washington.

*The Tuition Model:*

The proposed tuition rate of \$1,200 per 8-week session applies to this single program only. Students pursue an online Bachelor’s degree designed for completion in *three years, with five sessions attended each year. This program equates to approximately \$150 per credit hour.*

This all-inclusive tuition model, in addition to lowering tuition costs, improves on affordability through:

- A simplified cost structure for students
- Planned use of free, open educational resources for core curriculum courses
- A program-provided computing platform

**2. Approval of Flat, All-Inclusive Tuition Model for the Distance Learning Next Generation Learning Challenge Degree Program at Columbus State University, Requiring an Exemption to Board Policy 7.3.4.2 Waiver of Mandatory Fees (Continued)**

Students will also receive additional monitoring and support services to improve progress to graduation. As this is a new delivery model and an exemplar project in the portfolio of Complete College Georgia efforts, this work will receive internal and external monitoring and evaluation.

Pursuing this tuition model depends on approval of two requests: (1) A distance learning rate that is less than the current in-state tuition rate (BOR Policy 7.3.1.6 Tuition for Distance Learning Courses and Programs) and (2) Waiver of the technology and special institutional fees for students in this degree program only (BOR Policy 7.3.4.2 Waiver of Mandatory Fees).

**3. Information Item: Governor's Budget Recommendations Overview**

The Vice Chancellor for Fiscal Affairs, John Brown, will present information on the Governor's Budget Recommendations for FY 2014.

**4. Information Item: Report on FY 2013 Revenues and Expenditures through the Second Quarter**

The Vice Chancellor for Fiscal Affairs, John Brown, will provide a report on FY 2013 Revenues and Expenditures through the Second Quarter for the University System of Georgia.

## AGENDA

### COMMITTEE ON REAL ESTATE AND FACILITIES

February 13, 2013

<b>Agenda Item</b>	<b>Page No.</b>
<b>INFORMATION ITEMS</b>	
1. Integrated Evaluation of Proposals	1
2. Naming Report	3
3. Update on Space Utilization Assessment	4
4. Executive Session	5
<b>APPROVAL ITEMS</b>	
5. Acquisition of Real Property, 401 Rose Drive, Marietta, Southern Polytechnic State University	6
6. Rental Agreement, 394 South Milledge Avenue, Athens, University of Georgia	7
7. Non-exclusive Easement and Transfer of Real Property, City of Albany, Herbert Haley Road, Albany, Darton State College	8
8. Appointment of Design Professional Firm, Project No. BR-50-1302, Science Park Phase II, Georgia State University	10
9. Appointment of Program Management Firm and Appointment of Design Professional Firm, Project No. PPV-89-1201, Student Activity and Recreation Center, Gordon State College	11

## AGENDA

### COMMITTEE ON REAL ESTATE AND FACILITIES

February 13, 2013

#### 1. Integrated Evaluation of Proposals

In accordance with the Chancellor's direction set in July 2011, and associated October 2011 memo to Presidents, requests for Academic Programs, Student Fees and/or Capital Outlay for Facilities will be initially vetted through an integrated evaluation by the Academic, Fiscal Affairs, Audit and Facilities Vice Chancellors.

Specifically regarding Real Estate and Facilities Proposals - All facilities related proposals, regardless of funding source, should begin with a concept proposal submitted to the Office of Real Estate and Facilities. The development of the concept proposal should not require any significant expenditure of funds nor consultants to work at risk. Together Academic, Fiscal Affairs, Audit and Facilities staff will perform an initial, simultaneous review to determine whether the concept should proceed for more in-depth project development and analysis. The focus in the initial review will be on whether the project is needed and what alternatives exist.

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

1. Columbus State University ("CSU") – Rental of tennis facilities. A joint development with the City of Columbus and Columbus Regional Tennis Association ("CORTA") of 20 tennis courts and clubhouse. The City of Columbus will lease 12 hardcourts to CSU. CORTA will rent a portion of the clubhouse to CSU.
2. Columbus State University – Acquisition of golf facilities. Gift of 12 acres of real property, including a 2,200 square foot building from either Foundation Properties or the Athletic Fund. A driving range/teaching studio will be built on the property prior to gifting. The building will be renovated for use as a golf team clubhouse prior to gifting.
3. Georgia Institute of Technology – Stamps Field Replacement. Replacement of synthetic field surface and perimeter fence, and the addition of a perimeter track, storage facilities, sidewalks, retaining wall padding, storm drainage, and lighting upgrade.

**1. Integrated Evaluation of Proposals (continued)**

4. Georgia Regents University – Re-purpose former College of Dental Medicine building. Amendment to the Master Lease Agreement to include the building in the leased premises to MCG Health Inc. and to rent a portion of the building from MCG Health, Inc. \$50 million renovation to provide for the Digestive Health Center, other clinical services, and non-clinical work areas.

