



BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
Atlanta, Georgia 30303-3083

BOARD OF REGENTS MEETING AGENDA
Wednesday, January 11, 2017

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>
8:30 AM Room 8026	1	Executive & Compensation Committee Meeting	Chairman C. Thomas Hopkins, Jr.
9:00 AM Room 8003	2	Call to Order	Chairman C. Thomas Hopkins, Jr.
	3	Invocation/Pledge of Allegiance	Ms. Azell Francis Georgia Institute of Technology Graduate Assistant
	4	Safety Briefing	Chief of Police Bruce Holmes
	5	Approval of December 9 th Minutes	Secretary Samuel C. Burch
9:10 AM	6	Chairman's Remarks	Chairman C. Thomas Hopkins, Jr.
	7	Special Recognitions: Dr. Houston Davis Dr. Arthur Dunning Dr. Richard Carvajal	Chancellor Steve Wrigley
9:30 AM	8	Consolidation Update	Chancellor Steve Wrigley Vice Chancellor John Fuchko
	9	Campus Spotlight: Artificial Intelligence Teaching Assistant	President Bud Peterson Professor Ashok Goel Georgia Institute of Technology
	10	Ethics Training	Vice Chancellor John Fuchko
10:15 AM	11	Break for the Governor's State of the State Address (Viewing to be provided in Room 8003)	
		Lunch	

BOARD OF REGENTS MEETING AGENDA
Wednesday, January 11, 2017

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>
12:45 PM		Track I Committee Meetings	
Room 7007	12	Academic Affairs	Regent E. Scott Smith
Room 7007	13	Organization & Law	Regent Larry Walker
12:45 PM		Track II Committee Meetings	
Room 8003	14	Finance & Business Operations	Regent Benjamin J. Tarbutton
Room 8003	15	Internal Audit, Risk, and Compliance	Regent Don L. Waters
Room 8003	16	Real Estate & Facilities	Regent Richard L. Tucker
1:50 PM	17	Reconvene	Chairman C. Thomas Hopkins, Jr.
Room 8003			
	18	Chancellor's Report	Chancellor Steve Wrigley
2:00 PM	19	Committee Reports:	
		A. Executive & Compensation	Chairman C. Thomas Hopkins, Jr.
		B. Academic Affairs	Regent E. Scott Smith
		C. Finance & Business Operations	Regent Benjamin J. Tarbutton
		D. Internal Audit, Risk, and Compliance	Regent Don L. Waters
		E. Organization & Law	Regent Larry Walker
		F. Real Estate & Facilities	Regent Richard L. Tucker
	20	Unfinished Business	Chairman C. Thomas Hopkins, Jr.
	21	New Business	Chairman C. Thomas Hopkins, Jr.
	22	Petitions and Communications	Secretary Samuel C. Burch
	23	Executive Session	Chairman C. Thomas Hopkins, Jr.
	24	Adjournment	Chairman C. Thomas Hopkins, Jr.

AGENDA
EXECUTIVE & COMPENSATION COMMITTEE

January 11, 2017

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

INFORMATION ITEM

- | | |
|----------------------|---|
| 1. Executive Session | 1 |
|----------------------|---|

1. Executive Session

The Committee will discuss several matters in Executive Session.

AGENDA
SPECIAL COMMITTEE ON CONSOLIDATION

January 11, 2017

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

APPROVAL ITEMS

- | | |
|---------------------------------|---|
| 1. Institutional Consolidations | 1 |
|---------------------------------|---|

AGENDA

SPECIAL COMMITTEE ON CONSOLIDATION

January 11, 2017

1. Approval Item: Institutional Consolidations

Recommended: That the Board approve the proposed consolidation of Georgia Southern University and Armstrong State University.

Recommended further: That the Board approve the proposed consolidation of Abraham Baldwin Agricultural College and Bainbridge State College.

Recommended further: That the Board authorize the Chancellor to take those measures which the Chancellor deems necessary and prudent to give effect to the Board's determination that these institutions be consolidated so as to enhance and improve educational offerings and student success. All final determinations regarding consolidations, including effective dates, shall be made by the Board, in consultation with the Chancellor and after obtaining necessary approvals from SACSCOC.

AGENDA
COMMITTEE ON ACADEMIC AFFAIRS

January 11, 2017

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

ACTION ITEMS:

I. Academic Programs:

New Program Requests:

- | | | |
|----|---|---|
| 1. | Establishment of a Bachelor of Science with a major in Health Services,
Augusta University | 3 |
| 2. | Establishment of a Bachelor of Business Administration with a major
in Logistics and Supply Chain Management, Dalton State College | 6 |
| 3. | Establishment of a Master of Science with a major in Business Analytics,
University of Georgia | 9 |

CONSENT ITEMS:

II. Named/Endowed Faculty Positions:

- | | | |
|----|--|----|
| 4. | Establishment of Named Faculty Positions: | |
| | a. Establishment of the College of Veterinary Medicine Professorship
in Wildlife Health, University of Georgia | 12 |
| | b. Establishment of the Gene E. Michaels Distinguished Professorship
in Medical Mycology, University of Georgia | 13 |
| | c. Establishment of the Georgia Athletic Association Professorship of
Kinesiology, University of Georgia | 14 |
| | d. Establishment of the Jere W. Morehead Distinguished Professorship,
for the Director of the Honors Program, University of Georgia | 15 |
| 5. | Named Faculty Position Appointments | |
| | a. University of Georgia | 16 |

Information Items:

- Georgia Institute of Technology (GIT) Master of Science in Analytics Massive Open Online Courses (MOOCS)-Alternative Fee Structure for Existing Program
- USG Admissions Requirements and the New SAT
- STEM Incentive Update

1. **Establishment of a Bachelor of Science with a major in Health Services, Augusta University**

Recommended: That the Board approve the request of President Brooks Keel that Augusta University (“AU”) be authorized to establish a Bachelor of Science with a major in Health Services, effective January 11, 2017.

Program Summary: Augusta University seeks approval to establish a Bachelor of Science with a major in Health Services to be housed within the College of Allied Health Sciences, Department of Clinical and Digital Health Sciences. The proposal is submitted based on changes in the healthcare industry, reports of healthcare needs for aging populations, and reports of increases in chronic conditions such as obesity, diabetes, and tobacco related illnesses. Augusta University proposes that along with physicians, nurses, and allied health professions, medical and health service managers, also referred to as healthcare executives or healthcare administrators, will be needed to plan, direct, and coordinate medical and health services for the growing population in Georgia. The proposed program will provide knowledge and skills in healthcare delivery, leadership, bioethics, statistics, global health, cultural competency, and research and innovation. The purpose of the academic program is to prepare individuals to assume employment positions in health services administration. The Association of University Programs in Health Administration recognizes baccalaureate health administration programs. Before submitting a self-study Augusta University must graduate its first cohort of students.

Need and Demand: The U.S. Department of Labor Statistics projects that job opportunities for medical health services management will increase at a rate faster than average, predicting a need for 73,300 additional managers nationwide from year 2012 through 2022, an increase of twenty-three percent. Additionally, according to the Georgia Department of Labor’s report entitled, “Georgia Workforce Trends, An Analysis of Long-term Employment Projections to 2020, it is estimated that approximately 11,610 medical and health managers will be needed in the state, a 29% increase requiring the addition of 260 jobs per year. The demand for seats in current educational offerings exceeds the institution’s ability to educate individuals for productive careers in the healthcare industry. It is proposed that the Bachelor of Science with a major in Health Services is needed to provide an additional career option for pre-health science students who seek nursing and allied health careers. For example, the College of Allied Health Sciences has seven undergraduate academic programs that dedicate 190 openings per year to students in Georgia. For these 190 openings, Augusta University receives approximately 400 applications. The Bachelor of Science in Nursing program has approximately 170 openings per year for new students; however, there are over 400 applicants for these limited slots. Similar class size constraints occur for undergraduate majors in respiratory therapy, radiation therapy, nuclear medicine, dental hygiene, and clinical laboratory science. The proposed new academic program will provide a career route for nursing and allied health applicants and steer prospective students toward health services or science careers. Employment prospects with high demand that would fit the proposed program include, but are not limited to, medical sales, hospital marketing and admissions, outpatient services, health information coordination, and corporate support functions within insurance agencies, pharmaceutical and biomedical technology companies, health service corporations, medical centers and urgent care, healthcare foundations, wellness centers, and eldercare and assisted living facilities.

List of Similar Existing USG Programs and Productivity:

Similar baccalaureate programs exist at other university system institutions. Augusta University has identified Middle Georgia State University's undergraduate program offering as being most similar to the submitted proposal. Metrics involving enrollment and degrees conferred are provided in the tables below:

Degrees Conferred Institutions and Academic Programs	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Middle Georgia State University Bachelor of Science in Health Services Administration	33	39	27	56	59	56
Valdosta State University Bachelor of Business Administration with a major in Healthcare Administration	This is a new program for Valdosta State University as of November 2013.				1	22
<i>Health Sciences and Health Information Administration Undergraduate Programs</i>						
Augusta University Bachelor of Science in Health Information Administration	17	11	13	14	32	14
Clayton State University Bachelor of Science with a major in Health Sciences	This is a new program for Clayton State University as of October 2015.					0
Columbus State University Bachelor of Science with a major in Health Sciences	48	54	58	55	58	70

Enrollments Institutions and Academic Programs	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Middle Georgia State University Bachelor of Science in Health Services Administration	155	173	186	236	268	294
Valdosta State University Bachelor of Business Administration with a major in Healthcare Administration	This is a new program for Valdosta State U. as of November 2013.			2	27	73
<i>Health Sciences and Health Information Administration Undergraduate Programs</i>						
Augusta University Bachelor of Science in Health Information Administration	30	34	38	51	56	66
Clayton State University Bachelor of Science with a major in Health Sciences	This is a new program for Clayton State University as of October 2015.					23
Columbus State University Bachelor of Science with a major in Health Sciences	291	322	335	333	342	357

Augusta University Projected New Program Enrollment:

	First Year	Second Year	Third Year
Student Majors			
Shifted from other programs	10	10	10
New to the institution	10	10	10
<i>Total Majors</i>	<i>20</i>	<i>40</i>	<i>60</i>

Fiscal Summary: Resources for the program will come from new funds generated based on tuition revenue emanating from enrollment growth. The institution will use the standard tuition rate. It is anticipated that a program director and one faculty hire will be needed to support implementation of the program with specific backgrounds in healthcare administration or a related health science.

Facilities Impact: The program will be delivered using the existing space and technology infrastructure of the institution. The program will be housed on the first and/or second floor of the EC building.

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. **Establishment of a Bachelor of Business Administration with a major in Logistics and Supply Chain Management, Dalton State College**

Recommended: That the Board approve the request of President Margaret Venable that Dalton State College (“DSC”) be authorized to establish a Bachelor of Business Administration with a major in Logistics and Supply Chain Management, effective January 11, 2017.

Program Summary: Dalton State College seeks approval to establish a Bachelor of Business Administration with a major in Logistics and Supply Chain Management. Existing academic programs in this disciplinary area are not geographically feasible for students to commute to in order to obtain requisite instruction in the major. The proposed academic program will meet burgeoning employment needs associated with major employers in the service region and nearby areas. These employers include Mohawk Industries, Lowes Distribution, Amazon, Shaw Industries, Covenant Transport, U.S. Express, and Volkswagen. Because of the metropolitan statistical areas that Dalton State College serves, students who attend the institution may live and work in Tennessee as well as Georgia based on nearby state boundaries. The upcoming Georgia Port Authority’s Appalachian Regional Port will enhance the regional need for individuals with the knowledge and skills ready to enter logistics and supply chain management careers. It is projected that the Appalachian Regional Port will open in January 2018 in the first of three phases and is forecasted to handle 150,000 containers per year. Surveys and qualitative interviews with managers in the flooring industry and with the Georgia Port Authority were part of the planning process to develop a new major in Logistics and Supply Chain Management. Dalton State College’s School of Business will use concentrations in operations management, business analytics, marketing, management information systems, and several new supply chain and logistics courses to meet the demands of the profession and to provide appropriate content for the discipline.

Need and Demand: Based on information pulled from the Georgia Department of Labor and Labor Market Explorer index, it is anticipated that 149 positions will become available for logisticians, 142 openings are projected for logistics managers, and 523 positions across several industries will require supply chain managers. According to the Georgia Ports Authority in correspondence dated January 19, 2016 with Dalton State College, “the state has a nexus of interstates, railroads, waterways, and distribution centers that link farms and factories to global markets all in a strategic effort to increase and enhance investments and generate new opportunities within Georgia.” Based on requests from the Georgia Department of Economic Development for updates on logistics and supply chain management programmatic offerings for prospect visits, the demand for such programs has grown over the past three years. Dalton State College has received support information from the Georgia Ports Authority and Shaw Industries attesting to how the proposed program will assist in meeting Georgia’s future logistics needs. The proposed program complements Dalton State College’s existing majors under the Bachelor of Business Administration that are currently offered in accounting, finance and applied economics, management, management information systems, and marketing systems.

List of Similar Existing USG Programs and Productivity:

Similar baccalaureate programs exist at other university system institutions. Metrics involving enrollment and degrees conferred are provided in the tables below:

Degrees Conferred Institutions and Academic Programs	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Albany State University Bachelor of Science in Supply Chain and Logistics Management	1	2	4	6	9	16
Clayton State University Bachelor of Business Administration with a major in Logistics and Supply Chain Management	15	23	23	35	28	37
Georgia Highlands State College Bachelor of Business Administration with a major in Logistics and Supply Chain Management	This is a new, Board approved academic program for Georgia Highlands State College as of March 2016.					
Georgia Southern University Bachelor of Business Administration with a major in Logistics and Intermodal Transportation	69	76	84	103	111	132
Kennesaw State University, Bachelor of Applied Science with a major in Supply Chain Logistics	This was a former Southern Polytechnic program that has now been merged with Kennesaw State U.					4
Savannah State University, Bachelor of Business Administration with a major in Global Logistics and International Business	This is a relatively new program for Savannah State University.				4	5

Enrollments Institutions and Academic Programs	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Albany State University Bachelor of Science in Supply Chain and Logistics Management	4	18	34	58	79	76
Clayton State University Bachelor of Business Administration with a major in Logistics and Supply Chain Management	48	56	67	85	97	103
Georgia Highlands State College Bachelor of Business Administration with a major in Logistics and Supply Chain Management	This is a new, Board approved academic program for Georgia Highlands State College as of March 2016.					
Georgia Southern University Bachelor of Business Administration with a major in Logistics and Intermodal Transportation	189	204	254	309	352	497
Kennesaw State University, Bachelor of Applied Science with a major in Supply Chain Logistics	This was a former Southern Polytechnic program that has now been merged with Kennesaw State U.			6	20	30
Savannah State University, Bachelor of Business Administration with a major in Global Logistics and International Business	This is a relatively new program for Savannah State University.			11	54	77

Dalton State College Projected New Program Enrollment:

	First Year	Second Year	Third Year
Student Majors			
Shifted from other programs	21	16	12
New to the institution	15	19	24
<i>Total Majors</i>	<i>36</i>	<i>35</i>	<i>36</i>

Fiscal Summary: Resources for the program will come from new funds generated based on tuition revenue emanating from enrollment growth. The institution will use the standard tuition rate. It is anticipated that two faculty hires are projected during the second and fifth years of program implementation.

Facilities Impact: The program will be delivered using the existing space and technology infrastructure of 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.

3. **Establishment of a Master of Science with a major in Business Analytics, University of Georgia**

Recommended: That the Board approve the request of President Jere Morehead that the University of Georgia (“UGA”) be authorized to establish a Master of Science with a major in Business Analytics, effective January 11, 2017.

Program Summary: The University of Georgia seeks approval to establish a Master of Science with a major in Business Analytics. The academic proposal was developed in response to the Governor’s High Demand Career Initiative (Ga. HDCI) and several consultant company reports and trends throughout universities within the U.S. to respond to the need and demand for trained data analysts. The proposed program to be housed within the Terry College of Business will be offered in a traditional format and targeted to students who have an undergraduate background in business, economics, statistics, science, technology, engineering, and mathematics. The program is intended for students who have earned a bachelor’s degree and meet master’s level admission requirements to include proficiency in statistics, calculus, and computer programming. Based on the curriculum, students will develop expertise in the collection, storage, analysis, visualization, and interpretation of data, as well as learn the most predominant programming languages in the field. A practicum is included within the program in order for students to work collaboratively on a big data problem for a corporate partner and present their results. Business courses in analytics, marketing, operations, and strategy will provide students with the framework in which to interpret data analyses and practice project management skills. The curriculum has been further developed to enable students to earn the following industry certifications: Cloudera Certified Professional Data Scientist, EMC Data Science Associate, and Microsoft SQL server certification. Administrators will work to ensure that the thirty-three semester hour program meets all Association to Advance Collegiate Schools of Business (AACSB) requirements for accreditation. The curriculum will involve the repackaging of courses across existing majors as well as the development of approximately three new core courses.

Need and Demand: Based on reports and tracking conducted by the Institute for Advanced Analytics housed at North Carolina State University, “since year 2007, more than eighty (80) new graduate programs in the area of data analytics have been established across the U.S., with master’s level programs in business analytics accounting for more than fifty-percent of this growth.” A year 2011 report by McKinsey & Co. entitled “Big Data: The Next Frontier for Innovation, Competition, and Productivity” (McKinsey Global Institute, May 2011) states that “by year 2018, the United States could face a shortage of 140,000 to 190,000 employees with deep analytical skills as well as 1.5 million managers and analysts who require knowledge of how to use big data analysis to make effective decisions.” UGA conducted a benchmarking study during fall 2015 to examine the growth and structure of similar programs throughout the country with a specific emphasis on degrees offered at Arizona State University, Georgia Institute of Technology, Indiana University, Michigan State University, the University of Iowa, and the University of Texas. In addition, potential employers such as AT&T, The Home Depot, NCR, Cardlytics, and Google were consulted on the program structure, curriculum, and employability of future graduates. According to the year 2011 McKinsey & Co. consultative report, it is projected that between 140,000 to 190,000 position openings will involve the recruitment of data analysts, business intelligence developers, and data analyst solution architects. The skills and knowledge offered through the proposed program will provide students

with entry into high paying jobs within a data-centric economy. Based on employment indexes such as the Bureau of Labor Statistics and Department of Labor, average starting salaries for graduates are approximately \$84,000 and vary among industries.