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

2. **Naming Report**

The Interim Vice Chancellor for Facilities, Lee H. Richey, will provide annual reports as required by Board Policy Section 9.

**3. Update on Space Utilization Assessment**

In April 2012 the Board was updated on phase one of the initiative to assess the utilization of existing space at University System of Georgia institutions. Director of Planning Alan Travis will update the Board on the second phase of this initiative.

**4. Executive Session**

Materials to be handed out in executive session.

**5. Acquisition of Real Property, 401 Rose Drive, Marietta, Southern Polytechnic State University**

Recommended: That the Board authorize the purchase of approximately 3.26 acres of improved real property located at 401 Rose Drive, Marietta, from Rose Drive Real Estate Foundation LLC (the “LLC”) for \$455,000 for the use and benefit of Southern Polytechnic State University (“SPSU”).

Recommended further: That acquisition of this real property be subject to completion of an environmental assessment of the real property indicating no significant problems or, if environmental problems are indicated, said problems be mitigated before the real property is acquired.

Recommended further: That acquisition of this real property be subject to completion of a facility condition analysis indicating no significant maintenance, repair or replacement issues.

Recommended further: That acquisition of this real property be subject to completion of a recordable survey indicating no easements or restrictions that would adversely affect the use of the property.

Recommended further: That the legal details involved with this purchase of real property be handled by the Georgia Department of Law.

Understandings: This real property is improved with a two story, 30,000 square foot steel and tilt-up concrete building in good condition, constructed in 2005.

If acquired the building will be used by multiple SPSU student competition teams, for laboratory space for the SPSU Mechanical Engineering Program, the SPSU Mechanical Engineering Technology Program, by the Usability Center @ Southern Polytechnic, and by the SPSU Continuing Education Department (which will relocated from rented facilities).

Three independent appraisals of the real property are as follows:

<u>Appraiser</u>	<u>Appraised Value</u>	<u>Average</u>
Ingrid Ott, Marietta	\$450,000	
Matthew Retter, MAI, Lawrenceville	\$500,000	\$526,667
Jay T. Hembree, Woodstock	\$630,000	

There are no restrictions on the acquisition and no known reversions, restrictions, or adverse easements on the real property.

Funding for the purchase is from SPSU tuition funds.

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

Recommended: That the Board authorize the execution of a rental agreement between M.O.I.S., Inc. (the “Landlord”), Landlord, and the Board of Regents, Tenant, for approximately 32,189 square feet (“sf”) of administrative support space located at 394 South Milledge Avenue, Athens, for the period March 1, 2013, through June 30, 2014, at a monthly rent of \$49,491 (\$593,892 per year annualized/\$18.45 per sf per year) with options to renew on a year-to-year basis for four consecutive one-year periods with rent increasing 2.5% per year, for the use of the University of Georgia (“UGA”).

Recommended further: That authorization to execute the rental agreement be delegated to the Vice Chancellor for Facilities.

Recommended further: That the terms of this rental agreement be subject to review and legal approval of the Georgia Department of Law.

Understandings: In August 2003, the Board authorized a rental agreement for space in this facility for use by the UGA Division of External Affairs. This agreement has been periodically renewed and the last option period available will expire June 30, 2013.

This rental agreement will increase the rented space by 4,664 sf, and add up to five years to the agreement. The rent is reduced by \$0.62 per sf from the rent for the current period.

This space will be used by the UGA External Affairs Development and Financial Services offices.

All operating expenses are included in the rent rate.

7. **Non-exclusive Easement and Transfer of Real Property, City of Albany, Herbert Haley Road, Albany, Darton State College**

Recommended: That the Board declare an approximately 7.45 acre tract of unimproved real property located at Herbert Haley Road, Albany, on the campus of Darton State College (“DC”), to be no longer advantageously useful to DC or other units of the University System of Georgia but only to the extent and for the purpose of granting a non-exclusive easement to the City of Albany (the “City”) as a road access easement and a utility easement.

Recommended further: That the Board authorize the execution of a non-exclusive easement with the City for the above-referenced tract of real property.

Recommended further: That the Board declare approximately 0.51 acre of unimproved real property located at Meadowlark Drive, Albany, on the campus of DC, to be no longer advantageously useful to DC or other units of the University System of Georgia (“USG”) but only to the extent and for the purpose of allowing the transfer of this real property to the City for the benefit of DC and the USG.

Recommended further: That the Board authorize the transfer of the above-referenced real property to the City.

Recommended further: That the Board accept a gift of approximately 1.14 acres of unimproved real property located at Herbert Haley Road, Albany, from the City for the use and benefit of DC.