List of Similar Existing USG Programs and Productivity:

Similar master's programs exist at other university system research institutions. Metrics involving enrollment and degrees conferred are provided in the tables below:

Degrees Conferred Institutions and Academic Programs	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Georgia Institute of Technology Master of Science in Analytics	This is a relatively new program for Georgia Tech as of May 2014.					29
Georgia State University Master of Science in Analytics	This is a relatively new program for Georgia State University as of May 2014.					3

Enrollments Institutions and Academic Programs	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Georgia Institute of Technology Master of Science in Analytics	This is a relatively new program for Georgia Tech as of May 2014.				39	75
Georgia State University Master of Science in Analytics	This is a relatively new program for Georgia State University as of May 2014.				4	33

University of Georgia Projected New Program Enrollment:

	First Year	Second Year	Third Year
Student Majors			
Shifted from other programs	0	0	0
New to the institution	20	25	30
Total Majors	20	25	30

Fiscal Summary: Resources for the program will come from new funds generated based on tuition revenue emanating from enrollment growth. The institution has requested a differential tuition rate for this program. It is anticipated that two part-time faculty hires are projected to further support the program with a target date of fall 2017. A program coordinator will be hired to assist the program director. Some faculty overloads are anticipated with the addition of three new core courses. The Terry Excellence Fund will support reallocation in the event of any shortfall of revenue relative to expenses during the first year of implementation.

Facilities Impact: The program will be delivered using the existing space and technology infrastructure of the institution. Existing space in Correll Hall will be used to administer the program. However, start-up costs will include expenses on new computer equipment, software, and other hardware. The program will be delivered on the UGA – Athens campus.

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.

4. **a. Establishment of the College of Veterinary Medicine Professorship in Wildlife Health, University of Georgia**

Recommended: That the Board approve the request of President Jere Morehead that the University of Georgia (“UGA”) be authorized to establish the College of Veterinary Medicine Professorship in Wildlife Health, effective January 11, 2017.

Abstract: The University of Georgia seeks approval to establish the College of Veterinary Medicine Professorship in Wildlife Health to be housed within the Department of Population Health. The professorship is funded through the establishment of an endowed fund that was executed for the academic unit on July 12, 2016. The holder of the professorship will have an outstanding record in externally funded research and publication and be engaged in teaching, research, and public service. The position will not be held in conjunction with another chair or special professorship. The University of Georgia Foundation has confirmed that a total of \$251,351 is on deposit to establish this special, endowed position.

4. **b. Establishment of the Gene E. Michaels Distinguished Professorship in Medical Mycology, University of Georgia**

Recommended: That the Board approve the request of President Jere Morehead that the University of Georgia (“UGA”) be authorized to establish the Gene E. Michaels Distinguished Professorship in Medical Mycology, effective January 11, 2017.

Abstract: The University of Georgia seeks approval to establish the Gene E. Michaels Distinguished Professorship in Medical Mycology to be housed within the Franklin College of Arts and Sciences, Department of Microbiology. The distinguished professorship is funded by the estate of Dr. Gene E. Michaels through a desire to strengthen programs, specifically mycology, in the Franklin College of Arts and Sciences. As a faculty member in the Department of Microbiology, Dr. Michaels taught mycology, a branch of biology that studies fungi, for thirty-seven years. The person named to fill the position shall have an outstanding record of externally funded research and/or scholarly publications, be qualified for tenure on appointment, or with approval from the Provost, be a currently tenured professor at the University, be an internationally recognized scholar with an active research program related to the field of medical mycology, have an interest in both undergraduate and graduate student training, and not hold the endowed position in conjunction with another chair or professorship. The University of Georgia Foundation has confirmed that a total of \$544,333 is on deposit to establish this special, endowed position.

Biosketch: Gene Earl Michaels studied aeronautical engineering while at Purdue University and later joined the Army Air Corps Reserve while in college. Between 1948 and 1949, he was called to active duty and sent to Camp Atterberry in Columbus, Indiana. Within a year, Gene was transferred to Columbus, Georgia where he continued his college education through UGA extension classes that were taught at Jordan High School. After leaving active duty in 1952, Mr. Michaels was involved in aircraft recovery and traveled worldwide. Upon transferring to the University of Georgia in Athens, Mr. Michaels studied botany and plant pathology with Dr. Julian Miller while working as head proctor in Milledge Hall dormitory. Under the leadership and instruction of Dr. Norvel McClung, a scholar and noted medical mycologist, Mr. Michaels earned a Doctor of Philosophy degree in 1964. Dr. McClung studied abroad in Japan on a Fulbright Award and during this time Gene taught his classes on an annual basis which led to a permanent faculty position. After becoming involved in the State Science Fair at the request of Dr. Jack Payne, Dr. Michaels headed the project for fourteen years which later was housed under the Office of Special Academic Programs and included science symposia, the Sunbelt Agricultural Exposition in Moultrie, and other teaching programs. With several years of teaching, research, and scholarship conducted at UGA, Dr. Michaels held a patent for a water filtration system, studied and published on Attine Leaf Cutter Ants in Costa Rica and Guatemala, and continued to give lectures after his retirement in 1998 through year 2001. Dr. Michaels remained active in his disciplinary area by developing modern techniques for teaching medical mycology with the use of light microscopy and digital image recording methods.

4. **c. Establishment of the Georgia Athletic Association Professorship of Kinesiology University of Georgia**

Recommended: That the Board approve the request of President Jere Morehead that the University of Georgia (“UGA”) be authorized to establish the Georgia Athletic Association Professorship of Kinesiology, effective January 11, 2017.

Abstract: The University of Georgia seeks approval to establish the Georgia Athletic Association Professorship of Kinesiology to be housed within the College of Education, Department of Kinesiology. The professorship is funded through the establishment of an endowed fund that was executed for the academic unit on July 8, 2016. The University of Georgia Foundation has confirmed that a total of \$250,000 is on deposit to establish this endowed position. It is anticipated that the Professorship will enable the College of Education to advance a commitment to studying movement impairments in children and adolescents with neurodevelopmental disabilities. The College of Education has an established children’s movement clinic and laboratory that provide the setting for research and advancement associated with the endowed position. Upon conducting an external search, it is expected that the individual appointed to the Professorship will maintain a research and development agenda appropriate to children’s motor development including proposals for external funding, overseeing project development and implementation, disseminating research through scholarship, mentoring graduate students, and service as it relates to the mission of the Department of Kinesiology.

4. **d. Establishment of the Jere W. Morehead Distinguished Professorship for the Director of the Honors Program, University of Georgia**

Recommended: That the Board approve the request of President Jere Morehead that the University of Georgia (“UGA”) be authorized to establish the Jere W. Morehead Distinguished Professorship for the Director of the Honors Program, effective January 11, 2017.

Abstract: The University of Georgia seeks approval to establish the Jere W. Morehead Distinguished Professorship for the Director of the Honors Program. The Distinguished Professorship is funded by John O. Knox and Dorothy Anne Smith Hines through their philanthropy and focus on strengthening the University of Georgia Honors Program. The University of Georgia Foundation has confirmed that a total of \$521,506 is on deposit as of December 9, 2016 to establish this special, endowed position.

Background: The designation of the professorship is meant to honor the legacy of Jere W. Morehead, the 22nd president of the University of Georgia, who served as Director of the UGA Honors Program from year 1999 to 2004. During that time period, the University of Georgia had two Rhodes Scholarship recipients, established the Honors in Washington internship program, and relocated the physical location of the program to the renovated Moore College building. The appointee to the Distinguished Professorship will serve as Director of the Honors Program and will be identified as the Jere W. Morehead Distinguished Professor. The appointee shall be qualified for tenure on appointment at the full professor level or be a currently tenured professor at the University. The appointee must have an outstanding record in research and publications. Funding for the endowed position will provide additional support for research, travel, and other support for the Director of the Honors Program.

5. Named Faculty Position Appointments

Details regarding institutional requests to appoint faculty with the appropriate qualifications into named faculty positions are found in the supplemental agenda. The following are included this month.

Institution Name: University of Georgia

Faculty's Name: Dr. Keshav Das

Chair/Professorship Name: Georgia Athletic Association Professorship in Engineering

Institution Name: University of Georgia

Faculty's Name: Dr. John Fischer

Chair/Professorship Name: College of Veterinary Medicine Professorship in Wildlife Health

Institution Name: University of Georgia

Faculty's Name: Dr. Dennis Kyle

Chair/Professorship Name: Georgia Research Alliance Eminent Scholar Chair in Antiparasitic Drug Discovery

Institution Name: University of Georgia

Faculty's Name: Mr. Joseph Watson

Chair/Professorship Name: Carolyn Caudell Tiger Professorship in Public Affairs Communications

Institution Name: University of Georgia

Faculty's Name: Dr. David S. Williams

Chair/Professorship Name: Jere W. Morehead Distinguished Professorship for the Director of the Honors Program

Informational Item:

Georgia Institute of Technology (GIT) Master of Science in Analytics delivered through Massive Open Online Courses (MOOCS)

Georgia Institute of Technology seeks to offer its existing Master of Science in Analytics to a broader audience via distance education delivery methods, particularly through massive open online courses (MOOC). The proposal request follows similar delivery of the existing Master of Science in Computer Science using a MOOC platform that was approved by the Board in May 2013. Georgia Tech seeks a companion, reduced tuition structure to offer the program at approximately \$9,900 which has been developed as a simultaneous recommendation item through the Committee on Fiscal Affairs.

AGENDA
COMMITTEE ON ORGANIZATION & LAW

January 11, 2017

Agenda Item	Page No.
--------------------	-----------------

APPROVAL ITEM

- | | |
|--|---|
| 1. Security Clearance Authorizations: Georgia Institute of Technology | 1 |
| 2. Revision to the Policy Manual: 2.8 Compensation of Presidents | 2 |
| 3. Revision to the Policy Manual: 10.4 Records Retention | 3 |
| 4. Revision to the Bylaws of the Board of Regents: Institutions of the University System | 4 |

INFORMATION ITEM

- | | |
|---|---|
| 5. Revision to the Bylaws of the Board of Regents: Agenda | 6 |
| 6. Executive Session | 7 |

1. Security Clearance Authorizations: Georgia Institute of Technology

The Georgia Institute of Technology seeks the Board's authorization for certain named personnel to apply for and receive United States Government security clearance related to classified government research. This approval is renewed annually and was last approved at the Board's January 2016 meeting.

Background: The Georgia Institute of Technology performs certain classified research on behalf of, and via contract with, the United States Department of Defense and other agencies of the United States government. The National Industrial Security Program Operating Manual requires the Board of Regents to authorize persons to receive necessary security clearances and to make certain declarations regarding the security of designated facilities.

2. **Revision to the Policy Manual: 2.8 Compensation of Presidents**

Recommended: That the Board approve the proposed revisions to the Board of Regents Policy 2.8 Compensation of Presidents, as indicated below.

Background: The proposed revisions to Board policy will allow institutions to properly account for the compensation of presidents supported from sources in addition to state appropriations. Additionally, the decision by a cooperative organization to increase or decrease funds provided for this purpose will not impact the president's actual compensation package, i.e., the Board of Regents approves the president's compensation, and will control the form and amount of all compensation regardless of funding sources.

2.8: Compensation of Presidents

The salaries, taxable income and associated fringe benefits for USG presidents and the Chancellor, as approved annually by the Board of Regents, shall be paid exclusively **by the USG institution from state appropriations and/or other appropriate sources held by the institution as outlined in the annual compensation letter** allocated to each institution. ~~State appropriations shall be used to pay salary, housing allowance, subsistence allowance, auto allowance, relocation expenses and, where applicable, salary supplement, supplemental fringe benefits, deferred compensation, and any other items as approved by the Board. State appropriations will also pay for fringe benefits for presidents that are available to all USG employees. Individuals receiving an auto allowance under a non-accountable plan for taxation purposes are not eligible for mileage reimbursements associated with travel within the home county where the institution is headquartered and are otherwise subject to the provision of the USG's travel regulations as outlined in the Business Procedures Manual. (BoR Minutes, October 2013)~~

~~The annual merit salary increase paid from state funds shall be based upon the approved salary, exclusive of any allowance, supplement, or deferred compensation (BoR Minutes, August 2004).~~

~~Non-state funds may pay for expenses and allowances such as civic memberships, business-related entertainment, and other expenses associated with the operations of the office of the president but not resulting in taxable income to the president. (BoR Minutes, October 2013)~~

3. Revision to the Policy Manual: 10.4 Records Retention

Recommended: That the Board approve a revision to Policy 10.4 Records Retention, as indicated below, to align with recent changes to the University System of Georgia retention schedule.

10.4 Records Retention

Records retention guidelines have been adopted by the Board of Regents to establish consistent records retention practices by USG institutions. The guidelines consist of a list of ~~more than 400 types of records~~ **record types** organized into ~~twelve (12)~~ categories and should be consulted to determine the minimum retention time for a particular type of record.

The University System Office administers the records retention guidelines and is the source for information concerning implementation of the guidelines. The Office of Legal Affairs shall approve all additions to, deletions from, and revisions of the records retention guidelines.

4. Revision to Bylaws of the Board of Regents: Institutions of the University System

It is recommended that Bylaw 1(6), Institutions of the University System, be amended as set forth below. This was provided to the Regents for consideration at the Board's Nov. 9, 2016, meeting.

6. Institutions of the University System

The University System of Georgia shall consist of the following institutions and such other institutions as may be established by the Regents from time to time:

Research Universities**Augusta University**

Georgia Institute of Technology

~~Georgia Regents University~~

Georgia State University

University of Georgia

Regional Comprehensive Universities

Georgia Southern University

Kennesaw State University

University of West Georgia

Valdosta State University

State Universities

Albany State University

Armstrong State University

Clayton State University

Columbus State University

Fort Valley State University

Georgia College & State University

Georgia Southwestern State University

~~Kennesaw State University~~

Middle Georgia State University

Savannah State University

~~Southern Polytechnic State University~~

University of North Georgia

~~University of West Georgia~~

State Colleges

Abraham Baldwin Agricultural College

Atlanta Metropolitan State College

Bainbridge State College

College of Coastal Georgia

Dalton State College

~~Darton State College~~

East Georgia State College
Georgia Gwinnett College
Georgia Highlands College
~~Georgia Perimeter College~~
Gordon State College
~~Middle Georgia State College~~
South Georgia State College

~~Two-Year Colleges~~

~~Bainbridge State College~~

5. Revision to the Bylaws of the Board of Regents: Agenda

It is recommended that Bylaw 3(8), Agenda, be amended as set forth below. This informational item will be offered for approval at the Board's Feb. 14, 2017, meeting:

8. Agenda

The Chancellor shall give to the members of the Board ~~at least five days~~ **in a reasonable amount of time** before each meeting information on matters which are to be considered at the meeting, **to allow the members sufficient opportunity for review.**

All individuals or groups employed or enrolled in the University System shall submit all requests for items to be placed on the Board agenda to the president of the respective institution who shall, after carefully considering such requests, transmit them with his or her recommendations to the Chancellor.

6. Executive Session

The committee will enter executive session, if necessary, to discuss pending applications for review. These are made to the Board of Regents Office of Legal Affairs pursuant to Policy 8.6 Applications for Discretionary Review and are typically personnel matters and issues of academic status.

AGENDA

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

January 11, 2017

Agenda Item	Page No.
-------------	----------

APPROVAL ITEMS

- | | | |
|----|---|---|
| 1. | Approval of a Tuition and Fee Structure for the Existing Master of Science in Analytics by Distance Learning through Massive Open Online Courses, Georgia Institute of Technology | 1 |
| 2. | Revisions to <i>Bylaws of the Board of Regents</i> , Section 12: Budgets of Institutions | 3 |
| 3. | Revisions to <i>Board of Regents Policy Manual</i> , Section 7.0 Finance and Business | 4 |
| 4. | Revisions to <i>Board of Regents Policy Manual</i> , Sections 7.3.2.2 Elective Fees and Special Charges and 7.2.2.3 Auxiliary and Fee Reserves | 6 |
| 5. | Revisions to <i>Board of Regents Policy Manual</i> , Section 7.3.1.4 Tuition for Distance Learning Courses and Programs | 9 |

AGENDA

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

January 11, 2017

1. **Approval of a Tuition and Fee Structure for the Existing Master of Science in Analytics by Distance Learning through Massive Open Online Courses, Georgia Institute of Technology**

Recommended: That the Board approve the request of Dr. G. P. “Bud” Peterson of the Georgia Institute of Technology (“GIT”) to establish a per credit hour tuition rate of \$275 for the existing Master of Science in Analytics by Distance Learning through Massive Open Online Courses (“MOOC”), effective Fall 2017.

Further Recommended: That the Board approve the request of Dr. Peterson for an exception to Board Policy 7.3.4.2 to charge the Special Institutional Fee at a reduced rate of \$194 per semester, only for students enrolled in the existing Master of Science in Analytics by Distance Learning through Massive Open Online Courses program, effective Fall 2017. GIT’s approved Special Institutional Fee is currently \$444 per semester for graduate students.

Understandings: The 36 credit-hour MOOC version of the program is designed to be completed in six semesters at an estimated total program cost to students of \$11,706. Students in the program will be assessed the special tuition rate of \$275 per credit hour, the reduced Special Institutional Fee of \$194 per semester and the approved Technology Fee per semester. Part of the rationale for these reduced rates is that it is highly unlikely that any of the students enrolled in this program will utilize any of the campus facilities during their course of study. Additionally, students will be responsible for the costs of textbooks and other course materials.

Further Understandings: Institution-wide annual tuition increases will not be applicable to this rate. The Georgia Institute of Technology, in consultation with the University System Office, will request changes specific only to this rate when determined appropriate.

Further Understandings: While the Master of Science in Analytics is an existing, Board-approved degree program, the Southern Association of Colleges and Schools (“SACS”) will be notified regarding the change in the delivery of the program.

Background: Georgia Institute of Technology seeks to offer its existing Master of Science in Analytics to a broader audience via distance education delivery methods, particularly through massive open online courses (MOOC). The proposal request follows similar delivery of the existing Master of Science in Computer Science using a MOOC platform that was approved by the Board in May 2013. Demand for the existing Master of Science in Analytics is strong and parallels market driven forces for the current MOOC offering of the Master of Science in Computer Science which has approximately 4,000 enrollees.