Recommended further: That acquisition of this real property be subject to completion of an environmental assessment of the real property indicating no significant problems or, if environmental problems are indicated, said problems be mitigated before the real property is acquired.

Recommended further: That acquisition of this real property be subject to completion of a recordable survey indicating no easements or restrictions that would adversely affect the use of the property.

Recommended further: That the legal details involved with this non-exclusive easement, transfer, and gift be handled by the Georgia Department of Law.

Understandings: In August, 2012, the Board authorized the construction of a road extension on the DC campus, to be funded by the City Special Purpose Local Option Sales Tax (“SPLOST”) VI. The easement and transfer are needed to facilitate this project. The road funding and gift are consideration for the easement and transfer.

Granting of this easement is for City road access, for City utilities, and for access by the City to a

7. **Non-exclusive Easement and Transfer of Real Property, City of Albany, Herbert Haley Road, Albany, Darton State College (continued)**

detention pond on adjacent property.

The transfer of this property is to enable the City to construct a cul-de-sac at the end of the City owned right of way for Meadowlark Drive. A Georgia Environmental Policy Act (“GEPA”) assessment has been completed and indicates no significant adverse environmental effects from this transfer.

The gift of real property is the unimproved right of way for Meadowlark Drive. There are no restrictions or reversions associated with the gift.

**8. Appointment of Design Professional Firm, Project No. BR-50-1302, Science Park Phase II, Georgia State University**

Recommended: That the Board appoint the first-named design professional firm listed below for the identified project and authorize 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.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. BR-50-1302, Science Park Phase II, Georgia State University**

Project Description: This project was authorized by the Board in January 2013. This nine floor approximately 65,676 square foot building will include teaching laboratories, research laboratories, support space, and a mechanical floor. The project will be developed in phases. This phase will involve the completion of two finished floors, seven shelled floors and a mechanical floor. The shelled floors will be finished as researchers are brought in. Further action by the Board may be required for additional tenant build-out.

The project will be funded from Georgia State University indirect cost recovery funds.

Total Project Cost:	\$25,536,000
Construction Cost (Stated Cost Limitation):	\$19,968,000

Number of firms that applied for this commission: XXX

Recommended firms in rank order:

- 1.
- 2.
- 3.

**9. Appointment of Program Management Firm and Appointment of Design Professional Firm, Project No. PPV-89-1201, Student Activity and Recreation Center, Gordon State College**

Recommended: That the Board appoint the first named program management firm listed below for the identified project and authorize 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.

Recommended further: That the Board appoint the first named design professional firm listed below for the identified project and authorize 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.

Following public advertisement, qualifications-based selection processes were held in accordance with Board of Regents procedures. The following recommendations are made:

**Project No. PPV-89-1201, Student Activity and Recreation Center, Gordon State College**

Project Description: This project was authorized by the Board in August 2012. The approximately 50,000 square foot facility will include student activity and recreation spaces such as gathering space, multipurpose meeting rooms, basketball court, locker rooms, fitness rooms, game room, food retail, and study rooms.

The project will be funded through a public private venture and \$1,000,000 from Gordon State College auxiliary funds.

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

Number of Program Management firms that applied for this commission: XXX

Recommended Program Management firms in rank order:

- 1)
- 2)
- 3)
- 4)

9. **Appointment of Program Management Firm and Appointment of Design Professional Firm, Project No. PPV-89-1201, Student Activity and Recreation Center, Gordon State College (continued)**

Number of Design Professional firms that applied for this commission: XXX

Recommended Design Professional firms in rank order:

- 1)
- 2)
- 3)
- 4)

**AGENDA**

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

**February 13, 2013**

**Agenda Item** **Page No.**

---

**INFORMATION ITEMS**

- |    |                                      |   |
|----|--------------------------------------|---|
| 1. | Ethics and Compliance Hotline Update | 1 |
| 2. | Executive Session                    | 2 |

## **AGENDA**

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

**February 13, 2013**

1. **Information Item: Ethics and Compliance Hotline Update**

The University System of Georgia implemented an ethics and compliance hotline in 2008 as part of our compliance and ethics program. All institutions of the University System plus the University System Office have access to a hotline system which allows users to anonymously report activities which may affect the operation of USG institutions. Input is either on-line or via telephone.

During this session, Chief Audit Officer and Associate Vice Chancellor John Fuchko, III and Executive Director for Compliance and Enterprise Risk Scott Woodison will provide an overview of the cases received via the hotline and also discuss processes which are followed when cases received via the hotline or other methods involve criminal wrongdoing.

**2. Information Item: Executive Session**

The Committee will meet in executive session to discuss personnel and legal issues.