1. **Approval of a Tuition and Fee Structure for the Existing Master of Science in Analytics by Distance Learning through Massive Open Online Courses, Georgia Institute of Technology (continued)**

The existing master's level program in analytics has been offered since fall 2014. As of fall 2016, the program awarded close to 70 degrees and received 800 applications for admission. The Georgia Tech Graduate Committee and Academic Senate approved the proposal to offer the program in an online format which could accommodate larger enrollments. Several corporations have contacted GIT with a request for graduates such as AT&T, Accenture, Apple, Facebook, EY, Goldman Sachs, PWC, FedEx, Home Depot, SunTrust, UPS, and others.

The current model of a residential only program does not align well with the needs of many students, who are seeking a professional MS degree while continuing to work. The potential audience for distance learning consists of working professionals, who are also balancing the demands of full-time jobs and often family commitments. This population needs a more flexible alternative.

Based on leveraged experiences and knowledge gained from the Master of Science in Computer Science MOOC, GIT has determined the same instructional design, support, resources, and delivery within a MOOC framework can be applied to the Master of Science in Analytics with comparable disciplinary standards and quality while being accessible and affordable. The MOOC framework will be accomplished in partnership with EdX, a non-profit organization that originated from MIT and Harvard, and one of three pioneer MOOC platforms. GIT seeks to be at the forefront of innovative models of education delivery that expand and enrich learning opportunities, and enable the attainment of academic credentials via multiple delivery methods.

GIT can offer this program at a fraction of the cost of the on-campus program for three primary reasons: (1) a \$1 million gift from a corporate sponsor providing seed funding for this program, (2) the projected number of matriculating students, and (3) savings on individual faculty in future semesters.

2. **Approval Item: Revision to Bylaws of the Board of Regents, Section 12: Budgets of Institutions)**

Recommended: That the Board approve the proposed revisions to the Bylaws of the Board of Regents, Section 12, Budget of the Institutions.

Background: This item was introduced to the Board at the November 2016 meeting. The proposed changes to the Bylaws will aid in providing more flexibility with respect to the timing of Board approvals.

Please note, strikethrough text represents a deletion from the current version, and highlighted text represents an addition.

12. Budgets of Institutions

The Board shall make the allocation of funds to the several institutions **annually** at ~~the April meeting or the next~~ **a** regular meeting following the approval of the Appropriations Act ~~or as soon thereafter as may be practicable in each year~~ and shall **also** approve the budgets of the institutions and the office of the Board of Regents **annually** at ~~the~~ **a** regular ~~June~~ meeting **following approval of the Appropriations Act** ~~in each year or as soon thereafter as may be practicable.~~

3. **Approval Item: Revisions to Board of Regents Policy Manual, Section 7.0 Finance and Business**

Recommended: That the Board approve the proposed revisions to the Board of Regents Policy Manual, Section 7.0 Finance and Business.

Background: This item was introduced to the Board at the November 2016 meeting. The proposed changes to Board policy will aid in providing more flexibility with respect to the timing of Board approvals and is consistent with the changes to the Bylaws of the Board of Regents, Section 12: Budgets of Institutions.

Please note, strikethrough text represents a deletion from the current version, and highlighted text represents an addition.

Section 7.0: Finance and Business

7.1.1 Allocation of Funds

The Board of Regents shall be the only medium through which formal requests shall be made for appropriations from the General Assembly and the Governor of the State of Georgia. **Annually,** ~~the~~ The Board shall make the allocation of funds to the institutions ~~at the April meeting or the next regular meeting~~ following the approval of the Appropriations Act, ~~or as soon thereafter as may be practicable in each year,~~ and shall approve the budgets of the institutions and of the office of the Board of Regents ~~at the regular June meeting in each year, or as soon thereafter as may be practicable.~~

7.3.1 Tuition

7.3.1.1 Definitions

Tuition

Tuition shall be defined as payment required for credit-based instruction and related services and shall be charged to all students. Tuition rates for all USG institutions and programs shall be approved annually ~~no later than the May meeting~~ by the Board of Regents to become effective the following fall semester. Exceptions to this requirement may be granted upon recommendation of the Chancellor and approval by the Board of Regents.

Tuition for both undergraduate and graduate students enrolled at a USG institution shall be charged at the full rate for students enrolled for fifteen (15) credit hours or more, and at a per credit hour rate for students enrolled for less than fifteen (15) credit hours, effective July 1, 2009. Graduate tuition will be charged at the full rate for students enrolled for twelve (12) credit hours, and at a per credit hour rate for students enrolled for less than twelve (12) credit hours (BoR

3. Approval Item: Revisions to Board of Regents Policy Manual, Section 7.0 Finance and Business (continued)

Minutes, June 2009). Distance education courses and programs as defined in [Section 7.3.1.4 of this Policy Manual](#) may be exempted from this policy and charged on a per credit hour basis.

Further, a “finish-in-four” tuition model that provides for a flat tuition based on fifteen (15) hours a semester will be charged at University of Georgia, Georgia Institute of Technology and Georgia College and State University for all undergraduate students taking in excess of six (6) hours, to encourage students to graduate in four (4) years. Students taking six (6) hours or fewer will pay a flat rate that will be lower than the 15-hour rate. The “finish-in-four” model is effective July 1, 2009, for University of Georgia and Georgia Institute of Technology and July 1, 2011, for ~~and~~ Georgia College and State University.

A “finish-in-four” tuition model that provides for a flat tuition based on fifteen (15) hours a semester will be charged at Georgia Regents **Augusta** University for all undergraduate students taking ten (10) hours or more. Students enrolled at Georgia Regents **Augusta** University taking less than ten (10) hours will continue to be charged tuition on a per-credit-hour basis.

Students enrolled during the summer semester at the University of Georgia, Georgia Regents **Augusta** University and Georgia College and State University will be charged tuition on a per-credit-hour basis during the summer semester.

In-State Tuition

In-State Tuition shall be defined as the rate paid by students who meet the residency status requirements as provided in [Section 4.3 of this Policy Manual](#).

Out-of-State Tuition

Out-of-State Tuition shall be defined as the rate paid by students who do not meet the residency status requirements as provided in [Section 4.3 of this Policy Manual](#). Out-of-state tuition at all USG institutions shall be established by the Board, taking into consideration: (1) out-of-state tuition rates of peer or comparable institutions, and (2) the full cost of instruction. The annual increase in the out-of-state tuition amount must be at least equal to the dollar increase amount in in-state tuition.

Semester

Semester shall be defined for the purposes of this section as the standard term of instruction for each USG institution for fall, spring, and summer. The summer semester shall be defined as the combined terms of instruction provided by USG institutions that begin after the completion of the spring semester and end prior to the start of the fall semester. (BoR Minutes, October 2006, April 2014)

4. **Approval Item: Revisions to Board of Regents Policy Manual, Sections 7.3.2.2 Elective Fees and Special Charges and 7.2.2.3 Auxiliary and Fee Reserves**

Recommended: That the Board approve the proposed revisions to the Board of Regents Policy Manual, Sections 7.3.2.2 Elective Fees and Special Charges and 7.2.2.3 Auxiliary and Fee Reserves.

Background: The purpose of the recommended policy changes is to increase oversight for setting housing and dining rates at institutions. The Board of Regents Treasurer and Chief Fiscal Officer will annually review and approve all institution housing and dining rates. Previously, these rates were set at the discretion of the president, with the Board approving rates supporting Public Private Venture projects only.

Additionally, the recommended policy changes include the addition of a new section regarding auxiliary and fee reserves requiring that existing auxiliary and student fee reserves be periodically reviewed for the purpose of ensuring adequate reserves to maintain operations, manage risk, and fund related capital expenditures while ensuring affordability for students. Excess reserves should result in a decreases in fee levels, which directly impacts student affordability.

Please note, strikethrough text represents a deletion from the current version, and highlighted text represents an addition.

7.3.2.2 Elective Fees and Special Charges

Institution presidents are authorized to approve elective fees and special charges as outlined below; however, any fee or special charge that is required to be paid by any standard subgroup of students based on grade level or previous credit hours earned shall undergo the same approval process as mandatory fees. Any elective fee or special charge that is required to be paid by all students in a specific degree program or in a specific course, with the exception of laboratory fees and supplemental course material fees shall be approved by the Board, but shall not require review by a student fee committee. (BoR Minutes, January 2010, February 2015)

Housing Fees

Housing fees are defined as fees paid by students who live in institutional residential on-campus facilities. All housing fees shall be annually approved by the Board Treasurer, Chief Fiscal Officer, to become effective the following fall semester. All housing fees, except for housing fees that are proposed to support debt service and operating costs on new housing projects funded with private funds, shall be approved by the institution president in April of each year. The housing fees that support debt service shall be approved by the Board. Each institution shall notify the Chancellor

4. **Approval Item: Revisions to Board of Regents Policy Manual, Sections 7.3.2.2 Elective Fees and Special Charges and 7.2.2.3 Auxiliary and Fee Reserves (continued)**

~~annually of all institutionally approved housing fees.~~ (BoR Minutes, February 2007; January 2010; February 2015)

Food Service Fees

Food service fees are defined as fees paid by students who elect to choose an institutional food service plan. Food service fees assessed to all undergraduate students, all full-time undergraduate students, or any standard subgroup of students based on grade level or previous credit hours earned are not considered an elective fee and must be approved by the Board as a mandatory fee. This includes food service fees due prior to registration that may be refunded later in the semester and food service fees for which the student receives a cash equivalent in the amount of the fee.

Institutions are permitted to require meals plans for all students residing in on-campus housing regardless of academic grade level. The decision to assess food service fees to students residing in on-campus housing does not require approval by the Board of Regents.

Food services operations must be structured with student affordability and operational efficiency as essential performance requirements. Institutions must be able to demonstrate that overhead costs are reasonable and comparable to peer institutions as a part of the fee approval process. Food service contracts with external suppliers must be procured and managed in accordance with procedures issued by the Board Treasurer, Chief Fiscal Officer.

All food service fees assessed to students ~~that support debt service~~ shall be annually approved by the Board Treasurer, Chief Fiscal Officer, to become effective the following fall semester. ~~Each institution shall notify the Chancellor annually of all institutionally approved food service fees.~~ (BoR Minutes, January 2010; February 2015)

Other Elective Fees and Special Charges

Other elective fees and special charges are defined as those fees and charges that are paid selectively by students. These fees and charges may include, but are not limited to:

1. Resident hall deposits;
2. Penalty charges;
3. Non-mandatory parking fees and parking fines;
4. Library fines;
5. Laboratory fees;
6. Post office box rentals; and

4. Approval Item: Revisions to *Board of Regents Policy Manual*, Sections 7.3.2.2 Elective Fees and Special Charges and 7.2.2.3 Auxiliary and Fee Reserves (continued)

7. Supplemental course material fees to cover specific costs, such as art materials, course packets/kits, museum admissions, travel to off-campus learning sites, safety equipment, software/videos, and special equipment. (BoR Minutes, January 2010; February 2015)

Institutional presidents are authorized to establish and adjust these fees, as appropriate. Prior to implementation of such fees, institutions shall be required to report to the Chancellor any establishments and adjustments made thereto under procedures established by the USG chief fiscal officer. (BoR Minutes, January 2010)

Continuing Education Fees

Institutional presidents shall be authorized to establish fees for non-credit-hour courses and programs as defined in [Section 5.2 of this Policy Manual](#).

7.3.2.3 Auxiliary and Fee Reserves

Institutions shall manage auxiliary and fee reserves prudently and to ensure self-supporting operations as specified in Board Policy 7.2.2. Auxiliary Enterprise Revenues and Expenditures. Institutions must periodically review the existing reserves within their various auxiliary and student fee funds to ensure affordability for students while also ensuring adequate reserves to maintain operations, manage risk, and fund related capital expenditures. The results of this analysis and planned use of reserves shall be provided to the USG Office of Fiscal Affairs annually along with any recommendations for changes to fees and operations.

5. **Approval Item: Revisions to Board of Regents Policy Manual, Section 7.3.1.4 Tuition for Distance Learning Courses and Programs**

Recommended: That the Board approve the proposed revisions to the Board of Regents Policy Manual, Sections 7.3.1.4 Tuition for Distance Learning Courses and Programs.

Further Recommended: That the Board allow institutions to request of the Board Treasurer and Chief Fiscal Officer, a reduction to the FY 2017 special tuition rates for distance learning, without Board approval.

Further Recommended: That the Board approve to freeze the current FY 2017 special tuition rates for distance learning set by the institutions until such time as the Board approves new rates, with the exception of any reductions to these rates as approved by the Board Treasurer and Chief Fiscal Officer.

Further Recommended: That the FY 2017 distance learning tuition rates be equally charged to both in-state and out-of-state students.

Background: Since fiscal year 1999, Board policy has allowed institutions to charge special tuition rates for distance education courses and programs. Board approval is not required provided that the rate is not less than the Board approved in-state tuition rate or greater than its out-of-state rate, and provided that the rate applies to all students regardless of residency status. This Board policy was enacted in response to a state reciprocity agreement on distance education, entered into by Governor Roy Barnes, which enabled Georgia students to have affordable access to online programs offered by institutions in 16 southern states.

Given the significant growth in distance education, the variety of delivery models being offered and the Board's stance on affordability, it is time to review and evaluate current Board policy. The recommended changes to policy will strengthen the oversight for setting tuition rates for distance education and ensure all proposed differentials are supported by a sound business case.

For purposes of this policy, distance learning courses and programs that qualify for a special distance learning tuition rate shall be defined by the Board Treasurer and Chief Fiscal Officer in Section 8 of the Business Procedures Manual (BPM).

5. **Approval Item: Revisions to Board of Regents Policy Manual, Section 7.3.1.4 Tuition for Distance Learning Courses and Programs**

Please note, strikethrough text represents a deletion from the current version, and highlighted text represents an addition.

7.3.1.4 Tuition for Distance Learning Courses and Programs

Board approval is required to ~~Institutions may, with Board approval, charge special tuition rates for distance education courses and programs. For the purposes of this policy, distance learning courses and programs shall be defined as those courses and programs in which 95% or more of class contact time is delivered by a distance technology.~~ **For purposes of this policy, distance learning courses and programs that qualify for a special distance learning tuition rate shall be defined by the Board Treasurer, Chief Fiscal Officer.**

~~If the rate is either less than the institution's in-state tuition rate or greater than its out-of-state rate, Board approval is required.~~

~~Institutions shall report annually to the USG chief fiscal officer on all tuition rates charged for distance learning courses and programs.~~

~~Notwithstanding other provisions in Sections 7.3 of this Policy Manual, rates shall apply to all students regardless of residency status.~~

AGENDA

COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE

January 11, 2017

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

INFORMATION ITEMS

- | | | |
|----|--|---|
| 1. | Committee on Internal Audit, Risk, and Compliance Orientation and Forward Agenda | 1 |
|----|--|---|

APPROVAL ITEMS

- | | | |
|----|---|---|
| 2. | Internal Audit Charter | 2 |
| 3. | Compliance and Ethics Charter | 3 |
| 4. | Committee on Internal Audit, Risk, and Compliance Charter | 4 |

AGENDA

COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE

January 11, 2017

1. Information Item: Committee on Internal Audit, Risk, and Compliance Orientation and Forward Agenda

The Committee on Internal Audit, Risk, and Compliance (Committee) maintains a one-year forward agenda that details items scheduled for approval and review by the Committee. At this meeting, Chief Audit Officer & Vice Chancellor for Internal Audit Terry Thompson will review the planned forward agenda and obtain the Committee's feedback on additional agenda items that should be addressed over the coming year.

The operations of the Committee are specified in the Committee's Charter as approved by the Board of Regents. A copy of the proposed 2017 charter is included as part of item four within the Committee's agenda.

2. Approval Item: Internal Audit Charter

Recommended: That the Board approve the Internal Audit Charter.

Background: The Internal Audit Charter defines the purpose, authority, and responsibility of the internal audit function of the University System of Georgia. The professional standards governing internal audit state that the chief audit executive must “periodically review the internal audit charter and present it to senior management and the board for approval.” The charter was last approved in August 2016. At this meeting, Chief Audit Officer & Vice Chancellor for Internal Audit Terry Thompson will present the Internal Audit Charter for approval. No changes have been made to the previously approved charter.

3. Approval Item: Compliance and Ethics Charter

Recommended: That the Board approve the Compliance and Ethics Charter.

Background: The Compliance and Ethics Charter defines the purpose, authority, and responsibility of the University System of Georgia compliance and ethics function. The federal standards governing compliance programs states that the “organization’s governing authority shall be knowledgeable about the content and operation of the compliance and ethics program and shall exercise reasonable oversight with respect to the implementation and effectiveness of the compliance and ethics program.” A charter is a recognized tool to enhance oversight of the compliance and ethics function. The charter was last approved in August 2016. At this meeting, Vice Chancellor for Organizational Effectiveness John Fuchko, III will present the Compliance and Ethics Charter for approval. No changes have been made to the previously approved charter.

4. Approval Item: Committee on Internal Audit, Risk and Compliance Charter

Recommended: That the Board approve the Committee on Internal Audit, Risk, and Compliance Charter.

Background: The oversight role of the Committee on Internal Audit, Risk, and Compliance (hereafter Committee) is defined within the “Internal Audit Charter” and the “Compliance and Ethics Charter.” Additionally, the Committee’s role with respect to oversight of USG risk management is defined within the proposed charter. The Committee charter was last approved in August 2016.

At this meeting, Chief Audit Officer & Vice Chancellor for Internal Audit Terry Thompson and Vice Chancellor for Organizational Effectiveness John Fuchko, III will present the Committee on Internal Audit, Risk, and Compliance Charter for approval. No changes have been made to the previously approved charter.

AGENDA

COMMITTEE ON REAL ESTATE AND FACILITIES

January 11, 2017

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

CONSENT ITEMS

- | | | |
|----|---|---|
| 1. | Lease Agreement, Sigma Delta Tau Sorority, 525 Bloomfield Street, Athens, University of Georgia | 1 |
| 2. | Lease Agreement, Alpha Chi Omega Sorority, 1064 South Lumpkin Street, Athens, University of Georgia | 2 |
| 3. | Authorization of Project No. BR-30-1705, Boggs Chemistry Building - First Floor Renovation, Georgia Institute of Technology | 3 |

APPROVAL ITEMS

- | | | |
|----|---|---|
| 4. | Disposition of Real Property, Wilkins Farm, Highway 78, Oglethorpe and Wilkes Counties, University of Georgia | 4 |
|----|---|---|

AGENDA

COMMITTEE ON REAL ESTATE AND FACILITIES

January 11, 2017

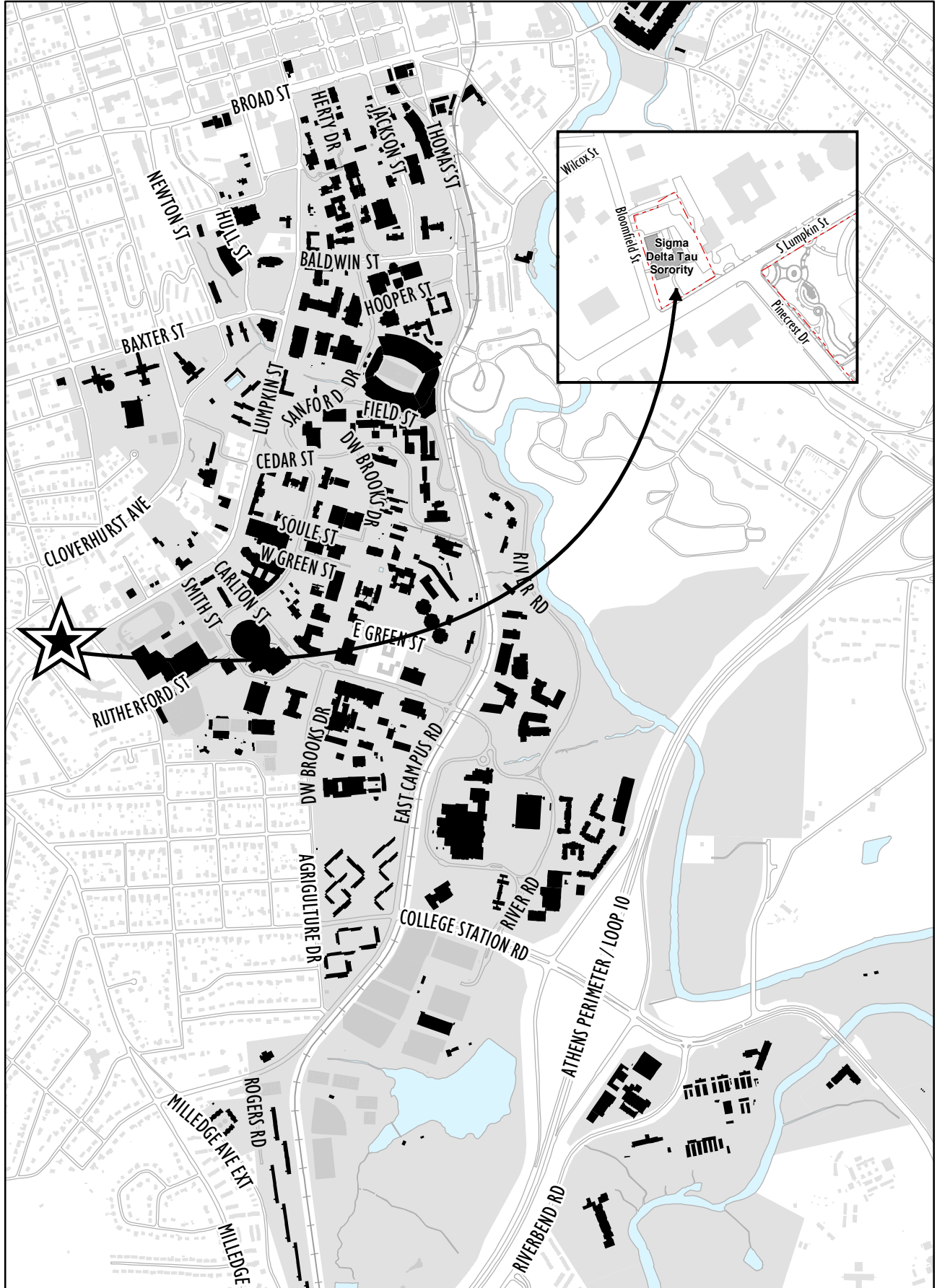
1. Lease Agreement, Sigma Delta Tau Sorority, 525 Bloomfield Street, Athens, University of Georgia

Recommended: That the Board declare improved real property located at 525 Bloomfield Street (the “Property”) on the campus of the University of Georgia (“UGA”) to be no longer advantageously useful to UGA or other units of the University System of Georgia, but only to the extent and for the purpose of allowing this real property to be leased to Eta of Sigma Delta Tau, Inc., the housing corporation for the Eta Chapter of the Sigma Delta Tau Sorority (the “Sorority”).

Recommended further: That the Board authorize the execution of a lease (the “Lease”) between the Board of Regents (“BOR”), as Lessor, and the Sorority, as Lessee, for the purpose of improving and operating sorority housing for the benefit of UGA students.

Understandings: The Lease would be an estate for years with an initial term of approximately thirty years at a rate of \$1.00 annually. The initial term would expire on June 30, 2047, with an option to renew for an additional thirty-year period at the same rate. As additional consideration for the Lease, which will include the right to make future improvements to the existing house, the Lessee would provide and maintain a minimum of forty (40) beds for use by UGA students during each academic year for the duration of the lease.

During the initial term and any subsequent renewal, Lessee would be responsible for operational expenses associated with the Property, including utilities, maintenance and insurance. Upon the expiration or early termination of the Lease, the Property and any improvements would revert to the BOR.



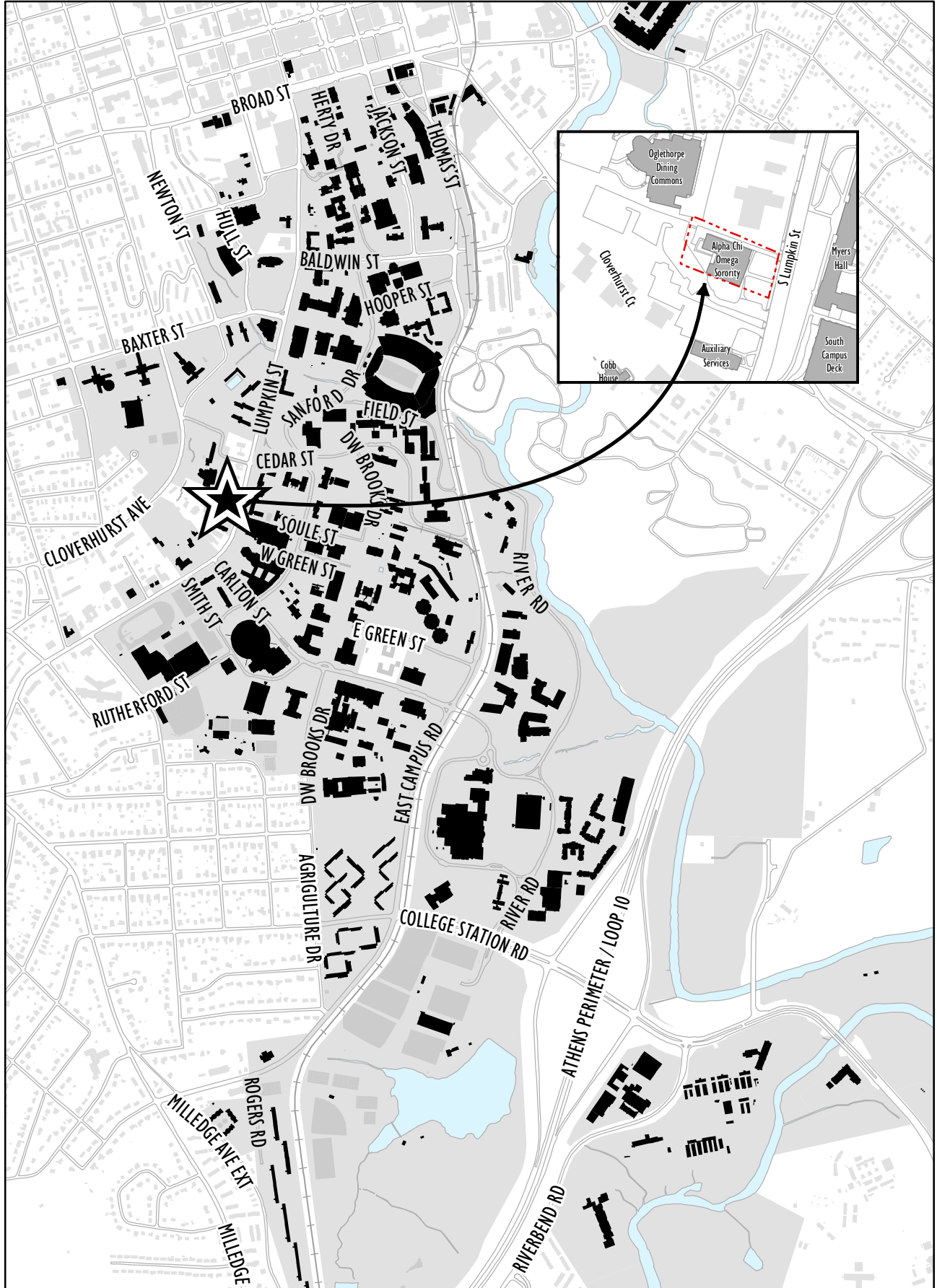
2. **Lease Agreement, Alpha Chi Omega Sorority, 1064 South Lumpkin Street, Athens, University of Georgia**

Recommended: That the Board declare improved real property located at 1064 South Lumpkin Street (the “Property”) on the campus of the University of Georgia (“UGA”) to be no longer advantageously useful to UGA or other units of the University System of Georgia, but only to the extent and for the purpose of allowing this real property to be leased to Alpha Chi Omega National Housing Corporation, the housing corporation for the Beta Sigma Chapter of the Alpha Chi Omega Sorority (the “Sorority”).

Recommended further: That the Board authorize the execution of a lease (the “Lease”) between the Board of Regents (“BOR”), as Lessor, and the Sorority, as Lessee, for the purpose of improving and operating sorority housing for the benefit of UGA students.

Understandings: The Lease would be an estate for years with an initial term of approximately thirty years at a rate of \$1.00 annually. The initial term would expire on June 30, 2047, with an option to renew for an additional thirty-year period at the same rate. As additional consideration for the Lease, which will include the right to make future improvements to the existing house, the Lessee would provide and maintain a minimum of sixty (60) beds for use by UGA students during each academic year for the duration of the lease.

During the initial term and any subsequent renewal, Lessee would be responsible for operational expenses associated with the Property, including utilities, maintenance and insurance. Upon the expiration or early termination of the Lease, the Property and any improvements would revert to the BOR.



3. Authorization of Project No. BR-30-1705, Boggs Chemistry Building - First Floor Renovation, Georgia Institute of Technology

Recommended: That the Board authorize Project No. BR-30-1705, Boggs Chemistry Building - First Floor Renovation, Georgia Institute of Technology (“GIT”) with a total project budget of \$4,500,000 to be funded from institution funds.

Understandings: Constructed in 1970, the five-story Boggs Chemistry Building (“Boggs”) encompasses nearly 153,000 square feet. Renovation of its first floor (the “Project”) would convert 16,895 square feet of outdated research labs into new undergraduate instructional space for Biology and Physics. In conjunction with the recently renovated undergraduate chemistry labs on the second floor of Boggs, the Project would create a central location for sophomore, junior and senior science labs and improve the quality of space dedicated to upper level undergraduate division science instruction.

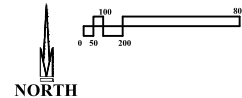
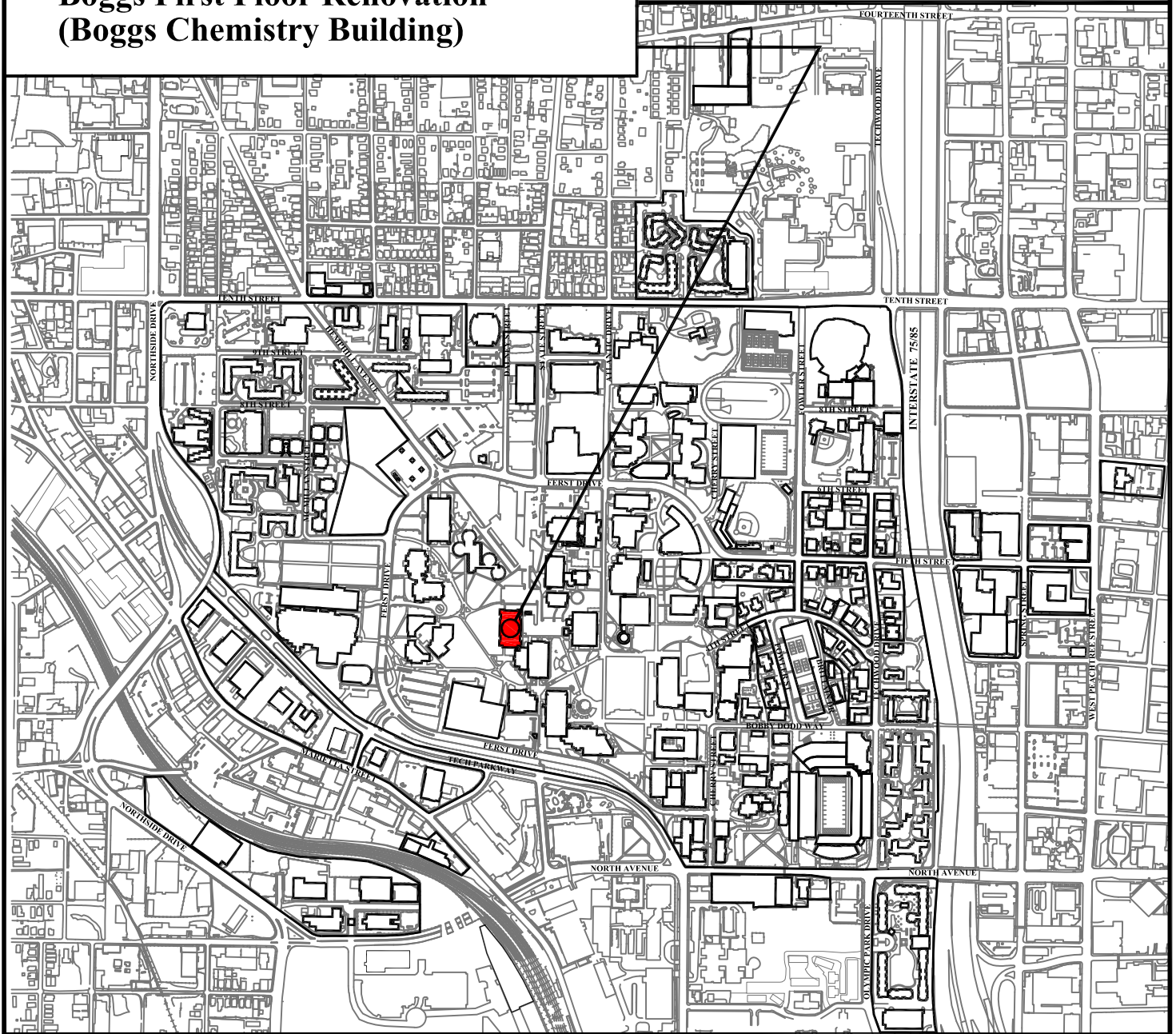
In addition to a proposed reconfiguration of the HVAC and electrical systems, the Project’s scope of work includes upgrades to the fire protection and exhaust systems, asbestos abatement and replacement of laboratory casework. Academic offices and meeting spaces would also receive new finishes.

The estimated construction cost for this project is \$3,187,080.

If authorized by the Board, the University System Office staff and GIT will proceed with design and construction of the project in accordance with Board of Regents procedures.

Boggs First Floor Renovation (Boggs Chemistry Building)

Georgia Institute of Technology Campus Map
January 2017



4. Disposition of Real Property, Wilkins Farm, Highway 78, Oglethorpe and Wilkes Counties, University of Georgia

Recommended: That the Board declare approximately 865 acres of real property (the “Property”) located along Highway 78 in Oglethorpe and Wilkes Counties to be no longer advantageously useful to the University of Georgia (“UGA”) or other units of the University System of Georgia, but only to the extent and for the purpose of allowing the sale of this real property to Wilkes Barnett (or an affiliated special purpose entity created for the purpose of this acquisition.)

Recommended further: That the Board authorize the sale of the above referenced real property to Wilkes Barnett (or an affiliated special purpose entity created for the purpose of this acquisition) for \$2,185,000.

Understandings: The University of Georgia College of Agricultural and Environmental Sciences (“CAES”) no longer uses the Property, having relocated its functions to other farms more conveniently located to UGA’s main campus. This disposition is part of the CAES comprehensive plan to consolidate the College’s Athens area facilities.

In February 2015, UGA attempted to sell the property through a bid process publicly advertised through the Georgia Procurement Registry. To further encourage bids on the Property, UGA also contacted approximately thirty potential buyers to inform them of the sale opportunity. Unfortunately, the submitted bids were significantly below the average of the three appraisals of the Property, which resulted in their formal rejection in April 2015.

After proactively contacting interested parties and responding to inquiries, UGA re-listed the property for sale by public bid in March 2016. No bids were submitted in response, but several prospective purchasers contacted UGA in the following months, leading to a third invitation to bid to those individuals in May 2016. The highest bid of \$2,185,000, with 3% brokerage commission payable by purchaser, was submitted by Wilkes Barnett.

Three independent appraisals of the real property are as follows:

<u>Appraiser</u>	<u>Appraised Value</u>	<u>Average</u>
David B. Griffin, MAI, Gainesville	\$2,300,000	
James L. Lee, MAI, Alpharetta	\$2,300,000	\$2,336,667
J. William Parker, MAI, Athens	\$2,410,000	

Although slightly lower than the average appraised value, the current purchase offer is considered to reflect market conditions for inactive farms given UGA’s previous attempts to sell the Property.



Disposition of Property - Wilkins Farm

January 2017

